

Questions and answers that did not get addressed during the July 17 Town Hall Meeting due to time.

Q. When, if ever, will the MLS we all support stop supporting the company that continues to undermine us agents? Obviously, I'm referring to Zillow. Thanks.

A. It is the uncompromising policy of the Association to strictly comply in all respects with the antitrust laws. The Association is not organized for, and may not play any role in, the competitive decisions of its members. Canopy MLS does not have a contractual relationship with Zillow. The decision to syndicate listings to the Zillow Group rests entirely with each firm that participates in Canopy MLS, and we would never stand in the way of allowing a firm to display its listings anywhere it chooses.

Q. It seems there have been some concerns around homes being unfairly shown during the "Coming Soon" listing period. Has this been recognized and are there any considerations on how "Coming Soon" listings will be used in the future?

A. When a property goes under contract quickly after entry in the MLS, it can be an indication of a potential violation of the one-business day listing submission grace period — but not always. That's why Canopy MLS staff request listing documentation to verify compliance with the rules.

Any showing of a property in Coming Soon-No Show (CSNS) status disqualifies the property from that status, and the listing agent is cited for a Category IV violation of the Canopy MLS Rules and Regulations (first violation = \$1,000, second violation = \$3,000, third violation = expulsion from Canopy MLS). The listing agent must change the listing to Active status if a showing will occur before the Marketing Date.

Keep in mind that a seller can accept an offer from a prospective buyer even if the property is not available for showing. If that happens, the listing brokerage must change the listing status within two business days. However, accepting an offer while the listing is in CSNS status could circumvent other potential offers from prospective buyers waiting for the listing to become active and for the property to be available for showing.

Q. How can we find a proper property for our clients, with all the ibuyers and listings that come to MLS that go under contract right away?

A. Staying educated and trained is key. Are you effectively using all the technology tools, apps, and training, included in your member benefits? Also read stories from NC REALTORS®, the National Association of REALTORS®, and Inman News. They publish many tips for buyers in a tight housing market.

The Clear Cooperation Policy should help, too. Under a Firm Exclusive agreement, direct, one-to-one promotion between the licensees affiliated with the listing brokerage and their clients with whom the firm has an agency or legally-recognized non-agency relationship is allowed. However, promotion of the listing to any potential buyer who is not a client of the listing brokerage (regardless of business model) triggers the Clear Cooperation Policy, and the listing must be submitted to the MLS within one business day.

If you have a concern about a missed opportunity because a property went under contract quickly after entry in the MLS, you can report the issue to compliance@carolinahome.com, and we can request listing documentation to verify compliance with the MLS rules.

Q. I applied for unemployment at the beginning of COVID and am still pending in their system. Do you know what we can do to get N.C. to better understand our self-employment status and qualification for unemployment?

A. After consulting with NC REALTORS®, there may be some issue with an individual's application. Their government affairs team worked extensively with the North Carolina Department of Commerce to ensure they understood real estate agent business models prior to their launch of the benefits application for independent contractors. Consult the [Pandemic Unemployment FAQ](#).

Anyone having problems with their application can contact The North Carolina Department of Commerce at info@nccommerce.com or by phone at 919-814-4600. They can also contact NC REALTORS® General Counsel Will Martin at Will@martingiffordlaw.com or 336-714-0333.

Q. When will BICUP courses be available online?

A. The BICUP courses will be available in August and September. The first one is scheduled for August 10 with instructor Cindy Chandler, DREI. For more information visit www.canopyrestitute.com.

Q. Are any online classes, specifically Postlicensing classes, being offered as self-paced rather than specific days and times?

A. We are in the process of getting self-paced (asynchronous) courses approved with the North Carolina Real Estate Commission. We hope to have them available by late summer or early fall.

Q. While on the topic of diversity and inclusion, is this encouraged within our real estate firms? The lack of diversity within some real estate firms (some very established) here in N.C. is overwhelming. Is anything being done to challenge our firms to diversify? This in itself may raise the question of how important diversity is to Realtors® and whether inclusion is truly a cornerstone.

A. Real estate firms are independent businesses and the Association has no direct involvement in their hiring practices. For many years Canopy Real Estate Institute has offered a recruiting program for member firms to share information about their companies and meet with potential new brokers while they are taking their prelicensing course. Canopy Real Estate Institute has a diverse student body and firms of all sizes are welcome to participate in the recruiting program.

