

Short Sales

Request for Feedback

The MLS committee has received multiple requests from members who are frustrated with short sales and the problems that these situations create among the public and agents. The committee continues to monitor the changing situation and is open to making improvements to our MLS system to help all of us best resolve these challenging sales while balancing the needs of our members and clients.

To date, the committee has created a required field (Short Sale yes or no) which has gone a long way toward alerting buyer agents to the potential issues associated with these listings and encouraged communication between listing and selling agents throughout the showing process. It has also helped the agent and public target or avoid these properties on MLS and IDX depending on their goals.

The committee has also used existing MLS policy to guide listing agents to use the proper status (active, UC/SH, UC) for these situations as they progress.

While we recognize that changes to policy have broad implications for all of our members, we are actively seeking ways to improve the situation. Many of our mls users and members of the MLS committee have successfully negotiated these transactions and have also been frustrated by the transactions that are unsellable for various reasons—lack of bank response, unwillingness of the bank to move forward, etc.

The MLS committee is currently considering a variety of options to improve the situation and is open to other ideas. Several approaches have been suggested. Rest assured that action will not be taken without member input, approval from the MLS committee and approval from the Board of Directors.

Suggestion 1: Block the advertising of listings that are in an Under Contract Continue to Show (UC/SH) status from Realtor.com and member IDX sites.

Suggestion 2: Require short sales to be listed as UC, not UC/SH and reserve the UC/SH for listings in which a traditional contingent contract with a 72 hour kick-out clause is in place.

Suggestion 3: Create a special status Under Contract Short Sale (UC/SS) for short sales that are pending third party approval. Listings in this status would be blocked from being distributed to Realtor.com and IDX sites.

Suggestion 4: Creation of additional forms and member education for these situations.

All of the suggestions have merit and have positive and negative consequences for our members, our buyer, seller, and short sale clients, and the public.

Other good ideas are welcome. We need your help to create the best policy that will balance the needs of all parties without creating or perpetuating unintended negative consequences for all of us in the coming years. As always, please email your suggestions to the MLS Director (daniels@outerbanksrealtors.com) for the committee's consideration and feel free to come to speak directly to the committee at the regularly scheduled meetings.