UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

COMPASS, INC. and
COMPASS RE TEXAS, LLC,

Plaintiffs,

v.

HOUSTON REALTORS INFORMATION SERVICE, INC.,

Defendant.

Civil Action No. 4:26-cv-09930

JURY TRIAL DEMANDED

PLAINTIFFS COMPASS, INC. AND COMPASS RE TEXAS, LLC'S COMPLAINT FOR VIOLATION OF 15 U.S.C. § 1

INTRODUCTION

1. Homeowners should be free to choose how to sell their own homes without having a competition-killing real estate industry organization tell them how to do it. Real estate agents should be able to compete fiercely to be hired by clients, and real estate brokers should be able to compete to attract agents to their firms, without their competitors banding together to restrict how they compete. In dozens of cities across the country, homeowners and agents are free to do that. But this much-needed competition and choice are blocked in and around Houston because of rules set and enforced by Defendant Houston Realtors Information Service, Inc. ("HRIS"). The majority of HRIS's Board of Directors are working brokers and agents who compete with one another and with Compass, and they are dictating how Compass and its agents can and cannot compete, how Compass and its agents can and cannot serve their clients, and how homeowners can and cannot market their own homes. Plaintiffs bring this lawsuit under 15 U.S.C. § 1 to stop HRIS's anticompetitive behavior.

2. Homeowners want a choice. Plaintiffs Compass, Inc. and Compass RE Texas, LLC (together, "Compass") offer a phased marketing strategy, See It First™ on Compass, that gives

homeowners that choice. Some homeowners choose to use a multiple listing service ("MLS") to market their homes. Some want to publicly market their homes before they go into the MLS—through internet websites, yard signs, social media, and newsletters, among other public marketing methods. Compass and its agents do not force homeowners to use phased marketing or any other strategy; in fact, Compass requires the homeowners' written approval to publicly market outside of HRIS. Under Texas law, homeowners are entitled to decide how to market their own properties.

3. One reason homeowners like having this choice is that they can use pre-MLS public marketing to test the price of a home with real-world feedback from agents and their clients, which helps ensure the home is not overpriced when it lists in the MLS and the MLS distributes the listing to every real estate website and data vendor in the world. Moreover, this strategy helps agents and their clients gather feedback on price without the risk of their listings being permanently soiled by price cuts and extended "days on market" that hurt the perceived value of the homes. Homeowners love this choice: where MLSs allow phased marketing, approximately 48% of Compass homeowners used it. Even when publicly marketed pre-MLS, the vast majority of those listings actually sold in the last phase (after being submitted to the MLS). Compared with listings sent straight to the MLS, as HRIS requires, homes using phased marketing have sold for 4.6% more, with 34% fewer days on the MLS and 29% fewer price cuts.

4. HRIS, one of the nation's largest MLSs by subscriber count, with a service area in and around the Houston area, is a combination of Compass' direct competitors, and it is controlled by a Board of Directors dominated by brokers and agents who compete directly with Compass. Under HRIS Rules 1 and 1.01 (the "Anticompetitive Rules"), once a homeowner markets the home anywhere on the internet, posts the home on social media, puts up a yard sign, sends an email blast, shares the listing through a multi-brokerage listing sharing network, or publicly markets the home

in any way HRIS defines as "public marketing," the listing must be given to HRIS and its co-conspirators within one business day, and the agent and homeowner must follow the full set of HRIS restrictions—even if the homeowner gave the agent a lawful marketing instruction that conflicts with the HRIS rules.

5. Although Texas law states that real estate agents are fiduciaries who must place no personal interest above that of their clients,[1] if a real estate agent follows the client's lawful instruction to publicly market a home outside of HRIS, the agent then faces fines of $1,000, $2,500, and $5,000 for a first, second, and third violation of HRIS's public-marketing rule within twelve months, suspension, or expulsion from the very MLS they need to do business.[2] More than 40 years ago, in its seminal report on U.S. residential real estate, the U.S. Federal Trade Commission ("FTC") warned that when an MLS forces members to submit their listings, "[a]lternative methods of selling houses are effectively foreclosed."[3] That is what HRIS has done.

6. Compass brings this lawsuit to stop these illegal rules. Competitors may not band together to dictate how their rivals serve customers and deprive homeowners of choice. Yet that is what HRIS is doing: using control of a home listing database that real estate agents in much of the Houston area cannot work without, HRIS and its co-conspirators block Compass' better home marketing product to protect Compass' competitors from having to compete with Compass on the merits for clients and agents.

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[1] 22 Tex. Admin. Code §§ 531.2(1), (3); *see also* Restatement (Third) of Agency § 8.09(2) (Am. L. Inst. 2006) (agent's duty to comply with principal's lawful instructions).

[2] Rules and Regulations—Multiple Listing Service of the Houston Realtors® Information Service, Inc., at 7(d)–(f) ("HRIS Rules") & Schedule of Fees and Charges § 1(a)(20) (rev. June 8, 2026), *available at* https://content.harstatic.com/mls/pdf/MLSRules.pdf.

[3] FTC, The Residential Real Estate Brokerage Industry ("Butters Report") at 130 (Dec. 1983).

7. Instead of fixing its anticompetitive rules, HRIS failed to agree to Compass' demand that it stop fining agents for publicly marketing listings outside the MLS. Meanwhile MLSs serving more than 350,000 brokers and agents in at least 12 states do not fine or punish pre- or off-MLS public marketing, and in these markets, the issues HRIS claims will result from pre- or off-MLS public marketing have not transpired. On information and belief, until 2020, HRIS itself allowed pre- and off-MLS public marketing. HRIS does not care about homeowners; it is a members-only database that homeowners are unable to access and that fines agents just for following their clients' lawful public marketing instructions. Moreover, Compass does not "free ride"; its agents pay fees for access to HRIS, and it is a significant contributor of listings to HRIS.

8. HRIS and its co-conspirators have caused significant economic harm to Compass and its agents, in addition to the immense harm HRIS has caused to homeowners. Compass seeks treble damages, to the full extent allowed by the law, for every dollar of harm HRIS and its co-conspirators caused Compass. Compass paid over $175 million to defend and settle lawsuits resulting from MLS policies it could not avoid because rules like HRIS's foreclosed the option for Compass' agents to publicly market a home without giving it to HRIS, thus forcing them to follow HRIS's policies. HRIS forces Compass and its agents to give their valuable home listing data to HRIS, which HRIS then licenses to third parties and transmits to real estate advertising websites, paying Compass nothing. Because Compass is subject to HRIS's rules, Compass has lost commissions on listings and agents it could not win without the ability to offer See It First™ on Compass, as well as ancillary revenue (such as mortgage, title, and escrow). All of these harms, and any others caused by HRIS's illegal rules, must be paid back threefold and the illegal rules must be enjoined.

NATURE OF THE CASE

9. This lawsuit challenges the unlawful conduct of an MLS. MLSs are not pro-consumer, pro-competitive institutions; they are combinations of competing brokers and agents that make rules governing competition among them.[4] As such, MLS rules have long been regarded warily by courts and antitrust enforcers. When a group of competitors like an MLS "join together to cooperate in the conduct of their business, there naturally arise antitrust suspicions."[5] As the FTC observed, the people who control the MLS "control . . . the most important aspects of brokerage practices."[6] That control has been used in the past to fix commission rates, discriminate against discounters, discriminate against internet brokerages, and discriminate against minorities.

10. In the 1940s, the U.S. Department of Justice ("DOJ") brought civil and criminal charges against MLSs that fixed commission rates.[7] Since then, there have been over 100 antitrust investigations and lawsuits challenging mandatory rules imposed by MLSs—many of which challenged rules controlling the public marketing of homes. For example, in a case brought by the FTC against an MLS, a federal court held that a policy limiting the public distribution and display of listings based on the nature of the listing contract "unreasonably restrained competition."[8] Another federal court ordered that an MLS "shall not adopt, maintain, or enforce any Rule . . . that directly or indirectly . . . prohibits, restricts, or impedes any truthful advertising or marketing

[4] Except where applicable law or regulations would require otherwise, the terms "agent" and "broker" are used interchangeably throughout this complaint.

[5] *United States v. Realty Multi-List, Inc.*, 629 F.2d 1351, 1370 (5th Cir. 1980).

[6] Butters Report at 15.

[7] *See United States v. Nat'l Ass'n of Real Est. Bds.*, 339 U.S. 485, 487 (1950).

