

MLS & Associations

Compass CEO Robert Reffkin: Zillow will be the national MLS

Reffkin continued his campaign against the Clear Cooperation Policy at the National Association of Realtor's annual NAR NXT conference during a 'Future of the MLS' session Friday.

by [Andrea V. Brambila](#), Inman News November 11, 2024

Compass CEO Robert Reffkin is on a mission to get the National Association of Realtors to repeal the Clear Cooperation Policy and on Friday he evoked a familiar industry bogeyman in that effort: Zillow.

In a session called “The Future of the MLS” at NAR’s annual conference, NAR NXT, no one mentioned the pocket listing rule directly, but the now-months-long debate over whether it should be changed hung over the entire hour-long conversation.

Topics covered by the panelists ranged from artificial intelligence to industry rules to the MLS’s identity.

“I think if you were going to build an MLS today ... I think it would be national,” Reffkin said.

“There wouldn’t be 548. At some point, there will be a national MLS.”

“My view is that Zillow is going to be the MLS,” Reffkin added later. “It’s just a matter of time.”

This comment prompted chatter in the packed room.

Reffkin followed up by congratulating Zillow on its [latest earnings report](#), noting the company was now worth \$17 billion, exponentially more than brokerage giant Anywhere.

“That’s what’s happened to our industry under this watch,” Reffkin said.

In the future, it will be Zillow who wins, according to Reffkin.

He complimented Zillow’s “brilliant” strategy and placed the company’s success at the feet of organized real estate.

“They were able to, through your rules, become a broker in every state without having office space, without having agents,” he said.

“They were able to get access to all the listings and then charge referral fees on all the listings. It’s a great business model and those are rules that you’ve created, so they’re the winner.”

Fellow panelist Errol Samuelson, Zillow’s chief industry development officer, did not respond to Reffkin’s comments about Zillow.

Fear of Zillow and that the publicly-traded tech giant will someday take over the industry has been pervasive among many real estate agents and brokers since the company’s founding. In alluding to that threat, Reffkin appears to be trying a new tack in his fight against NAR’s Clear Cooperation Policy.

The policy requires listing brokers to submit listings to Realtor-affiliated multiple listing services within one business day of marketing them publicly.

Critics of the CCP, including Reffkin, argue that it limits seller choice and could violate antitrust laws. The rule’s backers, including Zillow, warn that repealing the rule could lead to a more fragmented real estate market where large brokers don’t share listings with other brokers in an effort to keep them in-house and consumers don’t have access to a comprehensive set of listings.

“At its essence, the reason the MLS is so important is it is an unbiased, open, two-sided marketplace where there is equal access to information,” Samuelson said at the beginning of the session, before Reffkin’s remarks about Zillow.

“It is a fair level playing field. Everybody has the same opportunity to see the same data. I think MLS is one of the things that makes the United States real estate market so vibrant, so efficient, so strong.

“If it didn’t exist, we would feel obliged to invent it.”

Throughout the session, Reffkin criticized NAR’s role as a maker of national rules.

“I believe rules should be created by the government and elected officials,” Reffkin said.

“As trade groups we should advocate for rules. I believe data should always be accurate and real, but in terms of rules, I wouldn’t create national rules ever forcing anyone to do anything [who’s] a buyer or a seller.”

He pointed to rules that prohibit listing agents from telling consumers to contact them in listing descriptions.

“I’m an agent, and I want people to know that it’s my listing. My homeowner wants people to know that is my listing,” he said.

“I think we’re not treating the homeowners as clients,” he added.

“We only exist as MLSs because we have listings. If you didn’t have listings, you can’t exist, and there’s not competition for the homeowner. I think the competition for homeowners will ultimately give them better experience and more options.”

Art Carter, CEO of California Regional MLS, said there were 24,000 brokerages in his market and there was “plenty of competition giving people different options for their services.”

But he agreed with Reffkin regarding listing attribution and said MLSs “should be defending the listing agent on the listing” and that CRMLS was doing that.

