

## **Friday Fast Facts**

**November 3, 2023**

### **Home Sellers Awarded \$1.8 Billion After Jury Finds Conspiracy Amongst Realtors**

On Tuesday, October 31st, a Missouri Federal jury found the National Association of Realtors (NAR) liable for nearly \$1.8 billion in damages after determining they conspired to keep commissions for home sales artificially high. This decision could radically alter the home-buying process in the US. The verdict will also allow the court to issue treble damages which could increase the lawsuit to \$5 billion. Home sellers were obligated to pay commissions to the buyer's agent under the N.A.R. rule, leading sellers to argue that the regulation results in them paying exorbitant fees to the agents.

Under the N.A.R. rule, a home seller is required to pay commissions to the agent representing the buyer, these commissions were claimed to be excessive fees by sellers to their agents. Under the new verdict, sellers will no longer be required to pay their buyers' agents, and their own agents commission price will be slashed in half or less. Home sellers have asked for damages of \$1.78 billion, and it possibly could go higher.

N.A.R. as well as other real estate companies such as Keller Williams, Re/Max, Anywhere (whose subsidiaries include Coldwell Banker, Century 21 and Sotheby's International), and HomeServices of America went to trial, but the court had delivered the verdict and found them to have had conspiracy in these high commission rates.

N.A.R. said it plans to appeal the verdict, while Other lawsuits are now imminent. Within minutes of receiving the verdict on Tuesday, the lawyers for the plaintiffs entered another class-action suit into U.S. District Court in

Missouri. That case, filed on behalf of three new home sellers, also claims the practice of having home sellers pay sales commissions to buyers' agents is a violation of the Sherman Antitrust Act. It names N.A.R. as a defendant, as well as several major brokerages including Compass, eXp World Holdings, Redfin and Douglas Elliman.

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**CONGRATULATIONS**  
WeCare Advisory Board

**Sal Turano**

Sal was elected to the WECARE Advisory Board as a Community Liaison member through a unanimous vote.

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We congratulate Sal Turano for joining the the nationally-recognized charitable arm of the **Nassau County Bar Association**, WECARE, Advisory Board as a Community Liaison member and are looking forward to seeing him committed to helping those in need.

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