[8] *Realcomp II, Ltd. v. FTC*, 635 F.3d 815, 819 (6th Cir. 2011).

activities of any home seller or discriminates against or disadvantages any Member or Licensee for any truthful advertising or marketing activity in which any home seller is engaged."[9]

11. HRIS is one of the largest MLSs in the country, with approximately 48,000 real estate professional subscribers—competing brokers and agents—covering Houston and the surrounding area.[10] HRIS is governed by a Board of Directors, a majority of whom are brokers or agents who compete with each other and with Compass and its agents.[11]

12. For decades, HRIS has been an unavoidable and dominant feature of residential real estate brokerage. Participation in HRIS is essential for any real estate agent to work in the Houston area; real estate agents cannot effectively represent clients in that area without being members of HRIS subject to its rules. While many homeowners are well served by pre-MLS or off-MLS marketing strategies, the importance of the MLS means it is still essential for agents to belong to the MLS in the area where they work. Thus, agents cannot survive in business without participating in the MLS.

13. Showing HRIS's incredible market power, agents must follow HRIS's rules or HRIS will fine and punish them, potentially by exclusion from HRIS. HRIS polices its members

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[9] *United States v. Consol. Multiple Listing Serv., Inc.*, No. 3:08-cv-01786-SB, 2009 WL 3150388, at *2 (D.S.C. Aug. 27, 2009).

[10] *See HAR Enters into an International Data Integration Agreement with Omni MLS*, HAR.com (July 30, 2024), https://www.har.com/content/department/newsroom?pid=2099&pid=2099; *About HAR MLS*, HAR.com, https://www.har.com/content/department/mls_site?pid=1437 (explaining that HRIS is HAR's MLS service); *see Multiple Listing Service*, HAR.com, https://www.har.com/content/department/mls_site (HRIS MLS has information for "Harris [County] and surrounding counties").

[11] HRIS By-Laws §§ 3.02, 5.01–5.02 (amended June 8, 2026), *available at* https://cms.har.com/hris_bylaws/ (six directors; HRIS's President and CEO, who is employed by HAR, serves without vote as an ex officio member); *2026 HAR Leadership*, HAR.com, https://www.har.com/content/leadership (listing HRIS's six directors and their brokerages); Tex. Comptroller of Pub. Accts., Franchise Tax Account Status, Houston Realtors Information Service, Inc., 2026 Public Information Report (as of Nov. 6, 2026) (same six directors).

through MLS staff, who may themselves originate complaints of rule violations. HRIS encourages competing agents to report to HRIS any rule violations by their competitors for punishment, and it will process those complaints without revealing the complainant's identity.[12] While the MLS is one of the rare private companies that fines and punishes its own customers, agents accept this because HRIS membership is critical to their business and because it blunts competition they might otherwise face without the MLS rules.

14. The Anticompetitive Rules specifically block competition among brokers and agents, and homeowner choice. Rule 1 forces homeowners, brokers, and agents to give HRIS their listings and forces them into all of the HRIS restrictions: it requires that listings of covered residential property in HRIS's territorial jurisdiction be loaded into the MLS within three days after the listing term begins and necessary signatures have been obtained. One of those restrictions, Rule 1.01, dictates how a homeowner can publicly market their property. Unless they give the listing to HRIS within one business day, homeowners and agents may not market the property to the public, which Rule 1.01 defines to include, without limitation, "flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public." Even though HRIS does not own the home or represent the homeowner, HRIS dictates how the homeowner and their agent must sell the home.

15. The effect of these rules is to prevent homeowners and their agents from publicly marketing homes for sale unless those homes are listed in the MLS and marketed how HRIS directs

[12] HRIS Rule 9.1 (violations may be submitted in writing, by phone, or "originated by the MLS," and the MLS will withhold the complainant's identity on request).

(a choice between two extremes: listing it immediately through an MLS and incurring the disadvantages described above; or not publicly marketing the home at all). Through these rules, HRIS and its co-conspirators control how homeowners and agents market properties on HRIS and outside HRIS. HRIS and its co-conspirators, thus, control home marketing across the entire real estate industry in much of the Houston area.

16. These rules stand directly in the way of competition. Compass has invested hundreds of millions of dollars in developing technology, competition with other brokerages for agents and clients, and innovative marketing strategies. If a homeowner chooses phased marketing, it proceeds in three phases. In the first phase, the homeowner chooses to publicly market the property via channels outside of the MLS, such as select internet websites, social media, newsletters, yard signs, word of mouth, or other techniques. Homebuyers do not need to work with a Compass agent to view these listings, and agents at other brokerages can view these listings on request. In the second phase, the listing is displayed on the Compass and Redfin websites as a "Coming Soon," and other agents can learn about the property from the MLS. In the third phase, the listing is published by the MLS to tens of thousands of websites and other data recipients.

17. Phase One is blocked, and Phase Two is severely restricted, by HRIS rules: Phase One listings cannot be publicly marketed, and Phase Two Coming Soon listings tightly restrict what the homeowner and agent can do. Specifically, HRIS states that even if the homeowner wants their agent to show buyers the property, a Coming Soon listing may not be shown or held open, and the listing must first be submitted to HRIS, which distributes it to every competing broker in

the MLS.[13] HRIS limits Coming Soon status to 21 days, after which the listing automatically becomes Active, even if the homeowner wants their home listed as a Coming Soon for longer.[14]

18. The phased marketing strategy has several advantages for homeowners. MLSs append to the listing (which is the ***homeowner's*** sales pitch to buyers) the history of price changes and days on market, which are perceived by buyers as signaling homeowner desperation. Having price changes and days on market in the homeowner's own advertisement often prevents homeowners from obtaining the full value of their property. This is unique to residential real estate: sellers of other goods are not forced to include, in their advertisements, price changes or how long the good has been for sale. By testing an aspirational price in a pre-MLS phase, homeowners may avoid the harms of unnecessary price cuts or days on the market being added by the MLS to the listing. Phased marketing also offers the chance to sell a house without the inconvenience and loss of choice that comes with listing it for sale through the MLS. In sum, phased marketing is good for some homeowners, good for agents seeking to represent those homeowners, and good for Compass. It does, however, threaten incumbents (that comprise and control HRIS) by forcing them to compete with Compass for homeowner clients, and to compete with Compass for agents who want a brokerage with innovative marketing strategies and choices they can offer to their clients.

19. This unreasonably restrains trade in two ways. HRIS's agent members, including its Board members, compete directly with one another and with Compass' agents for homeowners,

[13] HRIS Rules 1.26, 2.01 & p. 53 ("Coming Soon"); *The Reality of Real Estate*, HAR.com, https://cms.har.com/realtor-reality/ ("Coming Soon listings are not active listings, and showings are not permitted while a property is in Coming Soon status, according to HAR MLS rules." (emphasis removed)). HRIS lets agents elect public display of Coming Soon listings on HAR.com, IDX websites, and participating portals, although Rule 18.3.9 still prohibits IDX display of Coming Soon listings. *See HAR MLS "Coming Soon" Updates*, HAR.com, https://cms.har.com/realtor-reality/.

[14] HRIS Rules, p. 53 ("Coming Soon"), p. 54 (same).

and the Anticompetitive Rules block competition from brokers and agents who want to offer innovative, pro-competitive, and pro-consumer public marketing options. As the FTC reported, "[o]n its face, requiring that MLS members submit all of their listings of a designated type restricts the competitive freedom of the broker-members. Alternative methods of selling houses are effectively foreclosed."[15] Moreover, HRIS is blocking competition between competing brokerages (the firms with which agents affiliate) to attract agents with innovative marketing strategies to win more clients.

20. A long history of antitrust enforcement shows why the Anticompetitive Rules violate the law. As recognized by the FTC, to comply with the antitrust laws, an MLS must give real estate brokers, agents, and homeowners true alternatives to the MLS—alternatives that existed for over 50 years.[16] For example, the "Fourteen Points" antitrust policy adopted in 1971 by the National Association of REALTORS® ("NAR"), which governs HRIS,[17] expressly provides that an "***MLS shall not: Make any rule regulating the advertising or promotion of any listing***,"[18] and preserves an alternative to the MLS, which it calls an "office exclusive."[19] On information and belief, before HRIS Rule 1.01, HRIS had no restrictions on how office exclusives were publicly marketed.[20]

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[15] Butters Report at 130.

[16] *Id.* at 129–30.

[17] HRIS By-Laws § 11.03 (HRIS "shall conform at all times" to NAR's constitution, bylaws, rules, regulations, policies, and procedures); *see also id.* §§ 11.04–11.05 (participation open to REALTOR® members and to qualifying nonmember principals); *see* HRIS Rule 1.01 (referring to "the NAR model MLS rules").

[18] Butters Report at 134 n.354 (emphasis added).

[19] *Id.* ("MLS shall not: Prohibit or discourage a member from accepting a listing from a seller (owner) preferring to give [an] 'office exclusive.'").

[20] *See* Chaille Ralph, *New MLS Rules and Other Things You Should Know*, HARConnect.com (2014), https://www.harconnect.com/new-mls-rules-and-other-things-you-should-know/.

