

To: NAR Members
From: Katie Johnson NAR Chief Legal Officer and Chief Member Experience Officer
Subject: Litigation Update: Motion Filed for Preliminary Approval of Settlement Agreement

On April 19, 2024, Plaintiffs' counsel filed a Motion for Preliminary Approval of this agreement with the federal court in the Western District of Missouri. Importantly, this filing initiates the 60-day time period during which all REALTOR® MLSs, brokerages with 2022 total transaction volume for residential home sales in excess of \$2 billion, and non-REALTOR® MLSs who want to be covered by the settlement must take action. The deadline for these actions is June 18, 2024.

- REALTOR® MLSs: In order to be released under the settlement agreement, all MLSs wholly owned by REALTOR® associations must agree to and execute Appendix B – REALTOR® MLS “Opt In” Agreement and return it to the email addresses realtorsoptin@jndla.com, realtorsoptin@cohenmilstein.com, and nargovernance@nar.realtor within 60 days.
- Brokerages with 2022 total transaction volume for residential home sales in excess of \$2 billion: In order to be released under the settlement, eligible brokerages must agree to and execute Appendix C – Brokerage “Opt In” Agreement and return it — along with the required documentation and indication noted in paragraph 20 of Appendix C — to the email addresses realtorsoptin@jndla.com, realtorsoptin@cohenmilstein.com, and nargovernance@nar.realtor within 60 days.
- Non-REALTOR® MLSs: In order to be released under the settlement, MLSs not wholly owned by REALTOR® associations must agree to and execute Appendix D – Non-REALTOR® MLS “Opt In” Agreement and return it — along with the required indication noted in paragraph 20 of Appendix D — to the email addresses realtorsoptin@jndla.com, realtorsoptin@cohenmilstein.com, and nargovernance@nar.realtor within 60 days.
- For questions about completing an opt-in agreement, please contact Mike Rohde at mrohde@nar.realtor.

- Scrivener's errors were corrected in the filed version of the settlement agreement, but no substantive changes were made. The corrected version is available on facts.realtor. Also available on facts.realtor, are fillable versions of the appendices with instructions for those entities that desire to opt-in.

We expect that the Court will rule on the motion for preliminary approval soon. The practice changes set forth in the settlement agreement are slated to take effect in late July of this year, and class notice will take place no earlier than August 17, 2024. The settlement is subject to final Court approval, and plaintiffs have requested a hearing on final approval of the settlement to be held on November 22, 2024. We will let you know when that date is confirmed. For a more comprehensive view of what's ahead, please see an estimated timeline here. Below this email, I have also included a handful of FAQs specific to this filing.

We will continue to keep you informed as the settlement process progresses and the time for implementation of the practice changes approaches. As always, if you have any questions, please don't hesitate to reach out to me or my team.

Katie

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Q&A

The following Q&A has been developed for NAR Members. Please direct any media inquiries about the filing to NAR's communications team.

What is this motion about?

Plaintiffs' counsel filed a Motion for Preliminary Approval of the NAR settlement agreement with the federal court in the Western District of Missouri.

What is NAR's position on the arguments in the motion?

The motion for preliminary approval is the plaintiffs' position. While we disagree with some of plaintiffs' statements about NAR and real estate professionals, we agree that the settlement is fair, reasonable, and should be approved by the Court.

Are there any substantive changes in the settlement agreement that was filed in the motion for preliminary approval?

The settlement agreement was edited to correct scrivener's errors in the original version, but no substantive changes have been made to the version filed with the motion for preliminary approval.

Does this mean that the settlement is now fully approved?

No. Today's motion seeks preliminary approval of the settlement.

We expect that the Court will rule on the motion for preliminary approval soon.

The settlement is still subject to final Court approval, and we expect a motion for final approval to be filed at the end of this year.

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We expect that the Court will rule on the motion for preliminary approval soon.

The settlement is still subject to final Court approval, and we expect a motion for final approval to be filed at the end of this year.

Do I need to take action now?

This filing initiates the 60-day time period during which all REALTOR® MLSs, brokerages with 2022 total transaction volume for residential home sales in excess of \$2 billion, and non-REALTOR® MLSs who want to be covered by the settlement must take action. The deadline to execute the relevant appendices to be released under the settlement is June 18, 2024.

If you are not part of the above groups, then you do not need to take action based on today's motion.

What happens next?

We expect that the Court will rule on the motion for preliminary approval soon. The settlement is subject to final Court approval, and we expect a motion for final approval of the settlement to be filed at the end of this year.

The practice changes set forth in the settlement agreement are slated to take effect in late July of this year, and class notice will take place no earlier than August 17, 2024.