

# *Dispelling Myths* About Real Estate Commissions and the MLS

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Homebuyers and sellers are hearing misleading, and in some cases, inaccurate, reporting on the real estate industry, real estate commissions, and multiple listing services (MLSs) in the wake of the recent class action litigation.

Some of the discussions have relied on old and irrelevant research that does not reflect current market conditions. In addition, there has been little explanation about the potential negative impacts of the proposed settlement on fair housing and access to homeownership.

What has been missing from the discussion is analysis of actual home sales data in the current housing market. To fill that gap, Bright MLS undertook research on four years of home sales transactions and found that many statements being echoed by the media are simply not supported by actual market data. Furthermore, the research demonstrates the important role of MLSs in ensuring a transparent, efficient, and fair housing marketplace.



**On March 15, 2024, the National Association of REALTORS® (NAR) announced that they reached a settlement in the litigation against NAR and many brokers, associations, and MLSs.**

The agreement would resolve nearly all of the lawsuits, in exchange for NAR paying hundreds of millions of dollars and requiring brokers, agents, and MLSs to adopt new practices.

One change has to do with the offer of buyer agent compensation in the MLS. Multiple listing services, including Bright MLS, have data solely about the compensation amounts initially offered by sellers and their agents to a buyer’s agent, which is entered into the MLS along with all other listing details. This is the “offer of compensation” at the heart of the litigation and settlement. The MLS does not have data about either the fee paid by a seller to his or her agent or the compensation ultimately received by the buyer’s agent. These agent fees could—and still can be—negotiated during the homebuying process.

The settlement agreement will change some things about how these negotiations work, but many current practices will not change. Buyers and sellers can still negotiate commissions with their agents. Sellers can also still agree to have their agent share part of their commission with a buyer’s agent. And sellers can still offer to pay a buyer’s agent directly or offer concessions for buyers to apply to closing costs. In turn, buyers may pay their real estate agent directly or ask the seller to cover those costs. Of course, buyers and sellers may still choose to go without representation during the transaction.

The changes coming as a result of the settlement, which will go into effect late this summer, will prohibit listing agents from using the MLS to communicate offers to pay a buyer’s agent. Listing agents may still communicate those offers, just not through the MLS and websites that rely on the MLS for property information. The settlement also will require buyers to sign a buyer-representation agreement with their chosen agent, agreeing on how much the buyer’s agent will be paid.

The proposed changes have the potential to make the homebuying process more complicated and less transparent, if not implemented with care by agents, brokers, and MLSs. The proposed changes could result in more listings taking place outside of the MLS, which is less efficient and creates fair housing challenges. Furthermore, the changes create a risk for first-time homebuyers and more moderate-income homebuyers who may go without representation.

**There are many assertions being made about the homebuying process in the wake of the draft settlement agreement. For instance, some assert that real estate agents “steer” buyers away from properties with low offers of buyer-agent compensation and that high commissions drive up home prices. Bright MLS researchers conducted an analysis of more than one million home sales transactions that took place in the Bright MLS service area<sup>1</sup> to analyze some of the claims about the residential real estate industry. We ultimately found many statements being made in the media and by others are simply not supported by market data.**

<sup>1</sup> *The Bright MLS service area includes 68 counties in New Jersey, Pennsylvania, Delaware, Maryland, West Virginia, Virginia, and the District of Columbia.*

## FACT #1

## Agents do not “steer” buyers to homes with higher buyer agent commissions.

Analysis of over one million home sales transactions taking place across six states and the District of Columbia between 2020 and 2023 shows no such relationship between sales activity and commissions.

The argument that buyers are “steered” away from homes with lower buyer agent commissions have referenced just two research studies, but neither of these studies reflect current housing market conditions. The first study<sup>2</sup> examined home sales in the Boston area between 1998 and 2011 to conclude that homes with lower buyer agent commissions were more difficult to sell.

However, there have been major changes in the housing market since that study, making the findings largely irrelevant. The research was conducted on sales that occurred long before online searches became ubiquitous to the homebuying process. Most buyers now find their home online and use a real estate agent to tour homes, identify and resolve potential issues with a property, evaluate homes and neighborhoods, arrange inspections and appraisals, negotiate a price and concessions with the seller and his or her agent, and prepare paperwork needed for the purchase. Because home shoppers are seeing properties online, it would be very difficult for

buyers’ agents to keep their buyers from touring a home. It simply is impractical for a buyer’s agent in today’s market to attempt to engage in the type of systematic steering being suggested.

The second study<sup>3</sup> looked at the correlation between buyer agent commissions and listing page views on an online real estate portal. The study found that there were, on average, fewer page views for properties with lower offers of compensation. However, because the website used in the study does not permit users to filter or sort their home-search results based on the amount offered to their buyer broker, it is not reasonable to conclude that lower page views were due to lower offers of compensation. Instead, it would be more reasonable to assume that some other variable that the study did not account for—like the attractiveness of the home, the photos, and the descriptive information—accounted for lower page views for those homes.