21. The FTC found that the Fourteen Points antitrust policy "may have ameliorated any competitive injury which would otherwise have resulted from 'mandatory' submissions of listings. Where 'office exclusives' are allowed, that is, where the seller can specify that his or her listing not be placed on the MLS, the broker and seller appear to be free to contract as they see fit."[21] The Anticompetitive Rules violate the Fourteen Points antitrust policy and cause the exact competitive injury about which the FTC warned. The DOJ commented on a policy similar to HRIS's Rule 1.01 that the "[p]olicy restrict[ed] home-seller choices and preclude[d] competition from new listing services."[22] The DOJ's comment echoed the FTC's 1983 conclusion that "[o]n its face, requiring that MLS members submit all of their listings of a designated type restricts the competitive freedom of the broker-members. Alternative methods of selling houses are effectively foreclosed."[23]

22. In short, under federal and state law, brokers and agents are entitled to offer, and consumers are entitled to choose from, more than the limited options that the actions of HRIS's combination of competitors have forced upon the industry. But HRIS blocks that choice and the competition that choice would bring.

23. HRIS and its co-conspirators have harmed brokers and agents, including Compass, its agents, and homeowners. Compass is blocked from winning clients, from attracting agents, and from receiving the commissions and other benefits that would come from its competition through innovative marketing strategies. Homeowners are hurt because they (1) cannot sell their own properties however they legally want, including in ways that test the market, and manage the sales

[21] Butters Report at 130.

[22] *Nat'l Ass'n of Realtors v. United States*, 97 F.4th 951, 954 (D.C. Cir. 2024) (discussing DOJ investigations).

[23] Butters Report at 130.

process; (2) cannot benefit from marketing strategies that, on average, provide them with a 4.6% higher sale price, 34% fewer days on the MLS, and 29% fewer price cuts; and (3) cannot benefit from the fiduciary duties agents owe to their clients, including the duty to represent the client's interests and to place no personal interest above the client's.[24]

24. HRIS has no valid justifications for its illegal conduct. Any claim HRIS makes is undermined by recent history: on information and belief, until 2020, agents were not subject to HRIS Rule 1.01, HRIS succeeded, and homes were legally sold in the Houston area. Moreover, MLSs across the country allow homeowners to publicly market their properties however they want, and those MLSs still exist and succeed, and homes are still sold legally. HRIS's restraints on competition are not about transparency, as some MLSs have claimed to defend similar rules. HRIS does not allow homeowners or homebuyers to become members or to directly search or access its database. HRIS does not accept for-sale-by-owner listings. HRIS's own rules allow listings to be hidden, just as long as they are not publicly marketed outside of HRIS.[25] Its restraints also have nothing to do with "free-riding." The free-riding justification was rejected by a federal appellate court in nearly identical circumstances.[26] Compass also gets nothing for free: agents affiliated with Compass both pay for HRIS membership and provide HRIS with listings. Even when homeowners publicly market their properties pre-MLS, most would still instruct Compass to give their listings to the MLS before they sell (over 93% of all Compass listings, including

[24] 22 Tex. Admin. Code § 531.2(1), (3).

[25] *See* HRIS Rules 1.3, 18.3.9 & p. 53 ("Private per Seller").

[26] *Realcomp II, Ltd.*, 635 F.3d at 835.

listings publicly marketed pre- and off-MLS, are sold after being submitted to the local MLS). On the other hand, HRIS gives listings to third-party portals that do not contribute any listings.[27]

25. Compass hereby brings claims against HRIS for violating the Sherman Act, 15 U.S.C. § 1.

PARTIES

26. Plaintiff Compass, Inc. is a Delaware corporation with its principal place of business in New York, New York. Compass is an innovative, national real estate technology company and brokerage that provides a proprietary, end-to-end cloud-based platform for agents and their clients. Under the brand names "@properties," "Ansley Real Estate," "Better Homes & Gardens Real Estate," "Century 21," "Christie's International Real Estate," "Coldwell Banker," "Compass," "Corcoran," "ERA," "Latter & Blum," "Sotheby's International Realty," and "Washington Fine Properties," Compass operates brokerages and licenses franchises throughout the United States, including Texas. Compass empowers thousands of agents with cutting-edge technology to better serve homebuyers and homeowners. Compass also has title and escrow and mortgage joint-venture operations across the United States, including Texas.

27. Plaintiff Compass RE Texas, LLC ("Compass Texas") is a Texas limited liability company and a wholly-owned indirect subsidiary of Compass, Inc., with its principal place of business in New York, New York.[28] Compass Texas holds Texas Real Estate Commission broker

[27] HRIS Rule 21 ("Only Participant listings, participating in IDX, shall be automatically transmitted by MLS to real property advertising web sites (e.g., www.REALTOR.com, www.HAR.com, www.chron.com, etc.).").

[28] Tex. Comptroller of Pub. Accts., Franchise Tax Account Status, Compass RE Texas, LLC, Texas SOS File No. 0802326577 (as of Nov. 11, 2026).

license No. 9006927-BB,[29] and is a Participant in HRIS; its affiliated agents are HRIS Subscribers. Compass Texas is the listing broker under the listing agreements for Compass' listings in the HRIS service area, and HRIS enforces its rules against Compass Texas.

28. Defendant HRIS is a Texas corporation with its principal place of business in Houston, Harris County, Texas. HRIS's mailing address, and the address it lists for each of its directors, is 3693 Southwest Freeway, Houston, Texas 77027, which is also the address of the Houston Association of REALTORS®, Inc.[30] HRIS is a wholly owned subsidiary of the Houston Association of REALTORS®, Inc. ("HAR").[31] HRIS has approximately 48,000 subscribers, and additional agents, brokers, and appraisers have direct access to HRIS records via data share agreements with other MLSs.[32] A majority of HRIS's Board of Directors are working brokers and agents who compete with each other and with Compass.

29. HRIS is a contract, combination, or conspiracy of competing agents and brokers. HRIS's participating brokers and agents compete directly with one another and with Plaintiffs for homeowner clients, homebuyer clients, and agents. Those brokers and agents follow and enforce

[29] Tex. Real Est. Comm'n, License Holder Search, Compass RE Texas, LLC, License No. 9006927-BB (as of Nov. 11, 2026).

[30] HRIS By-Laws art. I; Tex. Comptroller of Pub. Accts., Franchise Tax Account Status, Houston Realtors Information Service, Inc., Texas SOS File No. 0156652500 (as of Nov. 11, 2026); Tex. Comptroller of Pub. Accts., Franchise Tax Account Status, Houston Association of REALTORS®, Inc., Texas SOS File No. 0004694201 (as of Nov. 11, 2026).

[31] HRIS By-Laws § 2.01; Email from Grant P. Harpold to Nathan P. Eimer (Sept. 9, 2026, 10:44 AM) (HRIS "is a wholly owned subsidiary of HAR").

[32] *See HAR Enters into an International Data Integration Agreement with Omni MLS*, HAR (July 30, 2024), https://www.har.com/content/department/newsroom?pid=2099&pid=2099; *Houston Association of REALTORS® MLS Agreements*, HAR, https://cms.har.com/mlsagreements (listing data share and reciprocal listing access agreements between HRIS and the North Texas Real Estate Information Systems (NTREIS) MLS; Unlock MLS; the San Antonio Board of REALTORS®' (SABOR) LERA MLS; and Omni MLS).

HRIS's rules, and HRIS is governed by a Board of Directors largely composed of competing brokers and agents.

30. HRIS Rules 1 and 1.12 require submission of covered listings located within HRIS's "territorial jurisdiction" or "service area," but neither HRIS's Rules nor its By-Laws define those terms.[33] HRIS's listings are concentrated in and around Houston. HAR's territorial jurisdiction covers most of Harris County, all of Fort Bend and Montgomery Counties, and parts of Brazoria, Chambers, and Galveston Counties.[34] On information and belief, HRIS is the only MLS serving those areas.

DEFENDANT'S CO-CONSPIRATORS

31. Competing agents, including those enforcing HRIS's rules, members of HRIS's Board of Directors, and members of HRIS's Quality Assurance Task Force and the HAR Professional Standards Committee, conspired with each other, with HRIS, and with HRIS's owner, HAR, to design, approve, enforce, and implement the Anticompetitive Rules. An agent who disputes a charge for violating HRIS's rules may seek review by HRIS's Quality Assurance Task Force and then a hearing before HAR's Professional Standards Committee.[35] HAR selects HRIS's Board of Directors: HAR is HRIS's sole shareholder, HAR's Board of Directors exercises the shareholder's rights, and HAR elects HRIS's directors and may remove any of them with or without cause.[36] HAR's and HRIS's leadership is intertwined: HRIS's President and Chief

[33] HRIS Rules 1, 1.12.

[34] *See* HAR By-Laws art. 3 § 1.