“You deserve those props in front of the consumer,” Carter said.

Reffkin went on to say that he thought the industry often talked about buyers but did not talk about sellers enough and predicted that, in the future, there would be more of a balance. As an example, he referenced two common market stats: days on market and price drop history.

“I believe days on the market is the killer of value,” Reffkin said.

“I believe price drop history is the killer of value. No homeowner wants that.

“If buyers deserve to know days of marketing, sellers should deserve to know how long a buyer has been searching on MLS, or how many times they put in an offer that got rejected,” he added.

Moderator Brian Donnellan, CEO of Bright MLS, asked what the value of the agent is in that scenario.

“I think the more flexibility that there is for the market, the more the best agents with the most experience, will rise,” Reffkin said.

Samuelson disagreed. “The best agents win because of their expertise, their experience, their skill, not because of information asymmetry,” he said.

“I think the information should be equally available, and then the agents should compete on their skills,” he added. The crowd applauded.

Carter agreed. “Days on market is a fact of the marketing of the property,” he said.

“At what level do you hide information from a buyer? What’s the bright line on that?”

“The fact that there’s a flood on the property disadvantages the seller as well. I don’t think they want to hide that piece of information. Litigation is increasing and increasing, and the fact that, potentially, we’ve been talking about hiding information from a buyer, it concerns me.”

Reffkin responded that there was a difference between something that impacts the home being bought and a statistic like days on market.

“Days on market is a negotiating point,” Reffkin said.

Reffkin pointed to Australia, where sellers don’t have any negative statistics posted next to their listings on the most popular listing site and listing agent attribution is prominent.

But Samuelson noted that in Australia, more than 75 percent of buyers do not have their own independent agent representation.

“I think that that is a dangerous and subpar experience,” he said, prompting applause from attendees.

He also noted that in Australia, agents don’t buy listing ads — homesellers do.

“If we were in Australia, they’d be paying me \$2,500 to get an ad on our website,” Samuelson said.

“So, if you do an apples for apples, Australia versus the United States, it is cheaper to transact in the United States than Australia because we have a very efficient marketplace.”

Samuelson noted that the United States and Canada are the only two countries in the world where selling real estate through the MLS is the norm.

“We need to protect this beautiful thing we have,” he said. “We’re very, very lucky that we have that system. We ought to be protecting it with both arms around it.” The audience clapped.

In response, Reffkin said, “I do believe in a strong MLS. Cleaning the data in New York City where the MLS data is not strong ... it costs us more money than every other MLS combined.

“I think mandatory submission is a good thing. I think MLSs being the source of truth is a good thing. I think there’s a difference between mandatory submissions and mandatory marketing.”

Regarding policy, Carter noted that there is no consensus among brokers.

“My top three brokers all have three different opinions on policy,” Carter said. “So which one do I follow? Talking about the brokerage community and what they want, it’s non-existent because they all want very different things.”

Samuelson suggested that brokers be given a choice about which MLS to belong to by requiring every MLS in a state to have a data share with every other MLS in that state.

“You wouldn’t be choosing an MLS simply because they had some sort of exclusive access to certain listings,” Samuelson said. “You would be choosing an MLS based on the cost, the services that were provided, customer service levels. I think it will create a more robust marketplace.”

The industry needs to “double down” on broker cooperation, according to Carter.

“We’re no longer just a listings database,” he said of MLSs. “As we move along, as we grow and things coalesce, you’re going to see more of that and more dependence on the brokerage community to cooperate with each other in order to provide some of those data points that they need for consumers.”

The MLS’s value to the consumer in the future is a “transparent marketplace,” Carter added.

“They don’t want to go to 15 different websites to look at what available listings are,” he said.

Kymber Lovett-Menkiti, president of Keller Williams Capital Properties, highlighted a central tension during the session: “Ultimately, if it’s competitive at the brokerage level, but a disservice to the consumer, is that really in our best interest?”