



MLS to Bring Greater Transparency to Central/Eastern Europe



CEREAN Past-President Dan Negulescu (right) with an MLS training participant

The Central European Real Estate Association Network (CEREAN), was formed in 1994 with the assistance of IRPF as a way to help newly formed professional trade associations in former communist countries achieve viability. CEREAN is the gateway for reliable information and networking for professionals seeking to engage in real estate in Central and Eastern Europe. Since its formation, IRPF has helped advised and guided CEREAN in delivering value-added services to members, most recently through providing international real estate courses throughout the region and instructor training in Romania to develop a cadre of local instructors.

In order to add greater transparency and accountability to real estate markets in the region, as well as benefit to members, CEREAN has requested IRPF's assistance in launching a Multiple Listing Service system locally. In response, IRPF has developed a proposal to bring an MLS to Central and Eastern Europe through the auspices of CEREAN which will promote readily available, reliable, and timely property data and the exclusive listing model throughout the region, thus supporting the local markets, broker clients and their customers, and long-term international economic development.

Data aggregation systems help brokers aggregate and share information on properties they have listed on the Internet. The value of the MLS has expanded greatly with the emergence of the Internet as a property-search tool. Consumers increasingly bypass the traditional models of MLSs and brokers to begin their

personal research. Realtors have responded by improving their web sites and technology and are embracing the consumers' participation in the process. Without the collaborative incentive of the existing MLSs, brokers would create their own separate systems of cooperation, fragmenting rather than consolidating property information. This fragmentation is commonplace in developing markets, therefore hindering the advancement of real estate markets and marginalizing the profession of real estate broker. IRPF has been active in assisting markets around the world in developing systems for aggregating real property information and certainly in emulating the MLS model.

Furthermore, participation in a data aggregation system – or MLS – requires an adherence to a code of ethics and procedures. These maintain order and support the professional real estate broker by ensuring loyalty and fiduciary (legal) duty to consumers, cooperation with competitors, truthfulness in statements and advertising, and non-interference in exclusive relationships that other realtors have with their clients.

This project will result in greater opportunities for realtors from both USA and Eastern Europe to increase revenue, either domestically or by international cooperation. The project will also promote more ethical and efficient practices and provide a better image and promotion for real estate agents and the associations to which they belong.

CEREAN has tested the approach in Constanta, Romania, successfully populating an MLS with sale leads on properties to get a critical mass of listings and interest required, and the network plans to expand the program throughout Romania and eventually to other CEREAN countries in the near future.

IRPF has applied for funding for such a program from key organizations in the real estate arena and other private foundations. IRPF is hopeful that such a project will find support in order to address this need and increase professionalism and access to reliable and accurate data throughout Central/Eastern Europe.

“CEREAN, BEING THE BRIDGE BETWEEN EAST AND WEST ASSUMED THE ROLE OF IMPLEMENTING THE PROVEN TOOLS, TECHNOLOGIES AND PRACTICES IN THE YOUNGER REAL ESTATE MARKETS. CEREAN MLS IS AN AMBITIOUS PROJECT WHICH IS JOINING CEREAN'S INITIATIVES IN THE EDUCATION AND NETWORKING FIELD. I AM CONFIDENT THAT THE CEREAN MLS PROJECT WILL BENEFIT REALTORS, RESULT IN STRENGTHENED LOCAL MARKET TRANSPARENCY, AND SUPPORT EFFECTIVE BUSINESS SYSTEMS FOR THE MARKETING AND VALUATION OF PROPERTIES.”

-DAN NEGULESCU,
CEREAN PAST PRESIDENT



Sorin Udrea of Romania trains participants on FlexMLS, a local MLS platform

