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Another brokerage opens website to all listings

By Amanda Fung

Century 21 NY Metro is the latest Manhattan residential brokerage to launch a website that allows home hunters to see the city's entire residential property listings, even from rival brokerages. The brokerage announced the launch of the site, dubbed Explorer, on Monday.

Earlier this year, Halstead Property became the first major residential brokerage to launch a new site known as virtual office website, or VOW, with roughly 100 of its agents. Last month, Prudential Douglas Elliman unveiled its revamped website, which also gives visitors to its site the ability to see comprehensive listings across the city.

Brokerages are launching VOWs to compete against free sites like Streeteasy.com, which has been listing the city's entire apartment availability from all brokerages since its inception in 2005. Traditionally, brokerage firms posted their own exclusive apartment listings.

When VOWs first emerged, Marc Lewis, Century 21 NY Metro's president and CEO, said he was skeptical of the feature and thought it would threaten his firm's exclusive listings. In addition, he was turned off by the expense of creating such a site.

"I am still skeptical, but now I think it makes sense," said Mr. Lewis. "There was a demand for it, my agents wanted it."

VOWs emerged in the New York market after a 2008 settlement between the U.S. Justice Department and the National Association of Realtors that was designed to make it easier for Internet-based brokerages to compete with their traditional rivals. In response, the Real Estate Board of New York put together guidelines for its members to launch and operate VOWs that will ensure consumer protections along with a level playing field. REBNY charges brokerages a fee for launching a VOW, as well as a monthly charge. Those fees are not disclosed.

To save on cost, Mr. Lewis said the firm has built the technology in-house as opposed to using an outside vendor such as On-Line Residential. He declined to share information on the costs. Halstead has said it is charging brokers an undisclosed annual fee to offset the cost of their VOW.

Critics of VOWs say the sites will be ineffective because they require people to register their contact information with a brokerage before they can access the site. This is seen as a major turn-off since sites like Streeteasy.com do not require users to register.

Nevertheless, brokerages are jumping on the VOW bandwagon. “Agents wanted it because they say their clients are going to other websites,” said Mr. Lewis. “If we don’t have it, clients will go to other companies.”