

# NAR's 'Clear Cooperation' Policy Is a First Step at Eliminating Pocket Listings

A "pocket listing" is a property which the listing agent does not put on the MLS, hoping to sell it himself or get it sold by other agents in his office. It's not typically in the best interest of the seller, since the property is withheld from the full universe of potential buyers.

The organizing principle of the Multi-List System, or MLS, is "cooperation and compensation." Every real estate agent working in the public arena needs to belong to the local MLS, because it's only through the MLS that the agent can show and sell that MLS's listings and be guaranteed the "co-op" commission displayed on the MLS.

A listing agent, naturally, would prefer not to give a big slice of the listing commission to the "cooperating" broker who brings the buyer. He or she would much rather sell the listing, keeping the entire commission for him or herself. Meanwhile, other agents (and their buyers) are upset when they don't have the opportunity to show a new listing and submit an offer, especially when there are so few listings on the market, as is currently the case.

The National Association of Realtors (NAR) took up the issue of



By JIM SMITH, Realtor®

adopted a policy called Clear Cooperation. Essentially the policy says that if an MLS member advertises or promotes a listing in any way — including putting a "coming soon" sign in the yard or mentioning it on social media — that listing must be entered on the MLS within 24 hours. It can be listed as "coming soon" on the MLS, during which time it can't be shown, including by the listing agent. Once it is shown, it must immediately be changed to "active," allowing all MLS members to show and sell it.

Unfortunately for sellers, who are the big losers with pocket listings, this policy will never be completely effective. That is evident from the fact that over 7% of listings, by my count, are entered on the MLS only after they are sold. Unless a home remains active on the MLS for 3 or 4 days, it's unlikely that all potential buyers will have had a chance to compete for it.

You may recall the featured listing in last week's column. It was listed at \$375,000, a price consistent with comparable sales, and we received a full-price offer on the first day. Our policy, however, is to get

our sellers to wait four days before going under contract. We had 30 showings and received six offers by day four. By being transparent about the offers received, we were able to bid up the property by more than \$55,000 by day four. We did get an offer \$35,000 over listing price on day two, but we waited. Our seller benefited from waiting 2 more days.

Sadly, most listing agents haven't adopted this practice. They sell their listings too quickly, potentially costing their sellers thousands but also frustrating would-be buyers who might pay more.

I have calculated that in addition to the 7% of listings being sold with zero days on the MLS, 15% are sold after only 1 or 2 days on the MLS.

One technique for minimizing showings by other agents has been to make a listing "active" but block

showings with the showing service. Because the listing is "active," the listing agent can show the property him or herself without *technically* violating the clear cooperation policy.

Another technique is the "office exclusive" option. A listing can be marketed within a brokerage without putting it on the MLS. But once any kind of *public* marketing takes place, the listing must immediately be put on the MLS as either "coming soon" or "active."

## Price Reduced on 1-BR Downtown Golden Condo

Our other condo listing at **640 11th Street #203** has been reduced to **\$535,000** — a great deal for the right buyer! Details at [www.GoldenCondo.info](http://www.GoldenCondo.info)

## Wide Acres Ranch Just Listed by Ty Scoble



\$689,000

You're going to love this home at **1220 Meadowsweet Road**. It sits on a 13,957-sq.-ft. lot, so bring your toys. Plenty of parking in the long driveway and the 3-car garage. Inside you will find two bedrooms and an office with hardwood floors. Near the updated kitchen is a large living room area with a stone fireplace and windows overlooking the backyard. Next is the master bedroom which includes its own full bath. The rear of the home includes a large mudroom with a half bath. Last but not least is the spacious shop which is open to the super-clean and heated garage and comes with many tools and 240Volt power. This location is less than 5 minutes to I-70 and 6th Avenue. Take a narrated video tour at [www.WideAcresHome.net](http://www.WideAcresHome.net), then call your agent or **Ty Scoble** at **720-281-6783** to set a showing.

## Candelas Home Just Listed by David Dlugasch

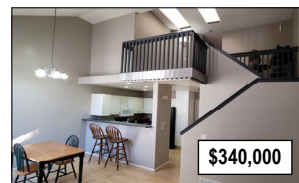


\$675,000

This 4-bedroom, 3-bath home at **17830 W. 94th Drive** backs to open space. The kitchen has stainless steel appliances, a gas range, granite countertops with beautiful backsplash, and lots of light. The dining area opens through sliding glass doors to a covered deck, perfect for fair weather entertaining. The family room has large windows, recessed lighting and engineered hardwood flooring. Also on the main floor is an office/den with new carpeting and a half bath. The upper level has the master suite with 5-piece master bath and walk-in closet. Two other bedrooms are carpeted, and the third has hardwood laminate flooring. See more pictures and details at [www.CandelasHome.info](http://www.CandelasHome.info), then call your agent or David Dlugasch at **303-908-4835** to arrange a private showing.

## Just Listed: Westminster Townhome w/ 2-Car Garage

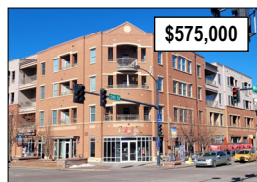
This townhome-style condo at **8762 Allison Dr. #E** has it all. Downtown Westminster is minutes away to the east and Standley Lake is equally close to the west. It has 2 bedrooms, 2½ baths and an oversized 2-car garage. The entire unit was recently painted and includes a new furnace and water heater. The skylights provide lots of natural light in the loft area. Just add your desk and work from home! The large master has a full en suite bathroom with double sinks. Enjoy the lovely outdoor pool during the summer. See more pictures and take a narrated video tour at [www.WestminsterHome.info](http://www.WestminsterHome.info), then call your agent or Ty Scoble at **720-281-6783** to set a private showing.



\$340,000

## Just Listed: 1-BR Condo in Downtown Golden

Gateway Station is the fabulous 2007 condo building at **1275 Washington Ave.** in the heart of downtown Golden. **Unit R408**, at 1,084 square feet, is one of the smaller and more affordable units in this highly coveted building. From its open balcony, enjoy a view of North Table Mountain. Outside, enjoy the countless shops and restaurants along Washington Avenue and on the side streets. (Learn about them all at [www.VisitGolden.com](http://www.VisitGolden.com).) Although this is a 1-bedroom unit, a Murphy bed in the living room and second bathroom can accommodate your short-term guests. Take a video tour at [www.GoldenCondo.info](http://www.GoldenCondo.info), then call your agent or Jim Smith at **303-525-1851** to set a private showing.



\$575,000



Every article in this ad is also posted at [GoldenREblog.com](http://GoldenREblog.com)

## Jim Smith

Broker/Owner, 303-525-1851  
[Jim@GoldenRealEstate.com](mailto:Jim@GoldenRealEstate.com)  
17695 S. Golden Rd., Golden 80401

### Broker Associates:

**JIM SWANSON**, 303-929-2727  
**CHUCK BROWN**, 303-885-7855  
**DAVID DLUGASCH**, 303-908-4835  
**TY SCRABLE**, 720-281-6783  
**ANDREA COX**, 720-446-8674