<sup>2</sup> Panle Jia Barwick, Parag A. Pathak, & Maisy Wong, *Conflicts of Interest and Steering in Residential Brokerage*, 9 *Am. Econ. J.: Applied Econ.* 191 (2017), [www.aeaweb.org/articles?id=10.1257/app.20160214](http://www.aeaweb.org/articles?id=10.1257/app.20160214)

<sup>3</sup> Jordan M. Barry, Will Fried, & John William Hatfield, *Et Tu, Agent? Commission-Based Steering in Residential Real Estate*, USC CLASS Research Paper No. 24-7 (Oct. 9, 2023), <https://ssrn.com/abstract=4596391>



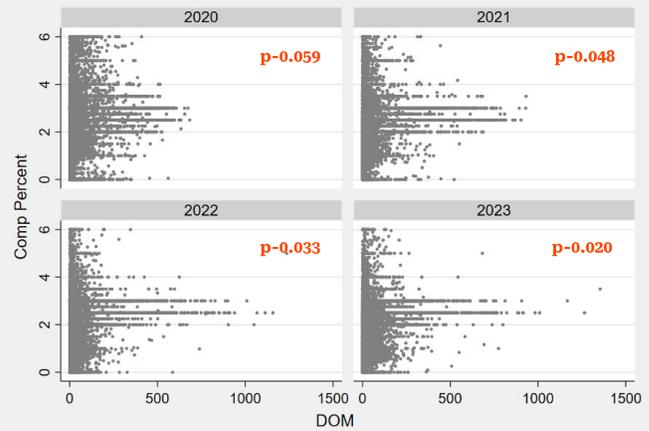
## What the Data Says

Our analysis examined over one million home sales transactions taking place in the Bright MLS service area, which includes six states and the District of Columbia. The data analyzed includes listings that were entered into Bright MLS on or after January 1, 2019 and sold sometime between January 1, 2020 and December 31, 2023. The dataset includes information on the offer of compensation to the buyer’s agent, as well as a range of other property characteristics and information about the transaction, including days on market.

If agents were “steering” buyers to homes with higher offers of buyer agent compensation, then we would expect to see homes with lower offers of compensation take longer to sell and homes with higher offers of compensation sell more quickly. This would mean a negative relationship between compensation and days on market. Instead, we see a weak, positive relationship between compensation and days on market. This weak, positive relationship is observed across years, price points, and each of the states served by Bright MLS.

**Figure 1.**  
Correlation between Compensation Percent and Days on Market (DOM)

Bright MLS Home Sales Transactions, 2020-2023

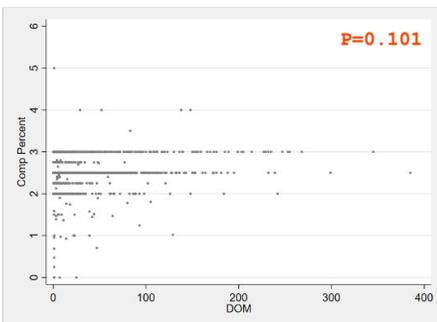


We drilled down further to look at the relationship between days on market and buyer compensation for homes in specific neighborhoods across the Bright MLS service area. There is a weak and inconsistent relationship between compensation percent and days on market at the zip code level.

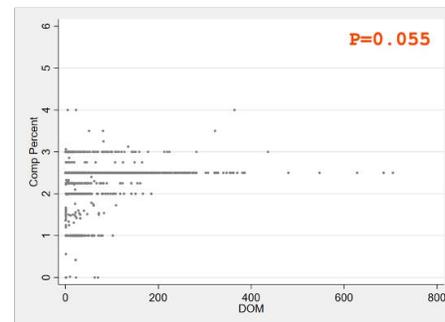
**Figure 2. Correlation between Compensation Percent and Days on Market (DOM)**

Select Zip Codes, 2020-2023

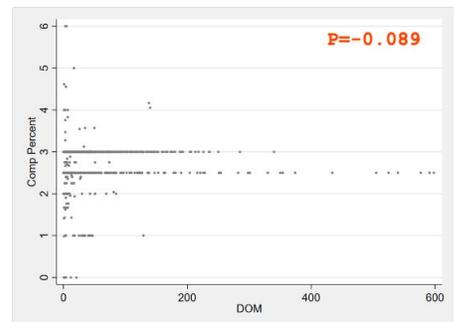
**Zip code 22554 : Stafford, VA**



**Zip code 21224 : Baltimore, MD**



**Zip code 17603 : Lancaster, PA**



A multivariate analysis accounts for a whole set of factors that influence how long a property takes to sell. Running a multivariate analysis can help us see whether other factors are “masking” a negative relationship between compensation rate and days on market. A multivariate analysis also allows us to identify the factors that are most important to determining how long it takes a home to sell. The estimation includes zip code (postalcode) as an absorbed variable, which means the model is accounting for differences across zip codes.

