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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS

Zillow Group, Inc. et al.

Plaintiff,

v.

Midwest Real Estate Data LLC et al.

Defendant.

Case No.: 1:26-cv-05451

**GEODOMA'S AMICUS CURIAE
BRIEF IN SUPPORT OF NEITHER
PARTY**

Judge: Hon. John J. Tharp Jr.

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BACKGROUND

Your Honor, today, U.S. residential online real estate portals with the NAR-affiliated MLSs IDX access (such as Zillow Preferred (Flex), Realtor.com (OpCity-UpNest), Rocket Homes (Redfin Partner Program), Movoto (OJO), etc.) are operating RESPA-banned “referral networks” of tens of thousands of “partner agents” (Source: Docket ID CFPB-2022-0037 Petition for Rulemaking Regarding Real Estate Broker Referral Fee Networks, US-CFPB (June 2, 2022), <https://www.regulations.gov/document/CFPB-2022-0037-0001>). CoStar Group Homes.com is the only major online real estate portal that utilizes RESPA-compliant subscription revenues.

This is a massive \$15 billion-a-year kickback fraud, combined with sheer dominance, network effects, and interstate wire communications. Mere dozens of such “referral networks” have now implicated almost every single major brokerage in America (including Compass) in a massive RESPA/RICO fraud against their own customers. See Taylor v. Zillow, Inc., 2:25-cv-01818 (W.D. Wash. Oct. 6, 2025) (Doc. 7); Waller v. Rocket Companies, Inc., 2:26-cv-10270 (E.D. Mich. Apr. 10, 2026) (Doc. 17); Peyton v. Veterans United Home Loans et al, 2:26-cv-04039 (W.D. Mo. May 6, 2026) (Doc. 35)

Subject to this massive RESPA fraud, collusion, illegal steering, etc., all participants in our broken real estate market are acting irrationally - sometimes even responding to illegal conduct with more illegal conduct. For consumers and lawful businesses, our real estate market is the equivalent of a western saloon brawl. In this chaos, our federal courts now also face a multi-level problem in correctly resolving business disputes. These conflicts and breaches of major laws on a wide scale affect how 1,500,000+ real estate agents do business nationwide, when consumers buy and sell as many as 4,000,000 to 6,000,000 homes every year. This Court must remain vigilant and continue to render accurate decisions, despite the chaos.

To truly restore competition and transparency in U.S. residential real estate, certain broken practices must change. This Court may think: “Well, solving these problems is not what we do here - we decide on the merits of the dispute before us.” Yes, and I am not asking this Court to magically solve these problems - but to merely identify them and take them into account as factual truths. Truth is the alignment of reality, validated through empirical evidence and interpreted within a specific, necessary context. Even though these specific (6) Items listed below do not directly address the boycott claims before this Court, I firmly believe that knowing about them can help this Court render the correct decisions as part of this specific dispute that Zillow originated.

To start, this Court can easily validate these specific (6) Items and see that they are True (Source: <https://schema.org/True>) because each of these Items is associated with specific breach of codified law(s) and clearly-referenced facts that can be tied with specific harm(s) to consumers and lawful businesses (with reduced competition and lack of transparency).

Once this Court validates these specific (6) Items as True, the context is also self-evident. In their Complaint (ECF 1), Zillow admits that it “*shares in compensation from other cooperating licensed real estate brokers pursuant to a brokerage-to-brokerage agreement.*” Zillow admits to partaking in certain types of fees that MUST meet 12 U.S.C. § 2607(c)(3) broker-to-broker exemption to be lawful (whenever the Consumer’s transaction is covered by RESPA, which is almost always). Zillow is also facing a major lawsuit by Consumers over this exact compensation in the estimated amount of over \$5 billion, since 2018. Alas, 12 U.S.C. § 2607(c)(3) broker-to-broker exemption cannot plausibly apply to Zillow’s “success fees.” In this context, this Court cannot plausibly grant Zillow any equitable relief, because it commits major RESPA fraud.

The information in this Brief attempts to summarize some of these logical conflicts (based on my personal continued efforts to fix our broken real estate industry). This information carries no legal weight; it can all be easily ignored or selectively processed. Nor do I know (or pretend to know) the law better than this Court. If the rules do not allow this information for any reason, it is not my intention to break any rules. I only know what happens in our broken real estate market, and that this information may help this Court correctly identify and resolve logical conflicts that Zillow pleaded in its Complaint (ECF 1). Zillow comes to this Court with very dirty hands and a series of absurd notions that have no logical grounds under U.S. laws and governing precedent.

ARGUMENT

A. Massive “referral networks,” including Zillow Preferred (Flex), are scamming consumers blind with ~40% RESPA-banned “success fees” kickbacks in the middle of housing affordability crisis.

In its Complaint (ECF 1), Zillow attempts to concurrently argue two conflicting notions:

(1) Zillow is “*a licensed real estate brokerage in 50 states and the District of Columbia*” and “*a competitor in the Brokerage Services market*. Zillow, Inc. is a licensed real estate brokerage and maintains a real estate brokerage license in Illinois, License No. 478012434. Through its Preferred agent programs, Zillow shares in compensation from other cooperating licensed real estate brokers pursuant to a brokerage-to-brokerage agreement. Zillow operates differently from a traditional brokerage in some ways, but offers many of the services provided by brokerages, such as connecting potential home buyers with agents and sellers.”

and

(2) “Zillow and other players have succeeded in this space by aggregating comprehensive, accurate, and up-to-date real estate listings from MLSs and displaying them on

an innovative platform that consumers can easily search and browse for free. Today, consumers expect to be able to access and search for-sale listings this way themselves, through Zillow and other platforms like it.”

