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The Birmingham Association of REALTORS® and the Greater Alabama MLS embrace change due to the NAR lawsuit settlement.

BIRMINGHAM, AL, March 18, 2024—The Birmingham Association of REALTORS® (BAR) and the Greater Alabama MLS (GALMLS), through extensive planning, are fully prepared to make necessary changes to comply with the Sitzer-Burnett settlement.

The National Association of REALTORS® (NAR) announced in a press release on Friday, March 15, 2024, that they have settled the Sitzer-Burnett trail, which resolves claims against NAR, state associations, local associations, and the MLS, which includes both the BAR and the Greater Alabama MLS.

2024 BAR President Chris Wood said, "Buying a home is typically the most complicated purchase for the average American, and REALTORS® are committed to helping all Americans attain the dream of homeownership. Regardless of this settlement, REALTORS® will continue to advocate on behalf of consumers, and commissions will remain negotiable. As REALTORS®, we always strive to keep the consumer at the center of the transaction. Our association is committed to ensuring all consumers have access to expert representation whether they are buying or selling."

The settlement details include that NAR will pay the plaintiffs 418 million dollars over the next four years and implement two fundamental changes.

First, cooperative compensation offers will be removed from the MLS. Compensation offers could continue to be an option consumers can pursue off-MLS through negotiation and consultation with real estate professionals. Sellers can offer buyer concessions on an MLS (for example, concessions for buyer closing costs).

Second, While NAR has been advocating for the use of written agreements for years, in this settlement, they have agreed to require MLS participants working with buyers to enter into written representation agreements with their buyers.

Both of these changes, pending court approval of the settlement, are slated to go into effect in mid-July 2024.

"NAR has worked hard for years to resolve this litigation in a manner that benefits our members and American consumers. It has always been our goal to preserve consumer choice and protect our members to the greatest extent possible. This settlement achieves both of those goals," said Nykia Wright, Interim CEO of NAR, in its press release on Friday, March 15.

These changes affect not only REALTORS® but other real estate professionals and consumers.

"Consumers will all see changes," added 2024 Greater Alabama MLS President Quentin Carter. "These changes involve compensation offers no longer being shared on the MLS and having mandatory written agreements for MLS participants when representing home buyers, which has long been a best practice. We want to make it clear that cooperative compensation is still an option for consumers to negotiate directly with their real estate professional."

"We are fully prepared to comply with the terms of the settlement if approved by the courts," says BAR and Greater Alabama MLS CEO Amanda Creel. "Thanks to the work of our volunteer leadership and staff team, we are prepared to navigate these changes while continuing to be a leading voice for homeownership and fair housing in the communities we serve."

The Birmingham Association of REALTORS® is Birmingham and Central Alabama's premier real estate information and education resource. It has served as the "Voice of Real Estate" since 1911, issued a statistical analysis of market conditions, and offered legislative support to its more than 4,500 members and the industry.

The Greater Alabama Multiple Listing Service (GALMLS), a subsidiary of the Birmingham Association of REALTORS®, was founded in 1958 and provides property listing services to 12 Alabama counties. As the largest MLS in Alabama, serving more than 6,000 subscribers, GALMLS is committed to fostering cooperation and competition within the real estate marketplace. LiveInAlabama.com, powered by GALMLS, provides consumers direct access to MLS listings in real time. To learn more about GALMLS, visit <https://birminghamrealtors.com/mls>.

The National Association of REALTORS® is America's largest trade association, representing more than 1.5 million members involved in all aspects of the residential and commercial real estate industries. The term REALTOR® is a registered collective membership mark that identifies a real estate professional who is a member of the National Association of REALTORS® and subscribes to its strict Code of Ethics.

To learn more about the settlement lawsuit, please visit https://www.nar.realtor/newsroom/nar-reaches-agreement-to-resolve-nationwide-claims-brought-by-home-sellers?fbclid=IwAR1-JpmLMHf1kPm2SExCygU7-hBIRQ_sTAi4Sgdu84RPgwiKNIXKup1L4sg_aem_ATtgrwQCVz3aenGT3XV3Z7NAkOAhX77pqbRB4XAd0IElvEPZw-5aQ9zGjjf2TnuQ1k.

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