Over the past 12 years the Association's Diversity Council has been a catalyst for many new Association initiatives and programs. The Diversity Council works with other Association departments, such as government affairs, education and Canopy Housing Foundation, to develop a wide array of programs and activities for all members. We partner with many diverse organizations to raise awareness on the importance of diversity and inclusion.

Q. How many contracts fail to close?

A. Canopy MLS is unable to provide a clear answer on the number of pending contracts that failed to close because historical information about temporary statuses (like Active and Under Contract) is always changing and difficult to track. Once a listing has had one or more status changes, all under contract information is removed from the listing. It only exists in the history table for the listing, and Matrix currently does not have a mechanism to show all historical listings that have been “under contract, but are not currently closed or under contract.”

Q. How is it calculated that sales are better this time of year rather than last year if less is being sold? Curious to know so I can understand how to calculate when doing my own research.

A. Typically, when the market is challenged, we look to certain indices to gain insight as to whether the market is improving or becoming more challenged. In this case, COVID-19 and the resulting stay-at-home orders effectively impacted pending contracts, new listings, and, ultimately, closed sales. New listings tell us about seller confidence, as that activity shows us whether sellers are bringing enough listings to the market to improve inventory. Pending contracts are defined as a count on the properties on which contracts have been accepted in a given month. That makes pending contracts or pending sales a leading indicator as to whether the market will continue to produce closed sales at a point in the future. The National Association of REALTORS® produces a [Pending Home Sales Index](#) to predict or forecast the number of sales that should typically close within two months. Pending sales or contracts are a good gauge of buyer demand and interest within the market or future sales. Without buyers and pending sales, there are no closed sales.

When we look at the fact that the stay-at-home orders essentially caused buyers to have to pull back from the market for safety reasons, all the pending contracts that built up throughout January 2020 and February 2020 effectively “closed” in March 2020 ([Year-over-year closed sales increased 5.5 percent in March 2020 in Charlotte](#) and [were up 14.6 percent in April in the Asheville Region](#)). The stay-at-home order for Mecklenburg County, which went into effect on March 30, 2020, caused pending contract activity to wane drastically. Therefore, once all sales in the pipeline “closed” in March, and with so little pending contract activity in April ([Pending contracts declined year-over-year by 17.6 percent](#)), this ultimately produced a decline in year-over-year sales in both May 2020 and June 2020.

Once the stay-at-home order was lifted and reopening started, there was a lot of pent-up buyer demand, as displayed by the rise in pending contracts in May ([Pending contracts increased year-over-year by 14.8 percent in May](#)) and June. The pent-up demand that we speak of is displayed in the month-over-month increases. For example, [pending contracts were up 46.5 percent in May 2020](#) in the Charlotte region when compared to the number of contracts in April 2020. The same held true for the Asheville region in May 2020, [where pending contract activity rose 18.2 percent over contract activity in May 2019](#) and [rose 50.6 percent compared to contracts in April 2020](#). With contracts in the pipeline, we should see closed sales or closings rise and recover in either July 2020 or August 2020 if reopening continues.

When looking back at pending sales activity since 2004, we are seeing more pending contract activity this year than we’ve ever seen before. The contract activity we are seeing now is stronger than the level

of pending contract activity we saw during the boom years of 2005-2007. This can be verified when looking at pending sales activity monthly for the categories “single-family” and “condo-townhomes” in the Charlotte region in the SAM tool. And this is why John Kindbom mentioned that a better measure of sales activity is found when studying pending contract activity, as closings follow pendings – that is, you need buyers and pending contracts in order to yield closings or closed sales.

Q. Has anyone looked at and compared the types of loans that buyers are using to close (i.e., FHA vs. Conventional vs. VA)? I ask because it seems there are a lot of agents discouraging their buyers from accepting offers from clients with FHA loans. Clients may notice and feel agents are using these tactics as barriers for diverse homeownership since many African Americans use FHA loans.

A. There are no stats reports generated with this information; however, it is possible for an agent to generate their own stats by conducting searches in Matrix.

Training is available on how to conduct searches by contacting brokerrelations@carolinahome.com.