

Press Release

Antitrust Lawsuits Seek to Bust Realtor Broker Fees Scheme

PAULINA ENCK | OCTOBER 25, 2023

Two class action lawsuits filed against the National Association of Realtors (NAR) and four major real estate broker franchisors allege a conspiracy involving commission-sharing practices that leave sellers paying commissions to both the selling and buying brokers. In new research, Competition Economics Analyst Fred Ashton walks through these antitrust claims against NAR and estimates how much consumers would save on commission fees in a competitive market.

Ashton concludes:

The alleged anticompetitive behavior by NAR and the four real estate brokerage firms have left home sellers paying billions of dollars in excess commission rates. This research estimates a competitive market for commission rates could have saved consumers nearly \$72 billion in commission in 2022.

With the Department of Justice eyeing its own potential case, a win in court against NAR and the brokerage firms could usher in a new commission mechanism with different payment structures and buyers likely having to pay their own broker.

Read the analysis