After controlling for the property’s list price, the year the property sold, the age of the home, whether it is a condo or fee-simple property, number of bedrooms, living area (in square feet), and zip code, the relationship between compensation percent and days on market is still positive.

Overall, the signs of the explanatory variables are all consistent with expectations:

- Homes with higher list prices take longer to sell ( $\beta_{\text{οριγιναλιστηριχη}} > 0$ )
- Homes sold earlier in the time period (i.e. 2020 versus 2023) sell more quickly ( $\beta_{\text{year}} < 0$ )
- Older homes take longer to sell ( $\beta_{\text{age}} > 0$ )
- Fee-simple homes sell more quickly than condos ( $\beta_{\text{feesimple}} < 0$ )
- Homes with more bedrooms take longer to sell ( $\beta_{\text{bedrooms}} > 0$ )
- Similarly, larger homes as measured by living area (in square feet) take longer to sell ( $\beta_{\text{livingarea}} > 0$ )

All variables are significant predictors of days on market.



The coefficient on compensation percent is also significant and it is positive, which means that controlling for other factors, properties with higher offers of buyer agent compensation take longer to sell compared to similar properties with lower offers of compensation.

**Figure 3. Multivariate Regression Analysis: Compensation Percent (comm\_pct)**

Dependent Variable: days on market (DOM)

```
areg daysonmarket comm_pct originallistprice listyear age agesq feesimple bedroomstotal
livingarea, absorb(postalcode) robust
```

Linear regression, absorbing indicators	Number of obs	=	1,059,333
Absorbed variable: <b>postalcode</b>	No. of categories	=	1,630
	F( 8,1057695)	=	3771.34
	Prob > F	=	0.0000
	R-squared	=	0.1093
	Adj R-squared	=	0.1079
	Root MSE	=	44.0233

daysonmarket	Robust		t	P> t	[95% Conf. Interval]	
	Coef.	Std. Err.				
comm_pct	1.589256	.1288045	12.34	0.000	1.336803	1.841708
originallistprice	6.13e-07	2.88e-07	2.13	0.033	4.94e-08	1.18e-06
listyear	-8.460171	.0511744	-165.32	0.000	-8.560471	-8.359871
age	.0015337	.0004493	3.41	0.001	.000653	.0024144
agesq	6.72e-07	1.42e-07	4.73	0.000	3.94e-07	9.50e-07
feesimple	-7.899328	.1686669	-46.83	0.000	-8.22991	-7.568747
bedroomstotal	1.953954	.2549422	7.66	0.000	1.454276	2.453632
livingarea	.0010175	.0003785	2.69	0.007	.0002757	.0017593
_cons	17119.73	103.4615	165.47	0.000	16916.95	17322.52



**Figure 4. Multivariate Regression Analysis: Compensation Amount (comm\_amt)**

Dependent Variable: days on market (DOM)

```
areg daysonmarket comm_amt originallistprice listyear age agesq feesimple bedroomstotal
livingarea, absorb(postalcode) robust
```

```
Linear regression, absorbing indicators          Number of obs      = 1,059,328
Absorbed variable: postalcode                  No. of categories  = 1,630
                                                F( 8,1057690)     = 3789.24
                                                Prob > F           = 0.0000
                                                R-squared          = 0.1121
                                                Adj R-squared      = 0.1107
                                                Root MSE          = 43.9536
```

daysonmarket	Robust		t	P> t	[95% Conf. Interval]	
	Coef.	Std. Err.				
comm_amt	.0004175	.0000303	13.77	0.000	.0003581	.0004769
originallistprice	3.59e-07	1.71e-07	2.09	0.036	2.28e-08	6.95e-07
listyear	-8.793772	.056206	-156.46	0.000	-8.903933	-8.68361
age	.0016906	.0004371	3.87	0.000	.0008339	.0025474
agesq	6.67e-07	1.44e-07	4.64	0.000	3.85e-07	9.48e-07
feesimple	-8.977856	.1751042	-51.27	0.000	-9.321054	-8.634657
bedroomstotal	.8377509	.142495	5.88	0.000	.5584654	1.117036
livingarea	.0006213	.0002464	2.52	0.012	.0001384	.0011042
_cons	17799.07	113.6351	156.63	0.000	17576.35	18021.79

Results are similar if we include compensation *amount* rather than compensation *percent* as an explanatory variable. The signs of the explanatory variable are as expected. The coefficient of the compensation amount variable (comm\_amt) is positive, indicating that listings with higher levels of buyer compensation are associated with longer days on market.

