

Why Change?



MLS Hawaii, Inc.? Hawaii Information Service? Why change the name? Why do the fees have to go up? Why all the fuss about a web-based MLS? Why do we have

by Lin McIntosh, President HIS to change?

“You must change in order to survive”—

Pearl Bailey

The past several months have seen several changes in how you use your MLS information services.

WebREsearch™ was introduced at the HAR convention on Kauai in September at the same time we unveiled the new name Hawaii Information Service; then services previously performed by the Boards of REALTORS (billing, training, etc.) were transferred to Hawaii Information Service. A new License & Access Agreement is being circulated which allows the agents to be billed directly for MLS service fees. Why so much change?

Why change the name?

Our new name, Hawaii Information Service, better reflects what we ... provide public information about Hawaii

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Jan '98 vs Jan '99 sales

Kauai sales volume increases; Total \$ Volume down for residences

Sales Volume

| | Jan 98 | Jan 99 | % Chg |
|--------------|-----------|-----------|---------------|
| CND | 15 | 22 | 46.67% |
| RES | 23 | 23 | 43.75% |
| LND | 15 | 15 | 150.00% |
| Total | 60 | 60 | 62.16% |

Kauai Total Sales Volume for January 1999 registered a 62.16% increase over January 1998. A sharp (+150.00%) increase in the number of land sales led increases in both condos (46.67%) and single family residences (43.75%).

\$ Volume

| | Jan 98 | Jan 99 | % Chg |
|--------------|-------------------|-------------------|---------------|
| CND | 2,497,390 | 4,136,700 | 65.64% |
| RES | 11,520,000 | 5,992,890 | -47.98% |
| LND | 1,558,400 | 4,021,400 | 158.05% |
| Total | 15,575,790 | 14,150,990 | -9.15% |

Total Dollar Volume declined 9.15% from January '98 levels with losses in single-family residence dollar volume dragging significant increases for condos and land.

Median Prices

| | Jan 98 | Jan 99 | % Chg |
|-----|---------|---------|---------|
| CND | 139,900 | 179,500 | 28.31% |
| RES | 282,000 | 245,000 | -13.12% |
| LND | 152,000 | 130,000 | -14.47% |

Median Sales Prices for condos were 28.31% higher than January '98 levels while Median land and single-family residence prices declined from levels registered 12 months earlier.