[35] HRIS Rule 9.4; *see also* HRIS By-Laws § 11.14.

[36] HRIS By-Laws §§ 2.01 (HAR "is the sole shareholder" of HRIS, and "[a]ction of the shareholder shall be exercised by the Board of Directors of HAR"), 3.03 (shareholder elects HRIS's directors), 3.05 (any director "may be removed from office with or without cause" by the shareholder).

Executive Officer must be an HAR employee; the current chair of the MLS Advisory Group, which proposes HRIS's rules, also sits on HAR's Board of Directors; and HRIS shares its address with HAR.[37]

32. HRIS's co-conspirators performed acts and made statements in furtherance of HRIS's anticompetitive conduct. HRIS is jointly and severally liable for the acts of its co-conspirators, whether or not they are named as defendants in this complaint.

JURISDICTION AND VENUE

33. This Court has subject-matter jurisdiction pursuant to 28 U.S.C. §§ 1331 and 1337 because Compass brings this action under Sections 4 and 16 of the Clayton Act, 15 U.S.C. §§ 15, 26, seeking injunctive relief, damages, treble damages, cost of suit, and reasonable attorneys' fees, arising from HRIS's and unnamed co-conspirators' violations of Section 1 of the Sherman Antitrust Act, 15 U.S.C. § 1.

34. This Court may grant declaratory relief under 28 U.S.C. §§ 2201 and 2202.

35. This Court has personal jurisdiction over HRIS because its headquarters and principal place of business are in this district, and HRIS conducts substantial business in this district.

36. Venue is appropriate in this district and in the Houston Division because HRIS's headquarters and principal place of business are in this district and because a substantial portion of the transactions and events giving rise to this action—the agreement among the competing

[37] HRIS By-Laws § 5.01 (HRIS "shall have a President/CEO employed by HAR"); *2026 HAR Leadership*, HAR.com, https://www.har.com/content/leadership. *Compare* HRIS By-Laws art. I; Tex. Comptroller of Pub. Accts., Franchise Tax Account Status, Houston Realtors Information Service, Inc., Texas SOS File No. 0156652500 (as of Nov. 11, 2026), *with* Tex. Comptroller of Pub. Accts., Franchise Tax Account Status, Houston Association of REALTORS®, Inc., Texas SOS File No. 0004694201 (as of Nov. 11, 2026).

brokerages and the actual and threatened enforcement of anticompetitive rules—occurred in this district. 28 U.S.C. § 1391; 15 U.S.C. § 22. HRIS has been registered with the Texas Secretary of State as a Texas corporation since January 20, 2000, and its mailing address and registered office are in this district.[38]

TRADE AND COMMERCE

37. HRIS has entered into agreements with each of its approximately 48,000 subscribers and, in September 2026 alone, facilitated 8,181 transactions valued at $3.45 billion.[39] These transactions, together with the associated mortgage financing, out-of-state buyers and homeowners, and national title insurance, are in and have a substantial effect on interstate commerce, as used in 15 U.S.C. § 1.

RELEVANT MARKETS

38. *Relevant Product Markets.* There are at least three relevant product markets: (1) provision of real estate brokerage services to homeowners (the "Brokerage Services Market"); (2) provision of real estate brokerage services to agents who represent homeowners (the "Agent Services Market"); and (3) provision of multiple listing services to brokers and agents who represent homeowners (the "MLS Market") (collectively, the "Relevant Markets").

[38] Tex. Comptroller of Pub. Accts., Franchise Tax Account Status, Houston Realtors Information Service, Inc., Texas SOS File No. 0156652500 (as of Nov. 11, 2026).

[39] HRIS Rule 6 (each Participant and Subscriber executes a license and access agreement with HRIS); HRIS By-Laws §§ 11.06, 11.13; *HAR Enters into an International Data Integration Agreement with Omni MLS*, HAR (July 30, 2024), https://www.har.com/content/department/newsroom?pid=2099&pid=2099; *Monthly Housing Update and MLS Sales Activity*, HAR (Oct. 14, 2026), https://www.har.com/content/department/mls?y=2026&m=10.

39. The Brokerage Services Market includes the services that brokerages and agents provide their homeowner clients. Those services include, among other things, advising on pricing and marketing, conducting marketing activities, and negotiating with buyers. A hypothetical profit-maximizing firm, not prevented by regulation from increasing prices or worsening terms, that was the only present and future seller of brokerage services likely would undertake at least a small but significant and non-transitory increase in price or other worsening of terms. Compass and the brokerages and agents who participate in and control HRIS compete in the Brokerage Services Market.

40. The Agent Services Market consists of services that brokerages provide to agents. Those services include, among other things, sharing commissions with the agent, developing and maintaining a strong brand that appeals to consumers, investing in and providing technology agents can use in representing clients, and supporting agents in representing their clients, including by offering innovative and appealing ways to better serve their clients. A hypothetical profit-maximizing firm, not prevented by regulation from increasing prices or worsening terms, that was the only present and future seller of agent services likely would undertake at least a small but significant and non-transitory increase in price or other worsening of terms. Compass and the brokerages who participate in and control HRIS compete in the Agent Services Market.

41. The MLS Market consists of the services that MLSs provide to brokers and agents. Those services include a repository of property listings, distribution of listings to other agents, and syndication of those listings through data sharing feeds to other participants, including the other real estate brokers and agents in the area and the large public-facing aggregator websites such as third-party portals. A hypothetical profit-maximizing firm, not prevented by regulation from increasing prices or worsening terms, that was the only present and future seller of multiple listing

services likely would undertake at least a small but significant and non-transitory increase in price or other worsening of terms. HRIS participates in the MLS Market.

42. *Relevant Geographic Market.* The relevant geographic market for each of the defined product markets is no larger than the area in and around Houston in which HRIS's listings are concentrated (the "HRIS service area"). A hypothetical profit-maximizing firm, not prevented by regulation from increasing prices or worsening terms, that was the only present and future seller of each of the relevant products in this geographic market likely would undertake at least a small but significant and non-transitory increase in price or other worsening of terms.

43. Brokers and agents cannot avoid HRIS's rules by using a neighboring MLS or an MLS with a data sharing agreement with HRIS for several reasons:

a. Brokers and agents need to be members of the MLS that covers their region because being an "out-of-region" broker or agent makes it harder to attract clients and agents.

b. HRIS rules apply to all agents and listings affiliated with a "Participant," which means that every listing by an agent affiliated with a brokerage must be given to HRIS, even if the agent is not a member of HRIS, does not submit it to HRIS, and the homeowner does not want it in HRIS.[40] Even if the brokerage has only a single agent who needs to access HRIS, the entire brokerage must become a member. Specifically, HRIS Rule 1 provides that covered listings taken by Participants must be loaded into the MLS; under HRIS By-Laws § 11.04, the Participant accepts all obligations for compliance with the MLS rules by all persons affiliated with the Participant who use the MLS; under HRIS Rule 6.1, the Participant must ensure

[40] HRIS Rule 1; HRIS By-Laws § 11.04.

> that every affiliated licensee who uses or accesses the MLS subscribes individually, and must pay an additional fee for affiliated licensees in the service area who do not; and under HRIS Rule 7, a subscriber's noncompliance with HRIS rules or nonpayment of fines can subject the Participant to discipline and make the Participant ultimately responsible for all charges assessed against its subscribers. Thus, if one agent in a brokerage needs HRIS access, then all agents in that brokerage are bound by HRIS's rules.

44. To serve their clients and compete in the HRIS service area, brokers and agents must have access to HRIS and follow HRIS's rules. Thus, in both the Brokerage Services Market and the Agent Services Market, the brokers and agents that combine to adopt, follow, and enforce the HRIS rules collectively have market power. In the MLS Market, HRIS has market power.

45. As the DOJ has alleged, "By virtue of industry-wide participation and control over a critically important input, the MLS (a joint venture of competing brokers) has market power in almost every relevant market."[41] And, as the DOJ and FTC reported, "[a]s the primary source of information about homes currently for sale and the prices at which other, comparable homes have been sold, the MLS is an extraordinarily important resource for sellers, buyers and brokers. . . . MLSs are so important to the operation of real estate markets that, as a practical matter, any broker who wishes to compete effectively in a market must participate in the local MLS."[42]

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[41] Am. Compl. ¶ 24, *United States v. Nat'l Ass'n of Realtors*, No. 05-C-5140 (N.D. Ill. Oct. 4, 2005), *reprinted in* 73 Fed. Reg. 36,104, 36,105 (June 25, 2008).

[42] DOJ & FTC, Competition in the Real Estate Brokerage Industry 12 (Apr. 2007) ("2007 DOJ/FTC Report"), available at https://www.ftc.gov/sites/default/files/documents/reports/competition-real-estate-brokerage-industry-report-federal-trade-commission-and-u.s.department-justice/v050015.pdf.

