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**I would like to advance the following argument to the Competition Bureau on behalf of our industry (I am also a Realtor).**

### **How Realtors Help**

The role of the MLS system goes well beyond the public perception of a vehicle for listing real estate: MLS information is used by appraisers, mortgagees, developers, financial analysts and any number of other professionals servicing the real estate industry. The accuracy of the information is critical to the ability of these professionals to accurately perform their respective functions.

Organized trading on MLS is a monopoly in the same way that any securities exchange is a monopoly: The public can only trade through a member firm. The exchange (MLS) imposes rules and controls on members so as to safeguard the integrity of the system and information in it. Members' continued ability to earn revenue from trading is dependent on adherence to the rules.

Unlike securities however real estate has no uniformity: No two properties being traded are exactly alike. Because of this the MLS system has to record not only the details of transactions but the specifics of exactly what is being or has been sold. The integrity of this information has a high maintenance cost both in terms of the data itself and the system of trading rules and policies. There is also the cost of educating members, dispute resolution and enforcement and disciplinary procedures to maintain compliance.

Allowing consumers to directly input information is inherently problematic: Decisions surrounding the sale of real estate involve large amounts of money and can also involve emotional and personal financial issues outside of the sale itself. To an individual seller, the lure of adding a few square feet here and there or mistakenly adding a bedroom for a den can be compelling, particularly if motivated by external factors. Without the control that TREB has over its members, there is little deterrent to offset these forces.

If the information is inaccurate, all of the appraisal, underwriting and other functions dependent on that information are less effective. Compromising the integrity of MLS information could serve to destabilize markets and increase rates to consumers for financing and other services.

### **Back to the Future**

There is an irony here: Before the public had access to MLS they needed a Realtor to assist them in getting the information. Now the public has access they want to eliminate industry control. Without industry control however there are far less safeguards against misinformation. The only accurate information would then come from people working daily in the market: Realtors.

In fact, if the MLS turns into the "wild west", there could never have been a better reason to employ a Realtor.