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NAR to Appeal Burnett Trial Verdict After Being Found Liable

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The association says it will continue to advocate for pro-consumer, pro-competition MLS rules.



The National Association of REALTORS® and two codefendants were found liable Tuesday in the federal Sitzer/Burnett trial, which challenged MLS rules and the real estate compensation model. The eight-person jury also found liable HomeServices of America and Keller Williams Realty, which were named in the lawsuit.

During the 11-day trial, NAR presented the facts and law about pro-consumer, pro-competition MLS rules, which class-action attorneys called into question. The case covers the Missouri markets of Kansas City, St. Louis, Springfield and Columbia.

"NAR rules prioritize consumers, support market-driven pricing and promote business competition," the association said in a statement. "This matter is not close to being final, as we will appeal the jury's verdict."

In presenting their case, plaintiffs argued buyer representation is obsolete and should only be afforded to wealthy buyers who can pay for the services out of pocket. They also alleged commission rates are too high, buyer brokers are being paid too much and NAR rules, along with the corporate defendants' practices, lead to fixed pricing.

NAR countered that consumers are better off and business competition is able to thrive because of MLS rules and how well local broker marketplaces function. NAR's cooperative compensation rule ensures efficient, transparent and equitable local broker marketplaces. Sellers can sell their home for more and have their home seen by more buyers, while buyers have more choices of homes and can afford representation. NAR also argued that REALTORS® are everyday working Americans who are experts at helping consumers navigate the complexities of home purchases, as well as advocating for fair housing and wealth-building for all.

NAR plans to appeal the jury's verdict, but that process could take years to resolve. NAR says it remains committed to pro-consumer, pro-competition practices and is confident the association will ultimately prevail.

Key points that emerged throughout the trial:

About NAR

- The very reason NAR exists as a trade association is because there was a need, identified more than 100 years ago, for a higher level of ethical practice in real estate.
- NAR rules are made as part of a public rulemaking process and are consistently shared and made available publicly.
- NAR does not seek, track, receive or set commissions for buyers' or sellers' agents.
- NAR is an advocate and resource in the real estate market for its members and their clients, and only NAR members can call themselves REALTORS®.
- NAR membership includes robust benefits, such as exclusive access to health, home and auto insurance. NAR offers business and marketing services, as well as extensive opportunities for learning through designation and certification programs.

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- Agents who are REALTORS® play a critical role in guiding consumers through all the legal, financial and community complexities of buying a home. They also make local broker marketplaces, which online housing portals tap into, possible because of all the information they input into those databases.
- Real estate agents are consumers' advocates. They lead as entrepreneurs, experts and philanthropists to protect consumers, build generational wealth and contribute to local and national economies.
- Having a local expert manage the process is more important than ever. All of the sellers who testified in the case said they used an agent and were very satisfied with the services provided to them.

About Broker Compensation

- Agent compensation is set between brokers and their clients and has always been negotiable at any point in the transaction, as set forth in NAR's publicly available guidance for members. And those costs are spelled out to buyers and sellers.
- If buyers had to pay out of pocket for representation, that would reduce the number of buyers and the money buyers have to purchase homes from sellers.
- Every plaintiff in this case knew the commission they were paying to their agent and agreed to it in writing.
- The cooperative compensation rule ensures both buyers and sellers are well represented and that the buyer broker knows what they will be paid before they commence work.

For more about what the trial outcome means and related questions, see these [questions and answers](#). Also, visit [competition.realtor](#) to find facts, infographics, videos, articles and other content to share about the value of REALTORS® and how local broker marketplaces increase consumer access and opportunity and foster business competition.

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Headquarters

430 N. Michigan Ave
Chicago, IL 60611-4087
800.874-6500

DC Office

500 New Jersey Avenue, NW
Washington, D.C. 20001-2020
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