FACTUAL ALLEGATIONS

MLSs and the Antitrust Laws

46. An MLS aggregates listings submitted by participating agents into a common database and makes the resulting data available to MLS participants and subscribers. HRIS is in the business of operating a broker cooperative by:

a. enhancing cooperation among its Participants;

b. accumulating and disseminating listing information so that Participants can prepare appraisals, analyses, and other valuations for their clients and customers;

c. maintaining common databases to which Participants contribute;

d. correlating and disseminating listing information among its Participants; and

e. licensing listing content to third parties and transmitting listings to real property advertising websites.[43]

47. MLSs also make and enforce rules. HRIS explains how competing agents can help enforce HRIS's rules, and it provides a specific process to report violations of its rules.[44]

48. In addition to operating this members-only database, HRIS distributes listing data to third parties, such as real estate web portals,[45] which monetize it in various ways. On information and belief, HRIS also earns revenue from listing data its participants are required to submit. HRIS obtains data for free: the HRIS Rules require the listing broker to grant HRIS "an irrevocable, unlimited, royalty-free license for HRIS and the MLS to use and sublicense the listing

[43] HRIS By-Laws § 11.02; HRIS Rules 11, 21.

[44] *See* HRIS Rule 9.1; *How to Report a Listing Violation*, HARConnect.com (2024), https://www.harconnect.com/wp-content/uploads/2024/09/How-to-Report-a-Listing-Violation.pdf.

[45] *See* HRIS Rules 11, 21.

content at its discretion."[46] HRIS then claims that "[a]ll rights, title, and interest" in the resulting MLS compilation "shall at all times remain vested in HRIS."[47] HRIS, in turn, licenses that compilation to third parties. In April 2026, for example, HAR announced that Repliers would become its "exclusive platform to license and distribute MLS data in real-time," through which HRIS "subscribers and vendors" access MLS data.[48]

49. Brokerages that have adopted the traditional, mutually aligned business model of real estate sales rely passively on one another to provide their listings to each other via the MLS. MLSs that are composed of or governed by brokerages and agents with traditional business models have a strong financial incentive to impair the business models of innovators and mavericks who seek to offer marketing options to homeowners that eschew immediate and automatic sharing of their listings on the MLS regardless of the circumstances or preferences of the homeowner. Such MLSs, and the traditional brokerages and agents that control them, try to prevent their members from publicly marketing properties off-MLS, because publicly marketing off-MLS presents a competitive challenge to the traditional brokerages.

50. MLSs are private companies. Unlike agents, MLSs do not owe fiduciary duties to anyone, let alone consumers. They are not government entities or law enforcement agencies, even though they pretend to have similar powers when interacting with agents. MLSs are not inherently pro-consumer, pro-competitive institutions; they are organizations of competing agents that make

[46] HRIS Rule 11; *see also* HRIS Rule 1.2 (listing content is provided to HRIS "with the written consent of or license from the appropriate party . . . allowing HRIS and the MLS to use, sublicense, publish, display, reproduce, prepare derivative works and to distribute the listing content, royalty free").

[47] HRIS Rule 11.1.

[48] *HAR Partners with Repliers to Expand Real-Time MLS Data Access*, HAR.com (Apr. 16, 2026), https://www.har.com/content/department/newsroom?pid=2229.

rules governing competition among them. They enforce those rules by fining and punishing their members.

51. As such, MLSs and their rules have long been regarded warily by courts and antitrust enforcers. When competitors "join together to cooperate in the conduct of their business, there naturally arise antitrust suspicions."[49] As the FTC wrote, control over the MLSs gives "Realtor groups the single most powerful tool available for shaping brokerage practice."[50] That control has been used in the past to fix commission rates, discriminate against discounters, discriminate against internet brokerages, and discriminate against minorities.

52. In the 1940s, the DOJ brought civil and criminal charges against MLSs that fixed commission rates.[51] Since then, there have been over 100 antitrust investigations and lawsuits challenging mandatory rules imposed by MLSs—many of which challenged rules controlling the public marketing of homes. For example, in a case brought by the FTC against an MLS, a federal court held that a policy limiting the public distribution and display of listings based on the nature of the listing contract "unreasonably restrained competition."[52] Another federal court ordered that an MLS "shall not adopt, maintain, or enforce any Rule . . . that directly or indirectly . . . prohibits, restricts, or impedes any truthful advertising or marketing activities of any home seller or discriminates against or disadvantages any Member or Licensee for any truthful advertising or marketing activity in which any home seller is engaged."[53]

[49] *Realty Multi-List*, 629 F.2d at 1370.

[50] Butters Report at 92–93.

[51] *See Nat'l Ass'n of Real Est. Bds.*, 339 U.S. at 487.

[52] *Realcomp II, Ltd.*, 635 F.3d at 819.

[53] *Consol. Multiple Listing Serv., Inc.*, 2009 WL 3150388, at *2.

53. Recognizing the pro-competitive benefits of pre-MLS marketing strategies is consistent with the federal antitrust agencies' long-standing views of the real estate markets. "[T]he Agencies . . . have challenged, as antitrust violations, MLS rules that unreasonably restrict competition by brokers who use alternative business models."[54] For example, the DOJ and FTC have brought cases ensuring that discount brokers and fee-for-service brokers were not denied MLS access.[55]

54. This history is long-standing and specific. On behalf of all its affiliated MLSs, NAR addressed this antitrust problem in 1971. As the FTC explained:

> By the late 1960's and early 1970's, MLSs had been named in a number of private antitrust actions and Justice Department investigations. Justice Department investigations culminated in 15 consent orders banning price fixing and other alleged anti-competitive activities. In response to these legal problems, the National Association of Realtors developed and enforced a list of policy points.[56]

55. NAR's November 15, 1971, statement, setting out and mandating these policies on the Realtor MLSs, is referred to in the industry as the "Fourteen Points" antitrust policy. Point 11 of the policy specifically addressed the antitrust problem caused by mandatory submission rules by guaranteeing an alternative method of selling residential properties to the MLS: the "office exclusive."[57] Specifically, the antitrust policy expressly provided that "***MLS shall not: Prohibit or discourage a member from accepting a listing from a seller (owner) preferring to give [an]***

[54] 2007 DOJ/FTC Report at 63; *see also Realty Multi-List*, 629 F.2d 1351; *Realcomp II*, 635 F.3d 815.

[55] 2007 DOJ/FTC Report at 64 (describing and citing cases).

[56] Butters Report at 109.

[57] *Id.* at 130.

'office exclusive."[58] Point 10 provided that "***MLS shall not: Make any rule regulating the advertising or promotion of any listing.***"[59] The FTC found that the Fourteen Points antitrust policy "may have ameliorated any competitive injury which would otherwise have resulted from 'mandatory' submissions of listings. Where 'office exclusives' are allowed, that is, where the seller can specify that his or her listing not be placed on the MLS, the broker and seller appear to be free to contract as they see fit."[60] The term "office exclusive" just meant the listing was not provided to the MLS. HRIS's mandatory submission rules cannot possibly comply with the antitrust laws because agents and homeowners have no freedom to avoid HRIS's restrictions or market their homes how they choose under the Anticompetitive Rules.

The Anticompetitive Rules

56. HRIS's rules are designed by an MLS Advisory Group of its members and approved by its Board of Directors, the majority of whom are working brokers and agents. Amendments to the MLS rules are proposed by majority vote of the MLS Advisory Group, whose chair and members are appointed each year by HRIS's Chair, and are subject to final approval by HRIS's Board of Directors.[61] An agent who disputes a charge for violating HRIS's rules may seek administrative review by HRIS's Quality Assurance Task Force and may then request a hearing before HAR's Professional Standards Committee.[62]

57. Rule 1 provides that listings of covered residential property located within HRIS's territorial jurisdiction that are taken by Participants must be loaded into the MLS within three days

[58] *Id.* at 134 n.354 (emphasis added).

[59] *Id.* (emphasis added).

[60] *Id.* at 130.

[61] HRIS Rule 14; HRIS By-Laws §§ 3.01, 11.08–11.09.