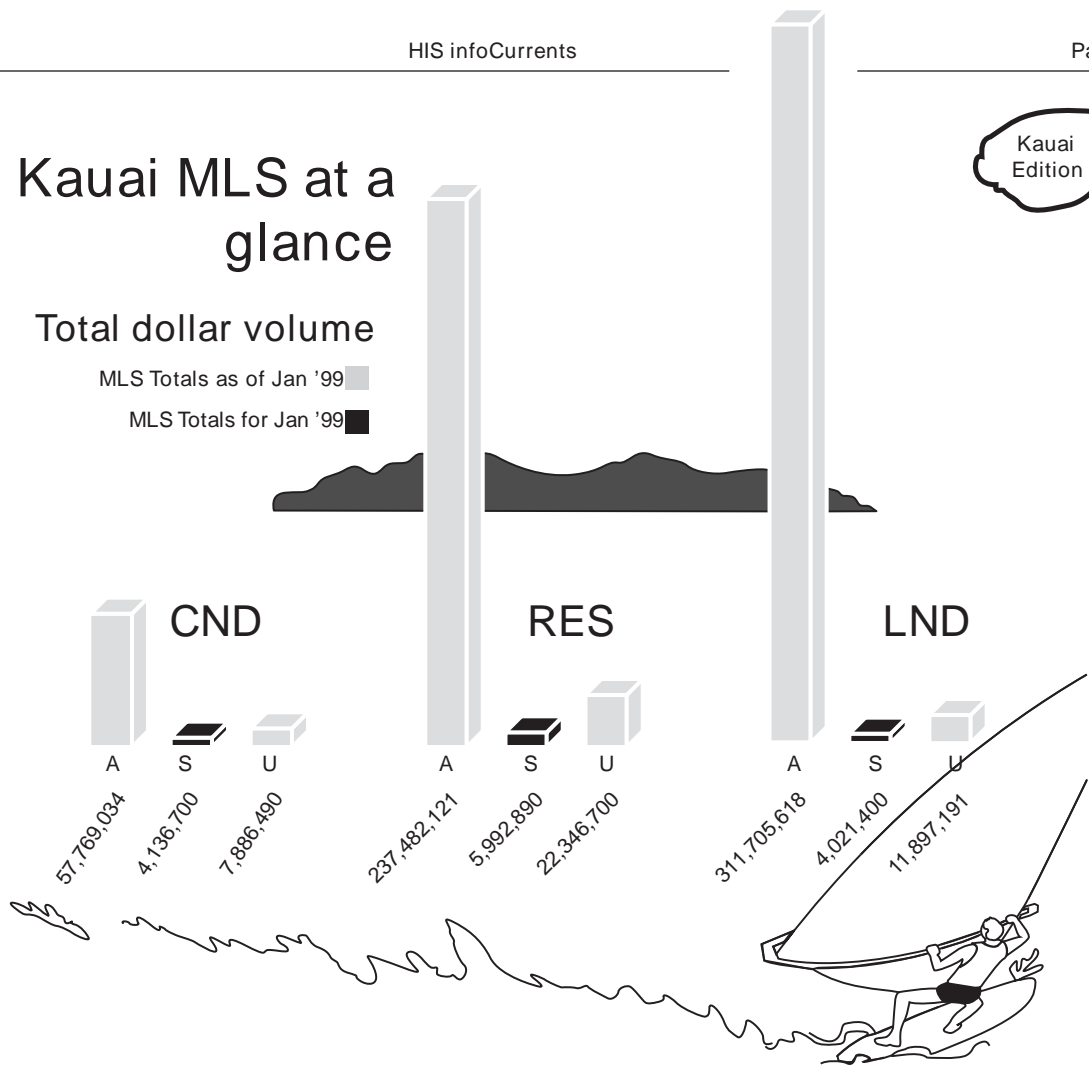
Sales figures are as of the Status Change Date, i.e. the date on which the listing office reported the sale.



Kauai MLS at a glance

Total dollar volume

MLS Totals as of Jan '99
 MLS Totals for Jan '99



Hawaii Information Service changes billing procedures

Effective January 1, 1999 HIS took over the billing function previously performed by the Boards. As a reminder, MLS fees are calculated the same way NAR fees are calculated; i.e., the Principal Broker is billed based upon the total number of agents associated with the office. If the Principal Broker does not pay the fees in full by the due date, service to the Principal Broker, and all associated agents, is interrupted.

In response to requests from the Principal Brokers, the Board of Directors of HIS incorporated agent-direct billing in their latest

revision of the Participation Agreement (Subscriber License & Access Agreement). If the Principal Broker chooses the agent-direct option when signing the Principal Broker Subscriber License & Access Agreement, HIS will bill the agent direct. However, the Principal Broker retains the ultimate responsibility for the total fees billed.

There are three choices for payment of service fees:

- 1) Automatic credit card debit
- 2) Automatic debit from bank account

- 3) Prepayment by personal check for at least three months.

Discounts are offered for prepayment: 5% for one quarter, 7.5% for two quarters, 10% for prepaying one year in advance.

Monthly checks from individual agents will not be accepted. Only checks from Principal Brokers for the entire staff will be accepted on a monthly basis.

Exhibit "C" must be completed by every agent in the office if the Principal Broker chooses to have HIS bill the agents directly.



Playing Net

WebREsearch™ logs on to tomorrow

One of today's overplayed TV commercials asks its audience to decide whether a state-of-the-art computer offers a better consumer choice for the long term than no computer at all. This commercial really asks, "Can anything that meets the needs of today also satisfy the demands of tomorrow?" With respect to a Realtor's bread and butter—the MLS system, the answer had better be, "Yes."