**FACT #2**

## Commissions do not drive up home prices.

Reports on the settlement have suggested—and in many cases, outright stated—that high commissions are causing high home prices.

Over the past few years, home prices have, indeed, escalated. Low mortgage rates during the pandemic fueled strong housing demand. Historically low inventory has created a super competitive market for buyers. Housing affordability hit an all-time low in 2023.<sup>4</sup>

In this high-cost housing market, it is understandable that people are looking for someone to blame for high home prices. The primary drivers of home prices—properties of the home, quality of the neighborhood, inventory, mortgage rates, demographics, labor market conditions—are all very much beyond our control. However, it is these supply and demand factors that drive home prices.

It is too soon to understand how the proposed settlement may change how buyer and seller agents will get paid, and how much. However, it is clear from recent transactions data that there is no relationship between the offer of compensation to the buyer's agent and home prices.

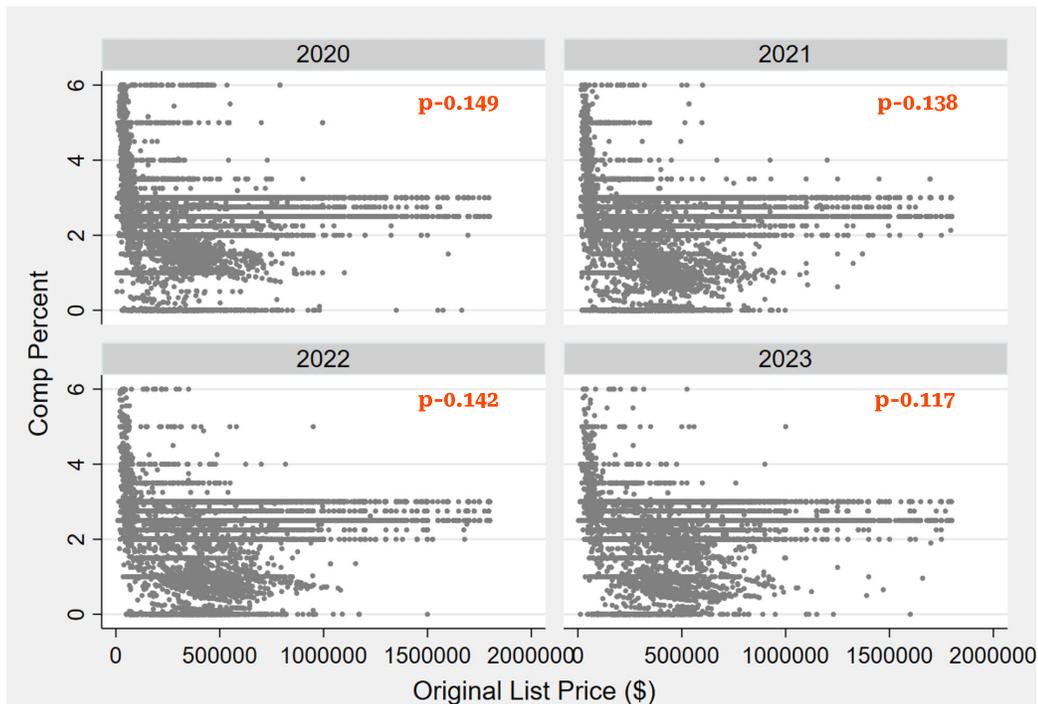
<sup>4</sup> National Association of REALTORS® Housing Affordability Index, <https://www.nar.realtor/blogs/economists-outlook/housing-affordability-hits-historical-low-in-august-2023>

## What the Data Says

If higher offers of buyer compensation led to higher prices, we would expect there to be a positive correlation between the offer of compensation and list prices for similar homes. The charts below show scatterplots for three-bedroom, fee-simple homes that sold between 2020 and 2023 in the Bright MLS service area. The correlation between compensation percent and list price is negative, indicating that higher offers of buyer compensation are actually associated with *lower* list prices for similar homes. The relationship is consistently negative in each of the four years in the dataset.