[62] HRIS Rule 9.4; HRIS By-Laws § 11.14.

after the term of the listing agreement begins and all necessary seller signatures are obtained. Rule 1.01 dictates how homeowners can publicly market their properties. Unless they give the listing to HRIS within one business day, agents and homeowners may not market the property to the public, which Rule 1.01 defines to include, without limitation, "flyers displayed in windows, yard signs, digital marketing on public facing websites, brokerage website displays (including IDX and VOW), digital communications marketing (email blasts), multi-brokerage listing sharing networks, and applications available to the general public."[63] The effect of these rules is to prevent homeowners and their agents from publicly marketing homes for sale unless those homes are listed in the MLS. The rules reach even into the homeowner's contract with her own broker. The current Texas REALTORS® Residential Real Estate Listing Agreement (Exclusive Right to Sell) warns sellers in bold type that "[i]f the Property is publicly marketed, MLS rules require that [the] Broker file this Listing with the MLS within one (1) business day," and tracks Rule 1.01's list of prohibited marketing methods.[64] A seller who instructs the broker not to file the listing with any MLS must acknowledge that "the Property will not be publicly marketed."[65]

58. If an HRIS Participant violates HRIS's rules, HRIS can punish the real estate agent and/or brokerage by levying fines or blocking their access to the listings database.[66] Pursuant to HRIS's "Schedule of Fees and Charges," a violation of HRIS Rule 1.01 is punishable by a charge of $1,000 for a first offense, $2,500 for a second offense, and $5,000 for a third offense within a

[63] HRIS Rules 1, 1.01.

[64] Texas REALTORS®, Residential Real Estate Listing Agreement Exclusive Right to Sell, TXR-1101, ¶ 6 (June 15, 2026).

[65] *Id.* ¶ 6A(2).

[66] HRIS Rules 7, 9–9.6.

twelve-month period.[67] HRIS sends the agent an email notice of the violation; if the agent does not correct it within five days, the charge is assessed automatically, without a hearing; and an agent who wishes to contest the charge may seek review only after it has been imposed.[68] HRIS thus punishes public marketing far more harshly than nearly every other rule violation: the $1,000 first-offense charge for violating Rule 1.01 is ten times the $100 charge for failing to timely file a listing under Rule 1 and ten times the default $100 charge for violating any rule that carries no specific fine, and the $5,000 third-offense charge is the largest fixed charge for a single violation in the Schedule.[69] HRIS Rule 7 also gives HRIS discretion to impose fines of up to $15,000, suspension of MLS services for up to one year, and termination of MLS services with no right to reapply for up to three years.[70] HRIS polices its rules, as do HRIS's members.

See It First™ on Compass

59. A homeowner may decide to submit a property listing immediately to the MLS for distribution. Alternatively, a homeowner may decide to engage in one or more public marketing strategies that precede distribution through the MLS. These pre- and off-MLS strategies may take a number of different forms. "Office exclusives" are a long-standing practice of publicly marketing a property off the MLS. Another alternative is a "Coming Soon" listing, where a listing is available to other participants in the MLS and may be posted to an agent's website or to other selected websites.

[67] HRIS Rules, Schedule of Fees and Charges § 1(a)(20).

[68] *Id.*; HRIS Rules 9.2, 9.4.

[69] HRIS Rules, Schedule of Fees and Charges §§ 1(a)(1), 1(a)(14)–(15), 1(a)(20), 1(b).

[70] HRIS Rules 7(d)–(f).

60. Compass is an innovative, technology-forward real estate brokerage. From its founding in 2012, Compass has invested in and developed pre- and off-MLS marketing strategies. These marketing strategies allow homeowners to choose effective options to meet their goals. Today, Compass refers to these strategies under its "See It First™ on Compass" umbrella; a prior version was called Compass' 3-Phased Marketing Strategy. Compass agents offer See It First™ on Compass to clients where MLS rules permit it, although HRIS impedes that competition to protect its members, who are Compass' competition.

61. Compass agents always discuss the advantages and disadvantages of immediate MLS distribution and phased marketing with the homeowner. The homeowner decides what to do. When working with a Compass agent, a homeowner who opts to use See It First™ on Compass as a strategy signs disclosures[71] acknowledging that the listing will not initially appear in the active MLS feed.

62. In the first phase of See It First™ on Compass, agents do not list the property on the MLS but publicly market listings in every off-MLS way allowed by local MLS rules, including informing viewers on Compass' website that (unspecified) off-MLS listings exist in the area in which the user is searching. A prospective buyer need not hire a Compass agent, or any agent, to learn about or obtain access to these listings. A buyer may contact a Compass office directly, ask a non-Compass agent to contact Compass, or register on their own without charge. Agents at other brokerages also can view these listings on request.

63. In the second phase of See It First™ on Compass, the listing moves to a "Coming Soon" status. If the homeowner instructs the agent to do so, Compass advertises "Coming Soon" listings on its own website and also distributes them to Redfin.com, a third-party real estate site,

[71] These disclosures are available at https://www.compass-homeowners.com.

which combined have over 50 million monthly active users. Coming Soon status signals to prospective buyers that the property will soon become active on the MLS and allows the homeowner to gather valuable feedback about the property before that point.

64. Finally, after these first two phases, the property moves to the third phase and goes active on the MLS and is sent by the MLS to tens of thousands of internet websites and data vendors. The homeowner and agent benefit from the pre-MLS phases because they will have provided insight on pricing, staging, and marketing strategy. Some listings sell before reaching broad MLS distribution, but more than 93% continue to the third phase, listing on the MLS.

65. The listing is the homeowner's advertisement for the home. Like any seller of property, the homeowner is entitled to say whatever she wants in the listing to sell the home so long as the listing complies with the law. And, just like a seller of anything, a homeowner should not be forced to put things into their advertisement that hurt the homeowner unless required by the law. A homeowner should not be forced to tell a buyer all the ways that the buyer can negotiate against the homeowner. But the MLS displays information that forces the homeowner's advertisement—the listing—to contain things that are not required by the law and that no reasonable homeowner would want in their listing, including days on market and history of price changes.

66. The phased marketing strategy has several advantages for homeowners.

67. ***First,*** because MLSs put the history of price changes onto the listing, and price cuts are perceived by buyers as signaling desperation, homeowners often forgo asking a higher price at the outset to avoid the risk of having to cut the price and reduce their bargaining leverage relative to buyers. This can prevent homeowners from obtaining the full value of their properties. By testing an aspirational price in a pre-MLS phase, homeowners may obtain a higher price with less

risk of a price cut later. A pre-MLS listing also avoids third-party aggregators applying their own flawed pricing algorithms to public listings, which could reduce the amount potential buyers might offer for the property.

68. ***Second***, because off-MLS pre-marketing reduces the risk to homeowners of attempting to market their property before making costly upgrades, renovations, cosmetic improvements, professional photographs, or other investments, off-MLS pre-marketing can save the homeowner the costs of making such investments.

69. ***Third,*** MLSs publish the number of days a listing has been on the MLS, and a higher number is likewise perceived by buyers as increasing their bargaining leverage relative to sellers. Pre-MLS marketing allows homeowners to test the market, build buyer interest, and refine their strategy without incurring days on the market.

70. ***Fourth,*** pre- and off-MLS marketing offer the chance to sell a house without the inconvenience that comes with publicly listing it for sale and offer the chance to assess whether expensive renovations are necessary to make the house more attractive to the broader market. Indeed, a homeowner may not yet be fully convinced that they want to sell the property or may want to avoid disruptive showings.

71. See It First™ on Compass offers homeowners the ability to market a property prior to full preparation, which may allow homeowners to reduce or avoid the costs, time, and risks associated with pre-sale improvements, while retaining the option to accept or decline early offers. Indeed, reported transactions are consistent with these benefits. For example, a homeowner experiencing a time of distress needed to sell her property quickly and was able to secure a buyer within a short period, without dimensions or even pictures through pre-marketing. Compass agents appreciate the ability to offer innovative strategies that help homeowners achieve their goals.

72. This phased marketing strategy is good for homeowners, good for agents seeking to represent homeowners, and good for Compass. Compared with listings sent directly to an active MLS feed, properties marketed through Compass' phased marketing strategy sold for 4.6% more, had 34% fewer days on the MLS, and experienced 29% fewer price cuts. The phased marketing strategy does, however, threaten incumbent brokerages by forcing them to compete against Compass for homeowner clients and for agents who want to offer such innovative marketing strategies to their homeowner clients.

73. Homeowner demand for phased marketing has been substantial in the many areas of the country where MLSs allow Compass to offer it. By March 2025, approximately 48% of Compass homeowners selected phased marketing. After March 2025, the percentage of phased marketing listings fell due to Zillow's adoption of "Listing Access Standards" banning pre-marketed listings from Zillow and affiliated sites. The Listing Access Standards are similar to the Anticompetitive Rules in that they deny access to a public marketing platform, in that case Zillow's, based solely on the homeowner's decision to first market a property by other means. In a recent federal antitrust case, Zillow argued that its Listing Access Standards promoted competition by reducing pre-MLS marketing, but the court held both that Zillow failed to prove its claims and that the "record . . . identifie[d] plausible procompetitive effects from" strategies such as Compass' phased marketing strategy.[72]

74. Recognizing the benefits of pre- and off-MLS marketing for many homeowners, many MLSs do not penalize agents and homeowners for such marketing. MLSs serving more than

[72] *Zillow Group, Inc. v. Midwest Real Est. Data LLC*, No. 1:26-cv-05451, Mem. Op. & Order 43–44 (N.D. Ill. Sept. 15, 2026), ECF No. 141.