WebREsearch™ stands as MLS Hawaii's approach to ensuring that for our subscribers the answer will be, "Yes." Because of this, we will devote all future efforts at enhancing our system only to WebREsearch™.

This commitment to transition online-MLS into a net-based service comes amid explosive growth in internet use for commerce and communication.

Advertising and marketing consultant Bernice Kanner reports, for example, that—
"Internet usage should rocket this year to 147 million users, more than the population of Japan. For the first time, over half of those users won't be American—or male. By 2002, spending for online purchases is expected to total nearly \$1 trillion."

Our net-based approach, therefore, amounts to no less than going where our customers and clients already are, or very soon will be.

A revolution in industrial production is enabling this world-wide transformation of both business activity and private life as the prices of computers have fallen below \$1,000 with no end in sight.

Does this mean you should immediately and completely discontinue using our text-based services? That depends. We have not fully incorporated some features of the text system into the graphics system which is only available over the net. (The graphics system, of course, already has several features such as maps and split screen display that the text system never will have.)

Future issues of this newsletter will clarify the differences between text and graphics, and they will also announce the enhancements to WebREsearch™ as they come online.

For now your best approach is probably to go forward without

giving up what you now use. Hang on to text, but familiarize yourself with WebREsearch™. Play around with it, take the training classes, talk to your colleagues and call or e-mail us with your questions.

If you are one of the many already using WebREsearch™, we welcome your suggestions and criticisms. Remember, we are developing this system for your use. We need to know how its going. We welcome easy questions like, "What do I do if my desk is too short for my mouse?" (Answer: Lift your mouse up and move it back to the left and set it down again.) We also welcome hard questions like "What is going on with the map views at close and far distances?" (Answer: We're working on it.)

Why use WebREsearch™? A few good reasons—

- 1) Connect to MLS without having to log off the Net which you may be using to communicate with clients, check for available REO properties, schedule flights for an upcoming trip, etc.
- 2) Prospect by e-mail (Cheaper than snail-mail and no folding!)
- 3) Within MLS—Point and Click (no more Request: or Show: Prompts)
- 4) Integration with 3rd party databases such as US Census reports, schools, etc.

Our Mission:

"To develop, promote and provide the highest quality real estate information, products and services at the lowest possible cost to our Members."

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to the public and MLS information to our member REALTORS.

We're still in the same location, still have the same terrific kamaaina staff and are still a Hawaii Corporation - MLS Hawaii, Inc.

Why do fees have to go up?

Because membership has continued to decrease and services have increased; so the cost of more services have to be spread among fewer members. Also, we are running two separate MLS services. REsearch™ for those of you who prefer the text version with no pretty pictures ("Just the facts, ma'am" as Jack Webb used to say) that will run on the printer terminals as well as WebREsearch™ for those of you who want the latest technology, including photos & maps.

How will the Internet effect how you earn your living?

An accompanying article outlines how we plan to use the Internet to keep you competitive in today's technology. Two years ago the Board of Directors were faced with a choice between finishing Personal REsearch™ or catching the rising star of the Internet. The Board chose the Internet as the wave of the future, and they have never regretted their decision. Yes, there have been some delays. Yes, the mapping increment is running late, but we feel confident that the end result will be well worth the wait and will provide all of you with the tools to be very competitive. Yes, you may have to upgrade your computer. Yes, you may have to take more training, but we're redesigning the training program to teach you not how

to use the system but how to use the system to make money.

We've increased staff to provide a higher level of customer service, including more statistics, and we will be setting up user groups shortly to gather input on how you would improve the system. Setting priorities will be very important in 1999, and we would like your help with that also.

Please let us know what you think. Remember, it's your information service.

Coming next issue

- Summary figures for 1998
- Top Producer reports
- February market report



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