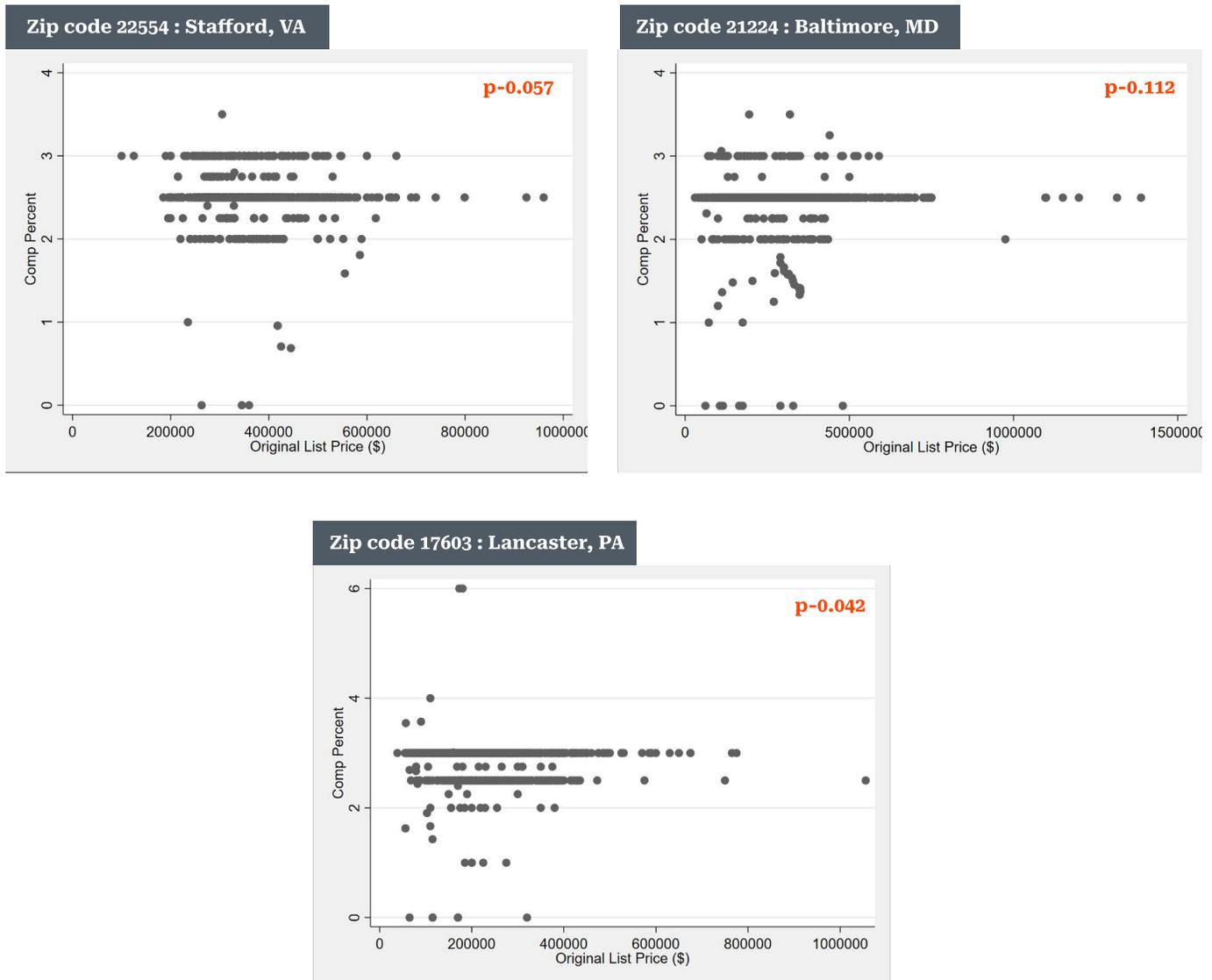
**Figure 6. Correlation between Compensation Percent and Days on Market (DOM)**

Bright MLS Home Sales Transactions, three-bedroom, fee-simple homes, 2020-2023





The analysis examined list prices of three-bedroom, fee-simple homes in specific neighborhoods as defined by zip codes. We found a weak association between compensation percent and list prices of three-bedroom, fee-simple homes sold between 2020 and 2023 in three zip codes, though the direction of the relationship is not consistent across zips.



There are many other factors that drive home prices. Similar to the analysis of days on market, we conducted a multivariate analysis to examine the variables that explain list prices. Explanatory variables included year of the sale and characteristics of the property (e.g., age of the home, number of bedrooms). In addition, we included the average rate on a 30-year fixed rate mortgage during the month the property sold.

Based on the multivariate analysis of list price, higher compensation percents are associated with lower list prices, holding characteristics of the property and mortgage rates constant. The most important factors explaining list prices are characteristics of the home and mortgage rates.

Overall, the signs of the independent variables are all consistent with expectations:

- Homes sold later in the time period (i.e. 2023 versus 2020) are priced higher ( $\beta_{\text{year}} < 0$ )
- Older homes have lower list prices ( $\beta_{\text{age}} > 0$ )
- Fee-simple homes have higher list prices than condos ( $\beta_{\text{feesimple}} < 0$ )
- Homes with more bedrooms have higher home prices ( $\beta_{\text{bedrooms}} > 0$ )
- Similarly, larger homes have higher list prices ( $\beta_{\text{livingarea}} > 0$ )

All of these property characteristics are significant predictors of list prices.