350,000 brokers and agents in at least 12 states allow homeowners to publicly market their properties, and those MLSs continue to succeed.

Anticompetitive Effects

75. The Anticompetitive Rules restrain trade in several ways.

76. ***First***, because HRIS's participating brokers and agents (including Board members) compete directly with one another and with Compass and its agents for homeowners and homebuyers, implementation and enforcement of the Anticompetitive Rules block competition from agents who want to offer innovative, pro-competitive, and pro-consumer public marketing options. As the FTC reported, "On its face, requiring that MLS members submit all of their listings of a designated type restricts the competitive freedom of the broker-members. Alternative methods of selling houses are effectively foreclosed."[73]

77. ***Second***, HRIS is blocking competition by other public marketing methods, identified by HRIS Rule 1.01 as including flyers displayed in windows, yard signs, digital marketing on public-facing websites, brokerage website displays (including IDX and VOW sites), email blasts, multi-brokerage listing sharing networks, and applications available to the general public, and most significantly, the Compass website itself.

78. ***Third***, the Anticompetitive Rules also reduce competition among brokers, including Compass, by preventing them from competing through the timing, sequence, and scope of a listing's distribution.

[73] Butters Report at 130.

79. ***Fourth***, the Anticompetitive Rules further reduce competition among brokers, including Compass, by preventing them from competing to attract agents by offering them innovative, appealing ways to serve their homeowner clients.

HRIS's Justifications Are Pretextual

80. HRIS has no valid justification for its illegal conduct. HRIS operated without Rule 1.01 before 2020, and many MLSs across the country allow homeowners to publicly market their properties however they want, and those MLSs still exist and succeed. These rules are not required for operating a successful MLS. These are not rules that ensure the integrity of the data distributed by HRIS or prohibit its members from selectively editing or excluding the HRIS listings they show their buyer clients. The Anticompetitive Rules govern marketing itself and require brokers and their clients to forgo profitable strategies on pain of being fined by or excluded from the MLS.

81. HRIS's restraints on competition are not about "transparency." HRIS does not allow homeowners or homebuyers to become members or to directly access its database. HRIS does not accept for-sale-by-owner listings. And HRIS's own rules allow listings to be hidden, just as long as they are not publicly marketed outside of HRIS.[74] Nor are HRIS's restraints about equal access for buyers; any buyer, and any buyer's agent, can learn about, tour, and make an offer on a property marketed through See It First™ on Compass without hiring a Compass agent. Indeed, without See It First™ on Compass as an option, some homeowners would not choose to sell their property, ultimately reducing the inventory of homes on the market.

[74] *See* HRIS Rules 1.3, 18.3.9 & p. 53 ("Private per Seller").

82. HRIS's restraints also have nothing to do with "free-riding." In the first place, Compass does not seek special treatment. If Compass has its way, ***every*** member of HRIS will be free to offer pre- and off-MLS marketing strategies to their clients.

83. Compass does not benefit from the contributions of other brokerages to the MLS without contributing to the benefits that other brokerages can obtain from the MLS. Compass contributes substantially to the benefits obtained by other brokerages and would continue to do so under the See It First™ on Compass program. Compass agents provide value to HRIS and its members in critical ways, including by paying dues, exposing its buyer clients to listings submitted by other members; and submitting listings to HRIS for the benefit of all buyer agents in the HRIS service area after the first two phases of the phased marketing strategy, which would happen for over 93% of all pre-marketed listings based on experience elsewhere.

84. In its rules, HRIS asserts other arguments about the purported drawbacks of pre- and off-MLS marketing that amount to little more than paternalistically telling homeowners and their agents what is best for them. HRIS requires every seller who chooses an office exclusive or delayed marketing listing to sign a form acknowledging that the seller understands the MLS benefits being waived or delayed, "such as broad and immediate exposure of their listing through the MLS."[75] HRIS's Form 300, which the seller must sign and the agent must email to HRIS, goes further: it warns sellers that an office exclusive "may create perceptions of unfairness or discrimination in the marketing of the property," and that "[f]ailure to comply with 'Public Marketing' requirements may result in fines or penalties for your agent."[76] Competition requires innovation, and consumers will ultimately decide what innovations are worthwhile.

[75] HRIS Rule 1.3 (requiring HAR Form 300 for office exclusives or delayed marketing).

[76] Seller Options for Limited Marketing ("Authorization") – HAR.com Form 300, ¶¶ 1, 1(D).

85. HRIS's purported alternatives do not cure the restraint. HRIS Rule 1.3, called an "office exclusive," requires that the property be kept hidden and marketed exclusively within the listing brokerage—no yard sign, no website, no email blast. Even then, the office exclusive must still be filed with HRIS within the same deadline as any other listing, on pain of a fine, and if it is publicly marketed in any way, it must be distributed to every HRIS Participant within one business day.[77] HRIS's "delayed marketing" option requires that the listing be filed with HRIS and distributed to every competing Participant, delaying only its display on IDX websites and its syndication to portals; it also itself remains subject to Rule 1.01.[78] HRIS's "Coming Soon" status likewise requires that the listing be submitted to HRIS, bars all showings and open houses, and ends after 21 days, when the listing automatically becomes Active.[79] HRIS's "Private per Seller" status also requires that the listing be submitted to HRIS and made visible to every real estate professional with access to HRIS.[80] None of these options allows a homeowner to publicly market a home before—or without—giving it to HRIS and every competing broker in it.[81]

Antitrust Injury to Compass, Its Agents, and Homeowners

86. HRIS's conduct causes significant, direct harm to Compass, its agents, and consumers. The harm resulting from this anticompetitive scheme encompasses the following:

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[77] HRIS Rules 1, 1.01, 1.3 & Schedule of Fees and Charges § 1(a)(1).

[78] HRIS Rule 1.3; *see also* HRIS Rule 1.01 (explaining that the clear cooperation rule applies to listings "exempt from distribution under Section 1.3 . . . if it is being publicly marketed").

[79] HRIS Rules 1, 1.26, 2.01, p. 53 ("Coming Soon"), p. 54 ("Coming Soon").

[80] HRIS Rules p. 53 ("Private per Seller"); Seller Options for Limited Marketing ("Authorization") – HAR.com Form 300, ¶ 2(A).

[81] *See* HRIS Rule 1.3 & pp. 53–54. The DOJ views mandatory-listing policies, coupled with "exceptions benefitting primarily large brokerages," as anticompetitive. Supplemental Statement of Interest of the United States, *Nosalek v. MLS Prop. Info. Network, Inc.*, No. 1:20-cv-12244-PBS, ECF No. 358, at 7 n.2 (D. Mass. Mar. 17, 2025). Rule 1.3 is precisely the sort of "exception" that makes HRIS Rules 1 and 1.01 anticompetitive.

a. **Lost Commissions and Financial Harm to Brokerage**: Compass has suffered direct financial harm through lost commissions due to Compass' inability to offer homeowners its phased marketing strategy, a superior product that attracts homeowners to Compass. Compass has also suffered direct financial harm through lost revenue from those homeowners through ancillary services, such as title and escrow services and mortgage services.

b. **Degradation of Compass Website**: The enforcement of the Anticompetitive Rules degrades Compass' proprietary technology platform by preventing Compass from posting pre-MLS listings in See It First™ on Compass, artificially suppressing web traffic and prospective leads.

c. **Depressed Sales Prices and Lost Sales**: By eliminating Compass' ability to pre-market and test pricing, HRIS rules force homeowners to launch blind on the MLS, frequently resulting in mispricing that depresses final home values, in lost sales, and in reduced commissions.

d. **Excessive Days on Market and Public Price Drops**: Forcing properties onto the MLS prematurely subjects them to the stigma of accumulating "days on market" and price reductions on the listing, which depress sale prices and related sales commissions.

e. **Lost Agents**: The Anticompetitive Rules prevent Compass from competing against other brokerages for agents by offering agents innovative pre-marketing strategies that they can offer their clients.

f. **Loss of Convenience and Harm to Innovation**: Homeowners are stripped of convenience surrounding their home sale, and consumers suffer from the commoditization of agent services and a reduction in pro-competitive choice.

87. Compass and its agents and homeowners have thus suffered antitrust injury as a result of the rules imposed by HRIS and the agents and brokerages who control it. HRIS's rules are anticompetitive because they foreclose homeowners and their agents from choosing a marketing strategy—limited, staged listing—that a substantial share of the market demands, thereby reducing product variety and consumer choice in the Relevant Markets. This restraint on competition directly causes Compass' injury: because Compass' phased marketing offering depends on the very marketing flexibility that the Anticompetitive Rules foreclose, HRIS's rules prevent Compass from offering phased marketing to homeowners and agents in the HRIS service area, making Compass less competitive in the Brokerage Services Market and the Agent Services Market. The mechanism of harm to competition and the mechanism of harm to Compass are one and the same: HRIS's rules prevent Compass from offering homeowners and agents innovative strategies they want.

