

Big Changes in Real Estate

Game Changing Lawsuit Alters Commission Landscape



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Game-Changing Lawsuit Alters Real Estate Commission Landscape



In a groundbreaking development for the real estate industry, a proposed settlement has the potential to upend the traditional commission structures long upheld by the National Association of Realtors (NAR).

If approved by a federal judge, this settlement would mark a significant departure from the norms that have governed how commissions are set, advertised, and paid in the housing market.

The catalyst for this transformation stems from a lawsuit brought against the NAR by a group of ordinary homeowners in Missouri. These individuals, including a former police officer and an ex-English teacher, contended that they were unable to negotiate the commissions paid to real estate agents when selling their homes, alleging antitrust violations.



Despite previous challenges from entities like the Justice Department and real estate technology startups, it was this grassroots effort that ultimately led to a favorable outcome. Debra Kamin, a real estate reporter for The New York Times, delves into the implications of this settlement. For home sellers, the immediate effect would be a reduction in commissions paid, allowing them to retain more proceeds from their property sales. However, the burden of agent fees may shift to homebuyers, potentially posing challenges for first-time buyers already struggling to secure down payments in a competitive market.

Moreover, the settlement threatens the longstanding dominance of the NAR within the real estate industry. Historically, access to NAR-controlled databases, such as multiple listing services (MLSes), incentivized agents to become members. With changes to listing rules looming, many agents are reconsidering their membership, posing a significant threat to the NAR's influence. This shift could extend to the political arena, where the NAR has wielded considerable power through lobbying efforts and campaign donations.

Yet, amidst the uncertainty, opportunities for innovation emerge. As traditional commission structures evolve, new models of compensation may emerge, including flat fees or hourly rates, reshaping how agents are paid and challenging existing norms. The ramifications of this proposed settlement extend beyond individual transactions, signaling a potential seismic shift in the dynamics of the real estate industry. As stakeholders await the judge's ruling, the future of commission structures and industry power dynamics hangs in the balance, poised for transformative change

Hot Off the Press: Your Essential Guide to Selling in 2024

2023 threw a curveball for would-be sellers, but 2024 is shaping up to be a game-changer. As interest rates ease and buyers storm back onto the scene, it's time to rethink your selling strategy.

Here's the lowdown on the new rules of the real estate game:

Old Rule: Sellers will be lucky to find any buyer.

New Rule: Buyers are back—and so are bidding wars.

Last year's sluggish market is ancient history. With mortgage rates on the decline, buyers are making a comeback—and they're not afraid to duke it out for their dream home.

Multiple offers and bidding wars are becoming the norm, so get ready to field some competitive bids.

Old Rule: Your home doesn't have to be perfect.

New Rule: Sellers have to work hard to make their house stand out.



Forget about coasting by with a dated kitchen or a lackluster curb appeal. In today's competitive landscape, sellers need to roll up their sleeves and showcase their homes in the best light possible. From fresh landscaping to modern fixtures, a little investment in renovations can go a long way toward attracting eager buyers.

Old Rule: Sellers may have to slash their price.

New Rule: Patience may be key to getting a high offer.

No more rushing to lower your asking price at the first sign of trouble. With more buyers entering the fray, sellers can afford to play the waiting game. Hold out for the offer you deserve and let patience pay off in the form of a lucrative deal.

Old Rule: Sellers couldn't negotiate much.

New Rule: There's more room for haggling.

Flex those negotiation muscles, sellers! With buyers back in the driver's seat, there's newfound wiggle room to hammer out the details. Don't settle for less than you deserve—counteroffer and watch those negotiations heat up.

Old Rule: Don't sell now because you'll have a hard time buying your next home.

New Rule: Now is as good a time as ever to sell your home.

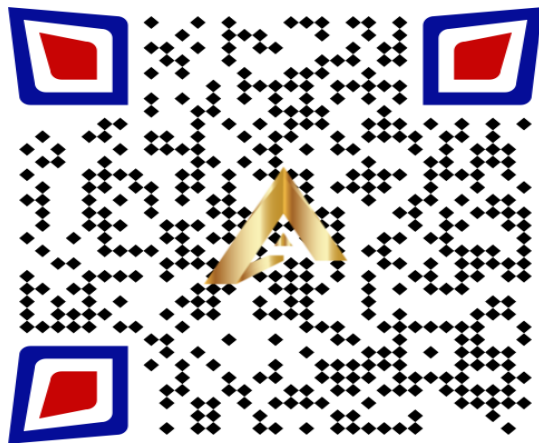
If you've been holding off on selling for fear of missing out on your dream home, think again. With rates still favorable and the market on the upswing, now's your chance to cash in on your current property. Seize the opportunity to sell high and buy low before the competition heats up.

In summary, the tides are turning in favor of sellers in 2024. Embrace these new rules, and you'll be well-positioned to make a splash in the red-hot real estate market. Don't wait—your dream deal awaits!



“Homeownership isn’t just about securing a place, it’s about anchoring dreams.”

- Unknown



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