



The Greater San Diego Association of REALTORS® statement regarding the SANDICOR Future and Future Service

October 26, 2016

The SDAR focus and intention is to insure that nearly 13,000 real estate professionals who rely upon us as members for service and support, continue to have that service and support without distraction or interruption. Our goal is seamless resolution.

Unfortunately, the future for 19,000 MLS subscribers in our area will be greatly impacted by the actions of both Pacific Southwest AOR and the North County San Diego AOR. SDAR has for many years, worked to resolve service issues at Sandicor despite having a minority of votes, (with 12,889 members SDAR has 4 of 11 votes, PSAR has 2,201 members and 3 votes, and NSDCAR with 4,628 members has 4 votes). We know that Sandicor is a shared and valuable resource to our community of REALTORS®, and we have constantly worked to re-focus Sandicor to its core mission of serving REALTOR® members and real estate professionals, while guarding against excesses and mismanagement of our shared MLS. In the end, SDAR's stewardship obligations necessitated formal measures, when informal measures and proposed controls were rejected.

Inexplicably, the other two shareholders seek to dissolve Sandicor. We believe their actions negatively impact the MLS and further distract and drain its limited resources. As we are advised, laws governing the agreement, and the parties' shareholder agreement prevent a dissolution of Sandicor. It is also important to note that if those two shareholders make the unfortunate decision to leave, SDAR stands prepared to exercise the buyout provisions of the governing documents and to continue to operate Sandicor for all of the MLS's subscribers. There will be *no interruption* of services.

Most unfortunate is that the other two associations, which have already merged in all but name, are using their MLS control, and now their attempt to destroy Sandicor altogether, as mere cover for a membership fight, one which is endangering our member's primary business tool in the process. They cannot

survive alone, and cannot formally merge or they give up control of Sandicor, so they are attempting to destroy our members' most valuable business tool rather than compete on a level playing field with SDAR.

For all of those reasons, SDAR's pending federal litigation is proceeding. Nine of SDAR's claims are moving forward, and the court is evaluating two additional issues. As the other two shareholders disclose information regarding their roles in Sandicor's management and the other issues in the lawsuit, and we are hopeful that this first step to transparency will aid in our continuing effort to protect the MLS for all of its members.