88. Compass, Inc. and Compass Texas are therefore proper parties to bring this action. Compass' injury is direct, not derivative: it flows immediately from HRIS's rules and their enforcement against Compass agents and their homeowner clients. As the HRIS Participant and the listing broker for Compass' listings in the HRIS service area, Compass Texas directly loses the commissions on listings that homeowners would have given Compass but for HRIS's rules, and it is responsible under HRIS's rules for all charges assessed against its affiliated agents. Compass' damages, including lost commissions, lost revenue from ancillary services, and diminished value of its technology platform, are neither speculative nor unduly complex to ascertain.

HRIS's Rule Enforcement Against Compass

89. HRIS has enforced Rule 1.01 against Compass agents for conduct that is not public marketing in any ordinary sense. For example, on April 6, 2026, HRIS fined a Compass agent in The Woodlands $1,000 under Rule 1.01 in connection with an office exclusive listing because the agent invited agents at other brokerages to an event at the home through individual, one-to-one emails and text messages. HRIS determined that the event, attended by invited real estate professionals, constituted "public marketing." On June 25, 2026, HRIS denied the agent's petition challenging the fine. By enforcing the Anticompetitive Rules through notices of violation, automatic charges of up to $5,000 per violation, mandatory hearings for agents who accumulate more than three administrative sanctions in a calendar year, and the threat of suspension and expulsion from the MLS, HRIS has made it impossible for Compass to perform its obligations in accordance with homeowners' instructions.

90. On August 26, 2026, Compass' Chief Legal Officer spoke by telephone with René Galvan, the President and Chief Executive Officer of HAR and of HRIS. The next day, Compass asked HRIS to agree by September 1, 2026, that it would not fine or penalize real estate professionals for publicly marketing office exclusive listings. On September 1, Mr. Galvan responded that "we will consider your requests at our October meeting." On September 8, 2026, Compass demanded in writing that HAR confirm by October 6, 2026, that it would not fine or punish a real estate professional for publicly marketing office exclusive listings, and copied the Antitrust Division of the DOJ and the FTC's Bureau of Competition. The next day, HRIS's counsel responded that HRIS is the entity that operates the MLS and is a wholly owned subsidiary of HAR, that HRIS's Board would meet on October 9, 2026, and, on HRIS's behalf, requested an extension to October 12, 2026. On September 14, Compass agreed, requiring a response from both HRIS and HAR. On September 18, Compass sent Mr. Galvan the order of the U.S. District Court for the

Northern District of Illinois denying Zillow's motion for a preliminary injunction against Compass. On October 5, HRIS's counsel requested a further extension, to November 2, for a "combined (HAR/HRIS) response," because HAR's boards would not meet until October 19; Compass extended the deadline to October 20, 2026. HRIS did not respond to Compass' demand and has not agreed to stop enforcement of the Anticompetitive Rules.

HRIS's Continuing Violations

91. HRIS's anticompetitive conduct is ongoing. The Anticompetitive Rules are not merely rules adopted in the past; they are a continuing agreement among competing brokers to penalize and exclude any broker or agent who follows a homeowner's instruction to publicly market a home outside the MLS, and HRIS enforces that agreement through notices of violation, automatic charges, administrative review by its Quality Assurance Task Force, hearings before HAR's Professional Standards Committee, and the threat of suspension and expulsion.[82]

92. Within the four years before this complaint was filed, HRIS and its co-conspirators have committed new and independent acts that renew the restraint and inflict new and accumulating injury on Compass, including:

a. issuing a fine on April 6, 2026, against a Compass agent in The Woodlands for violating Rule 1.01, and denying the agent's petition challenging that fine on June 25, 2026;

b. appointing, each year, a new MLS Advisory Group of competing brokers to propose HRIS's rules;

c. failing to agree to Compass' demand that it stop enforcement of Rule 1.01; and

[82] HRIS Rules 7, 9–9.4 & Schedule of Fees and Charges § 1(a)(20).

d. continuing, each day, to prohibit Compass and its agents from publicly marketing listings in accordance with homeowners' instructions, and to assess fines when they do.

93. Each of these acts required HRIS to make a fresh, discretionary decision to maintain, tighten, or enforce the Anticompetitive Rules—a decision HRIS was free not to make. Each act caused Compass new injury—lost commissions, lost ancillary revenue, lost agents, and diminished value of its technology platform—that Compass could not have recovered in an earlier action because that injury had not yet occurred. Compass seeks damages for injuries caused by acts within the applicable limitations periods, and its claims for injunctive relief are timely because HRIS continues to maintain and enforce the Anticompetitive Rules today.

CAUSES OF ACTION

COUNT I
PER SE ILLEGAL GROUP BOYCOTT
IN VIOLATION OF SHERMAN ACT SECTION 1 (15 U.S.C. § 1)

94. Plaintiffs repeat and incorporate by reference each of the foregoing paragraphs of the Complaint.

95. The agent members of HRIS's Board of Directors are direct competitors with each other and with Compass in the Brokerage Services Market and the Agent Services Market. They are therefore horizontal competitors with each other and with Compass.

96. Through the Anticompetitive Rules, HRIS forces Compass and its agents to forgo either (1) a critical input to their business (access to HRIS in the HRIS service area) or (2) the ability to offer innovative pre- and off-MLS marketing strategies to homeowners and agents.

97. The agreement by and among HRIS and its governing members to implement and enforce these rules is, therefore, a *per se* group boycott—a *per se* illegal combination, contract, or conspiracy in violation of Section 1 of the Sherman Act, 15 U.S.C. § 1. *Per se* treatment is

warranted because HRIS possesses market power in the MLS Market in the HRIS service area; it controls access to an input—MLS participation—that agents need to compete effectively in the HRIS service area; and the challenged rules lack any plausible efficiency justification, because they govern agents' marketing to the public rather than the integrity or sharing of data within the MLS.

98. As a direct and proximate result of Defendant's enforcement of its rules, Compass has been injured in its business and property, is suffering irreparable harm, and is suffering damages in an amount to be proved at trial.

COUNT II
COMBINATION, CONTRACT, AND CONSPIRACY CONSTITUTING UNREASONABLE RESTRAINT OF TRADE IN VIOLATION OF SHERMAN ACT SECTION 1 (15 U.S.C. § 1)

99. Plaintiffs repeat and incorporate by reference each of the foregoing paragraphs of the Complaint.

100. HRIS is the dominant or sole MLS in the HRIS service area. Membership in HRIS and access to the MLS it operates are critical for agents working in the HRIS service area. HRIS is controlled by agents and brokerages who are horizontal competitors with each other and with Compass in the Brokerage Services Market and the Agent Services Market. HRIS and the agents and brokerages who control it are using their control of HRIS to restrain competition in the Brokerage Services Market and the Agent Services Market by implementing and enforcing the Anticompetitive Rules, which prevent Compass from offering See It First™ on Compass to its homeowner clients and agents and prevent any other agent from offering innovative pre- and off-MLS marketing strategies.

101. The rules' anticompetitive effects—reduced product variety, reduced competition among brokers on the timing, sequence, and scope of listing distribution, and reduced competition

for agents—substantially outweigh any pro-competitive benefit. Any legitimate objective could be achieved through substantially less restrictive means, including HRIS's pre-2020 rules and the rules of the many MLSs that permit pre-MLS public marketing. Alternatively, the anticompetitive character of the rules is obvious enough to warrant an abbreviated, "quick look" analysis.

102. As a direct and proximate result of Defendant's enforcement of its rules, Compass has been injured in its business and property, is suffering irreparable harm, and is suffering damages in an amount to be proved at trial.

REQUESTED RELIEF

Compass requests the following:

(a) A declaration that the Anticompetitive Rules are an unlawful restraint of trade under 15 U.S.C. § 1;

(b) An injunction prohibiting HRIS from adopting, maintaining, or enforcing the Anticompetitive Rules, or any similar rule, to penalize any participant or subscriber for publicly marketing a property that the homeowner has directed be withheld from, or submitted later to, the MLS;

(c) An award of treble actual, compensatory, and consequential damages in an amount to be proven at trial in addition to pre- and post-judgment interest as allowed by law;

(d) An award of Plaintiffs' attorneys' fees and costs of suit; and

(e) Such other relief that the Court deems just and equitable.

JURY DEMAND

Pursuant to Rule 38 of the Federal Rules of Civil Procedure, Compass hereby demands a trial by jury as to all claims so triable.

Dated: November 12, 2026

Respectfully submitted,

By: */s/ Nathan P. Eimer*

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