Mortgage rates were also a significant predictor of list prices, with higher mortgage rates associated with lower list prices, holding all other factors constant.

The sign on the compensation percent variable is negative, indicating that similar listings with higher offers of buyer agent compensation actually have lower list prices. Specifically, for each 1 percentage point increase in buyer compensation, the average home list price decreases by \$21,523, holding all other characteristics constant.

**Figure 8. Multivariate Regression Analysis: Compensation Percent (comm\_pct)**  
 Dependent Variable: original list price (originallistprice)

```

areg originallistprice comm_pct listyear age agesq feesimple bedroomstotal livingarea
mort_rate, absorb(postalcode) robust
    .near regression, absorbing indicators
    .> absorbed variable: postalcode
                                     Number of obs   = 1,000,525
                                     No. of categories = 1,620
                                     F( 8, 998897)    = 35738.73
                                     Prob > F        = 0.0000
                                     R-squared       = 0.6877
                                     Adj R-squared  = 0.6872
                                     Root MSE    = 1.472e+05
    
```

originallistprice	Coef.	Robust Std. Err.	t	P> t	[95% Conf. Interval]	
comm_pct	-21523.45	986.3358	-21.82	0.000	-23456.63	-19590.26
listyear	31091.81	332.6492	93.47	0.000	30439.82	31743.79
age	-20.22475	4.83467	-4.18	0.000	-29.70054	-10.74896
agesq	.001378	.0006146	2.24	0.025	.0001734	.0025826
feesimple	100431.4	1980.686	50.71	0.000	96549.29	104313.4
bedroomstotal	88014.46	8021.531	10.97	0.000	72292.53	103736.4
livingarea	29.94023	13.14738	2.28	0.023	4.171801	55.70866
mort_rate	-2184.986	181.0916	-12.07	0.000	-2539.919	-1830.052
_cons	-6.28e+07	672480.1	-93.39	0.000	-6.41e+07	-6.15e+07

Note: Excluded top 1% original list prices

The theory that higher offers of compensation to a buyer’s agent leads sellers to list their homes for a higher price is not borne out by analysis of actual home sales transactions. Rather, the seller’s decision about list price likely comes in consultation with their real estate agent about the characteristics and quality of the home and current market conditions.

**FACT #3**

## Listing a home on the MLS creates an open and fair housing marketplace.

Under the proposed settlement agreement, NAR agreed to create a new rule for MLSs prohibiting a blanket offer of compensation to buyers' agents in the MLS system.

The change means only that offers of compensation cannot be communicated via the MLS as they currently are able to do, but buyers and sellers can still negotiate who pays what. The mechanism by which buyers and sellers can negotiate and communicate about commissions is still unclear.

It has been reported that the offer of buyer agent compensation in the MLS allows buyers' agents to search by that compensation field and "steer" buyers away from properties where the commission to the agent is lower. As we have shown above, there is no evidence to suggest a relationship between the offer of compensation and how low it takes a home to sell.

What the MLS does do is create an efficient marketplace that allows information about listings to be available to anyone searching for a home. Public real estate websites and apps, where buyers and sellers browse for homes, rely on the nation's local MLSs to get their data. The MLSs set rules so that the listing data is accurate and consistent, and then the MLSs feed that information to hundreds of thousands of websites and apps, making the information widely available to consumers.

The MLS creates an open, efficient, and fair housing marketplace. When brokerages hold listings off the MLS to sell as "private" or "office exclusive" properties, they are keeping information about available homes for sale from a lot of prospective buyers.

## What the Data Says

There is evidence that homes sold outside the MLS make the housing market less fair and less efficient. A 2018 study<sup>5</sup> of the real estate market in Houston found that listings marketed off the MLS as pocket listings resulted in discrimination in the housing market, with minority homebuyers much less likely to get information about homes available for sale.

The research found that white real estate agents are more likely to use pocket listings and are most likely to circulate information about pocket listings to predominantly white networks. The study found that this practice of pocket listings increases housing inequalities, reinforces residential segregation patterns, and raises fair housing concerns.

Bright MLS research staff conducted an analysis on a more recent set of data and came to similar conclusions. In an analysis of closed sales in the Bright MLS service area between 2020 and July 2023, we identified homes that were sold as “office exclusive” or “pocket” listings, meaning homes marketed by an agent but not through the MLS, and compared them to properties listed by the agent on the MLS. We examined the characteristics of the neighborhoods where these office exclusive (OE) and non-OE listings were located.

The research found that OE listings were more likely than non-OE listings to be in neighborhoods with higher shares of white residents. OE listings were also more common in higher-income neighborhoods. The differences were statistically significant at the 1% level.

