



Virtual Brokerage Now

Brokers, agents, and MLSs developing online strategies
in the aftermath of NAR's Virtual Office Website Policy

Virtual Brokerage Now answers the following questions:

- What are VOWs? How are they different from, and how do they integrate with, IDX?
- What are the requirements to operate a VOW?
- What strategies for implementing and operating VOWs exist and are likely to arise?

Most brokers (and even many MLS volunteer leaders and staff) have never seen a VOW. They do not know what characterizes this form of online brokerage. They do not know why they might want VOWs and why their competitors will. They do not know how other brokers will be able to use their listings in VOWs. In short, they live in an environment of uncertainty.

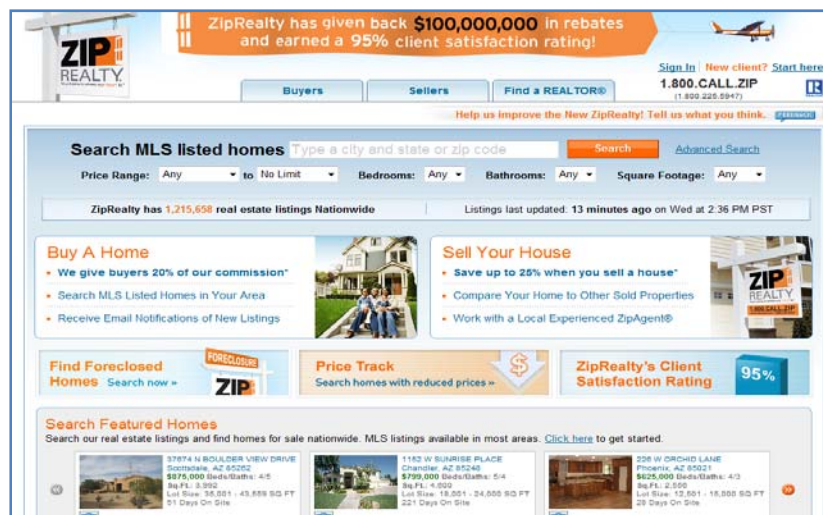


Figure 1: Home page of a popular VOW (L/SBA is not affiliated with ZipRealty)

The deadline from the National Association of REALTORS[®] to adopt its Virtual Office Website (VOW) Policy has passed. Now MLSs initiate efforts to help the membership in general understand what the new policy and rules mean to them and to police the virtual brokerage activities of participants and subscribers. Our law firm, Larson/Sobotka PLLC, attorneys at law, is already assisting association and MLS clients around the country in interpreting, applying, and enforcing VOW rules and policies. The firm's consulting subsidiary, Larson/Sobotka Business Advisors, LLC (L/SBA), has developed the **Virtual Brokerage Now** program to help explain the strategic context for VOWs to rank-and-file brokers and agents, as well as to the leaders of real estate associations and MLSs.

Your MLS can enhance the value it adds to brokers' business by providing them the background of strategic information they need – the **Virtual Brokerage Now** program.

Below is a more detailed outline of the program. We are uniquely qualified to deliver this material in a way that your brokers, agents, and board members will be able to put to use:

- Our law firm and consulting firm have provided legal counsel and consulting services to more than 90 associations and MLSs in North America and to a handful of the largest brokerage firms. No law firm has broader experience in the REALTOR® association and MLS industry than ours.
- Nearly a decade ago, L/SBA president Brian Larson was the “poster child” for IDX, crisscrossing the country to explain the new policy to brokers and MLSs and drafting NAR’s implementation guide for that policy. No one better understands broker concerns about online displays of listings and MLS concerns about how to manage and enforce the rules.
- Larson is acclaimed for being able to manage interactive presentations with large groups, simplifying complex content using a “scaffolding” approach, replacing irrational fear with information and strategic perspective and prompting broker discussions usually extending weeks after presentations conclude.

Larson presents complex material about virtual brokerage using a “scaffolding” approach:

- He introduces virtual brokerage using concepts that brokers and agents already understand from IDX and their bricks and mortar practices. He uses verbal descriptions and visual examples to engage the audience members, regardless of their preferred ‘learning method.’
- He engages the audience’s critical thinking skills by asking them questions and frequently seeking their input in the program. Audience questions shape the program and help confirm that the audience is understanding the material presented.
- As the audience builds on its own understanding, Larson introduces more complex concepts and strategic issues.
- The program concludes with a lively question and answer session, where the brokers and agents direct the discussion based on their concerns and newly-acquired understanding.
- Brokers and agents leave prepared to do their own strategic thinking about how virtual brokerage fits into the mix for them.

Program outline

Virtual Brokerage Now covers the following material in a two-hour program:

- I. What is a VOW?
 - a. Basic definition
 - b. Examples
 - c. Distinction between VOW and IDX
- II. Technical/legal requirements to operate a VOW
 - a. VOW policy/MLS rule requirements
 - b. State law requirements
 - c. Technology requirements
- III. How VOWs integrate with IDX
 - a. Consumer to customer/client transition
 - b. "Drill-down" or "roll-up" sites
- IV. Who will build VOWs and why

- a. "New model" brokers
- b. Traditional brokers
- c. Salespeople
- d. "Affiliated VOW Partners"

V. Question and Answer

We customize sections of the agenda, particularly Sections II.a. and II.b., based on your state law and local MLS rules. These changes also have an impact on other sections of the program because they can alter strategic consequences of broker conduct. We also 'focus' the outline depending on whether we will present to association/MLS leaders only, participants/principal brokers only, or a mix of brokers and salesperson licensees.

Often associations/MLSs ask for our programs to be conducted twice on the same day, once for the association/MLS board of directors, relevant committees, and other leaders; a second time for brokers in general. This permits the association/MLS leaders to attend the general broker meeting with their own understanding strongly reinforced. In other cases, the general broker meeting is first, and the second presentation with the association/MLS leaders permits them to discuss more complex strategic issues after hearing member responses to the issues.

Fixed bid investment

The base cost for the **Virtual Brokerage Now** program is a flat fee plus travel expenses. We will deliver the program a second time on the same day or in the morning of an immediately consecutive day, provided it does not result in another travel day for Larson, for a small additional fee. Contact us for pricing. The fee and all expenses will be due and payable upon invoice; we will invoice you after the program is completed.

The association/MLS is responsible for reasonable travel expenses related to this engagement. Reasonable travel expenses include coach air fare (non-stop flights, where available), mid-size rental car or taxi, hotel, and up to \$100 per day for meals and incidentals. We will provide receipts for all such expenses, except cash expenditures under \$25. The association/MLS is responsible for all direct expenses, including photocopies and meeting facilities such as room rental or audio-visual equipment.

Recording programs

Generally, we do not permit these sessions to be recorded. Brokers often ask questions during programs on these topics that have unexpected implications; recording their questions and comments can raise risks for them and for the sponsoring organization. We can manage these risks, but the result is a higher-cost, customized program and less open discussion by the audience.

Questions/Custom Programs

Please contact Brian Larson with questions (BLarson@LarsonSobotka.com) (612) 424.8661). Please do not hesitate to contact us regarding custom programs, which we can prepare to fit into your other efforts.