

Resi brokerages decry StreetEasy's latest fee as "blackmail"

"It's seeing who can spend more money to get the outcome they want," said one brokerage exec

By [E.B. Solomont](#) | January 23, 2019 07:08PM



Matt Daimler (Credit: iStock)

Some predicted it. Many dreaded it. And now that it's here, some are calling it a form of extortion.

A day after [StreetEasy introduced a fee that will let agents bypass Premier Agent](#), the city's top residential firms sharply criticized the program — dubbed Agent Spotlight — saying it would pit brokers against each other and was forcing agents to pay for exclusivity on hard-fought listings.

"At its core, StreetEasy is asking that agents pay to avoid having Premier Agent on their listings — a practice that is dubious at best," said Elizabeth Ann Stribling-Kivlan, president of Stribling & Associates. "Agents work very hard to secure, negotiate and sell their listings. It is incredulous that agents are being strong-armed into paying for their own information on their own listings versus the current Premier Agent model."

On Tuesday, Zillow Group announced the new Agent Spotlight program, which will cost agents \$333 per sales listing per month. Agents may participate only if they manually input listing data. To promote manual data entry, StreetEasy also rolled out a new back-end listing platform called "Listing Tools" that it developed in conjunction with Douglas Elliman.

But several top firms insisted they will not adopt Listing Tools. Stribling and Warburg, which suspended their automatic feeds to StreetEasy after the portal introduced Premier Agent, also will not switch to Listing Tools, they said. (They both send listings automatically to the Real Estate Board of New York's residential listing service, or RLS).

But Warburg CEO Frederick Peters was vocal in his outrage that his agents will have to pay to ensure an outside agent doesn't benefit from their listing. "In essence, this new program sells agents the right, for \$333 per month per listing, NOT to have their properties falsely advertised on StreetEasy," he said.

Jed Garfield of townhouse brokerage Leslie J. Garfield shared the sentiment. "It just reeks of blackmail to me," he said. "It's a blatantly horrendous choice they're forcing brokers to choose between."

Halstead — which currently feeds StreetEasy and the RLS — said it would wait for StreetEasy to present the new tools before making any changes.

"No one is happy about it, but none of it is unexpected," Halstead CEO Diane Ramirez said through a spokesperson. "We are evaluating the changes and opportunities and will work closely with our agents and clients to make sure their listings receive the exposure they need," she said.

A spokesperson for the Corcoran Group said the brokerage had no plans to stop its automatic listings feed to StreetEasy.

Emily Heffter, a spokesperson for the Zillow Group, stressed that all StreetEasy listings display the name and photo of the listing agent, along with a link to their contact information. "That's free and clearly labeled and put on every listing," she said. "If you want to be the only agent on your listing, then we're charging for that exclusive advertising opportunity."

She added that Zillow doesn't expect agents to pay for that exclusivity on every listing, rather when it makes sense for strategic purposes. "We created this product as a response to the way agents responded to Premier Agent," she said. "We want them to have the option to be the exclusive agent on their listing [if] that's what they want to do."

Stuart Siegel, CEO of Engels & Völkers' New York City operation, questioned the value proposition behind Agent Spotlight. "I don't see how this helps the consumer and I'm not trying to be provocative," he said.

Stefani Berkin, president of R New York, said Agent Spotlight will inevitably pit agents against each other. "It's seeing who can spend more money to get the outcome they want," said Berkin, whose firm feeds listings automatically to the RLS but not to StreetEasy (although it gives agents the option to do so).

In the hours after StreetEasy disclosed the new program, Berkin and other brokers lamented New York's lack of a centralized multiple listing system.

Douglas Elliman did not respond to multiple requests for comment. But several sources raised questions about its involvement in building “Listing Tools” with StreetEasy.

“A leopard does not change the color of its spots,” said one industry veteran, who recalled that [Elliman and Corcoran banded together in the early aughts to launch an MLS](#) of their own. Backlash from other firms squashed that initiative.

In 2017, just after StreetEasy introduced Premier Agent, the city’s top residential firms [forged a fragile alliance](#) that some hoped would revive efforts to control listings data. Ultimately, Elliman and Corcoran opted to [participate in Premier Broker](#), a corporate version of Premier Agent.

“Either all the top brokerage companies are cooperating, or they’re not,” Berkin said on Wednesday. “But if one is working with StreetEasy, we’ll never take down StreetEasy.”

Tags: [Premier Agent](#), [Residential Real Estate](#), [streeteasy](#)



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