<sup>5</sup> Korver-Glenn, Elizabeth. 2018. *Brokering Ties and Inequality: How White Real Estate Agents Recreate Advantage and Exclusion in Urban Housing Markets*. *Social Currents* 5(4): 350-368.

**Figure 9. Summary of Neighborhood Characteristics**  
 OE Listings versus Non-OE Listings, Bright MLS Service Area

*Neighborhood characteristics are based on Census tract data from the U.S. Census Bureau.  
 \*Statistically different at the 1% level*

Neighborhood Percent White			
State	Office Exclusive	Non-Office Exclusive	Diff (OE-non OE)*
Overall	61.7%	59.0%	2.7%
DC	40.5%	36.9%	3.6%
DE	73.2%	63.5%	9.7%
MD	57.8%	53.4%	4.4%
NJ	66.7%	63.6%	3.1%
PA	70.0%	69.6%	0.4%
VA	53.8%	51.6%	2.2%

Neighborhood Median Household Income			
State	Office Exclusive	Non-Office Exclusive	Diff (OE-non OE)*
Overall	\$114,504	\$98,609	\$15,895
DC	\$119,527	\$105,674	\$13,853
DE	\$78,469	\$75,786	\$2,683
MD	\$126,198	\$100,153	\$26,045
NJ	\$96,789	\$93,007	\$3,782
PA	\$95,691	\$84,093	\$11,598
VA	\$141,809	\$127,867	\$13,942

Listing a home on the MLS makes sure that every prospective homebuyer can see all available homes for sale. This helps to ensure that homebuyers are not excluded from the market simply due to where they live or what agent or broker they know. The MLS also makes the homebuying process more efficient and competitive. Bright MLS research found that homes marketed on the MLS sell more quickly than similar homes initially marketed as an office exclusive.<sup>6</sup> In addition, because sellers have more prospective homebuyers viewing their listing, homes sold on-MLS bring sellers more competitive offers.<sup>7</sup>

<sup>6</sup> On MLS Study: Measuring the Benefits of an Open Marketplace. Bright MLS. August 2022.

<sup>7</sup> On-MLS Study: Measuring the Benefits of an Open and Transparent Marketplace. Bright MLS. August 2023.

**FACT #4**

## Homebuyers highly value a knowledgeable, professional buyer's agent.

Narrative around the litigation and settlement have suggested that buyers' agents have become less necessary. The argument goes that since home shoppers can now view homes online, buyers' agents are not as important and therefore do not "earn" the compensation they receive.

Narrative around the litigation and settlement have suggested that buyers' agents have become less necessary. The argument goes that since home shoppers can now view homes online, buyers' agents are not as important and therefore do not "earn" the compensation they receive.

Buying a home is the biggest financial decision most people make. Consumer research has consistently shown that homebuyers value working with a real estate agent. According to the 2023 Profile of Home Buyers and Sellers, 90% of homebuyers said that they would use their real estate agent again or would recommend their agent to others.<sup>8</sup>

While the annual surveys of homebuyers and sellers report on opinions about and experiences working with agents, the data tends to be very high level, without an in-depth analysis on the reasons why homebuyers choose to work with a real estate agent and what specifically they value about having a buyer's agent. To fill that gap, Bright MLS worked with Remesh.ai to conduct a live, in-depth conversation with 110 recent homebuyers and renters

across the country. The online conversation was conducted on Tuesday, December 12, 2023, from 7 to 8 p.m. Eastern Time. The conversation participants, who were recruited by Remesh.ai, included 85 recent homebuyers and 25 renters.

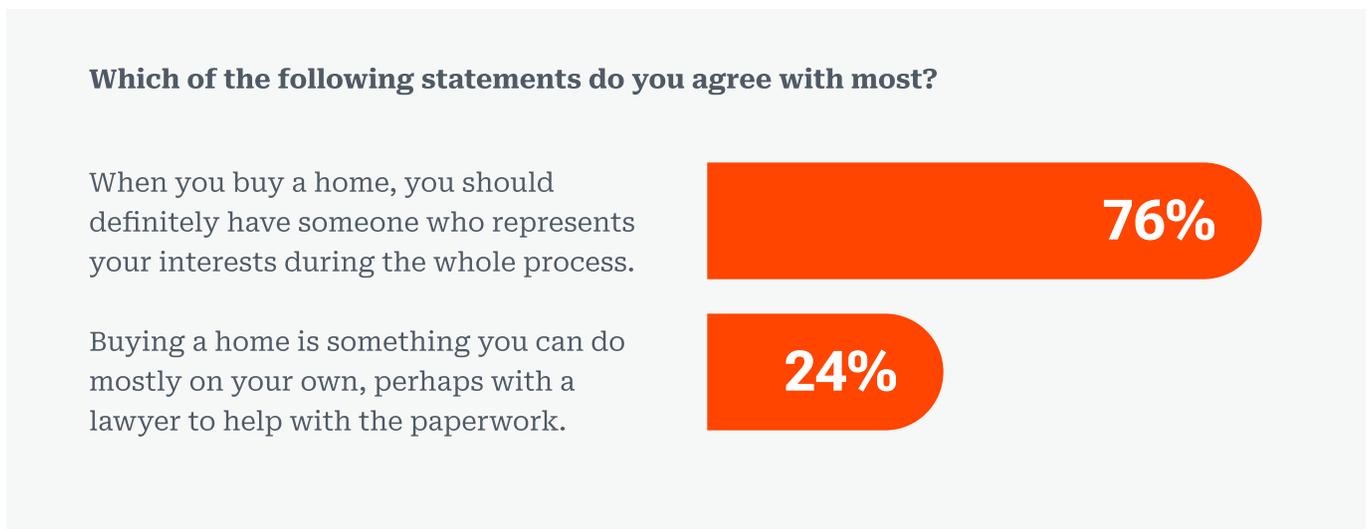
The conversation was a mix of poll questions, where participants were asked a question and had to select their response from a list of options, and open-ended opinion questions, where participants provided a written free-form response. Most poll questions also included follow-up opinion questions to better understand the "why" of the response. These follow-up questions were used to analyze whether there was consensus around certain topics or ideas.

<sup>8</sup> National Association of REALTORS® 2023 Profile of Home Buyers and Sellers, <https://www.nar.realtor/research-and-statistics/research-reports/highlights-from-the-profile-of-home-buyers-and-sellers>

## What the Data Says

Consumers think it is important for buyers to have representation. Most homeowners who participated in the online discussion used a real estate agent or broker when they purchased their home, and most respondents said they had a positive experience with their real estate agent. More than three-quarters of participants said that when you buy a home, you should definitely have someone working with you who represents your interests.

**Figure 10. Results from December 2023 Consumer Focus Group**



*Source: Bright MLS focus group of 110 recent homebuyers and renters, December 2023*

In the follow-up question, most participants emphasized that having representation is important because experts understand the buying process, know about properties, and can handle complications. Additionally, participants remarked that having a professional ensures fewer errors, provides valuable knowledge, protects the buyer from being taken advantage of, makes the process easier, assists with legal aspects and negotiations, and helps secure the best deal.

More than 90% of participants agreed with the statement “It would be very stressful to navigate the homebuying process without a real estate agent or broker,” and 86.7% agreed with the statement “A real estate agent or broker is an essential, trusted advisor for a homebuyer.”

Nearly all recent homebuyers searched for homes on an online real estate portal. Participants commented that online real estate portals have improved the homebuying process by making it easier to access information, compare homes, find homes with specific characteristics, see virtual house tours, narrow down choices, and search from long distances. However, there was broad consensus among focus group participants that online real estate portals are not a substitute for working with a professional real estate agent.

Our focus group research found that consumers feel overwhelmed by the amount of information available online. Most focus group participants agreed that while you can view homes online, it's still important to work with an agent and that an agent has knowledge and expertise that is not available through an online portal. Consumers value that knowledge and expertise.

## CONCLUSION

There is a lot of misinformation swirling around about the residential real estate industry, real estate agent compensation, and multiple listing services. Our research uses actual data from home sales transactions and survey data from recent homebuyers and renters to provide context about how the housing market works.

Our analysis shows that the headlines and assertions are not supported by the data:

- 1** There is no correlation between buyer's agent compensation and length of time to sell a home, contrary to some comments being made by the media and prosecutors.
- 2** Agent commissions have not been driving up home prices; rather, property and neighborhood characteristics and mortgage rates have fueled home price appreciation.
- 3** Listing a home on the MLS provides tremendous value both to buyers and to sellers. When homes are listed on the MLS, all homebuyers have an opportunity to see all homes available for sale. Sellers get more "eyes" on their property, which brings them the best offer.
- 4** When recent homebuyers are asked about real estate agents, there is widespread consensus that it is important for a homebuyer to have their own representation during the complex and sometimes stressful homebuying experience.

## About Bright MLS

Bright MLS was founded in 2016 as a collaboration between 43 visionary associations and two of the nation's most prominent MLSs to transform what an MLS is and what it does, so real estate pros and the people they serve can thrive today and into our data-driven future through an open, clear and competitive housing market for all. Bright is proud to be the source of truth for comprehensive real estate data in the Mid-Atlantic, with market intelligence currently covering six states (Delaware, Maryland, New Jersey, Pennsylvania, Virginia, West Virginia) and the District of Columbia. Bright MLS's innovative tool library—provides services and award-winning support to well over 100K real estate professionals, enabling their delivery on the promise of home to over half a million home buyers and sellers monthly.

[Learn more at BrightMLS.com](https://BrightMLS.com)