These two conflicting notions are impossible for this Court to accept *prima facie* because MLSs and online platforms serve real estate brokers as advertising customers, or relevant direct “consumers of the multilisting service.” Thompson v. Metropolitan Multi-List, Inc., 934 F.2d 1566, 1571 (11th Cir. 1991).

The Supreme Court, in Ohio v. Am. Express Co., 138 S. Ct. 2274, 201 L. Ed. 2d 678 (2018) also correctly recognized a two-sided platform to “facilitate a single, simultaneous transaction” that offers “different products or services to two different groups who both depend on the platform to intermediate between them.” In other words, all agreements between two-sided platforms and their customers are established between firms at different levels of distribution offering entirely different products or services. Logically, Zillow cannot act as a two-sided platform that services brokers as customers and, concurrently, argue that it operates in the same market as their broker-customers - the Supreme Court has expressly segregated a two-sided platform into an entirely different product market.

Zillow Group 2018 Form 10-K, plainly exposes the fact that Zillow Preferred (Flex)’s “*compensation from other cooperating licensed real estate brokers pursuant to a brokerage-to-brokerage agreement*” is actually sold as an advertising fee charged by an advertising platform for advertising services:

“In October 2018, we began testing a new Flex Pricing model for Premier Broker and Premier Agent **advertising services** in limited markets. With the Flex Pricing model, Premier Brokers and Premier Agents are provided with validated leads at no upfront cost, and they pay a performance **advertising fee** only when a real estate transaction is closed with one of their leads.”

where Zillow Group further admits that:

“to compete successfully for advertisers against future and existing competitors, [Zillow] must continue to invest resources in developing our **advertising platform** and proving the effectiveness and relevance of our advertising products and services.” (See <https://www.sec.gov/Archives/edgar/data/1617640/000161764019000005/q42018form10-kdoc.htm>)

The self-admission that Zillow Preferred (Flex) acts as an “advertising platform” that shares in RESPA-covered compensation through its “*Preferred agent programs*” is also a *fortiori* proof that their platform-based ~40% referral fee taken from real estate broker commissions plainly must violate 12 U.S.C. § 2607(a).

Both the United States District Court for the Northern District of California and the United States District Court for the Central District of California have recently reasoned that a scheme similar to Zillow Preferred (Flex), called HomeLight, acts in a vertical servicer-customer relationship on a different level of the supply chain with +/-28,000 “partner agents.” These federal district courts are both in the Ninth Circuit and have consistently reasoned that HomeLight’s referral agent-matching platform is an “upstream” supplier of paid referrals to “downstream” real estate brokers, as opposed to a real estate broker acting on the same level of distribution.

“To start, ***even though HomeLight is a licensed brokerage***, in the context of this agreement HomeLight and agents are not acting as horizontal competitors agreeing to charge customers the same price for a service they both offer. ... HomeLight’s referral is better thought of as a vertical input to the partner agent’s ultimate sale ... [where] ... real estate agents [are] referral platform’s ***intermediate consumers*** ...” HomeLight, Inc. v. Shkipin, 694 F. Supp. 3d 1242, 1250 (N.D. Cal. 2023)

This same distinction was articulated in another recent legal dispute (McLaughlin v.

HomeLight, Inc.) that also clarified that HomeLight functions as a referral platform, as opposed to “a real estate agent directly involved with home buyers or sellers in the purchase and sale of real estate.” That court reasoned:

“HomeLight contends that McLaughlin brings this lawsuit as an aggrieved ***potential consumer of its real estate agent referral service, not as a direct competitor.*** The Court agrees with HomeLight that McLaughlin does not plead facts supporting his conclusion that he and HomeLight are ‘direct competitors.’” McLaughlin v. HomeLight, Inc., 2:21-cv-05379-MCS, 2021 (C.D. Cal. Sept. 17, 2021)

In markets that do not involve RESPA-covered settlement services, there is typically no problem with this vertical servicer-customer relationship, at a different level of the supply chain. Businesses can easily serve other businesses as their customers. However, subject to RESPA, this servicer-customer relationship designation plainly precludes 12 U.S.C. § 2607(c)(3) safe harbor applicability for any of the “referral platform” referrals of RESPA-covered “settlement services.”

An agent-matching platform may, of course, easily sell customer leads to real estate brokers or charge for subscriptions. However, such sales must never be tied to the outcome of the successful transaction or be based on a percentage of brokerages’ commissions. The US-CFPB Advisory Opinion issued on February 7, 2023, further confirms that any operator of a “settlement services” digital comparison-shopping platform receives a prohibited referral fee in violation of RESPA when the operator receives a “thing of value” for referral activity. (See <https://www.consumerfinance.gov/rules-policy/final-rules/real-estate-settlement-procedures-act-regulation-x-digital-mortgage-comparison-shopping-platforms-and-related-payments-to-operators/>)

Zillow merely attempts to meet 12 U.S.C. § 2607(c)(3) broker-to-broker exemption to

collect massive ~40% referral fees (these kickbacks have been estimated to yield 32x more revenue than lawful upfront ads, because they are baked into federally-funded loans and paid only upon successful transaction), but this exemption simply does not apply to agent-matching platforms that serve real estate brokers as customers. Zillow Preferred (Flex) “success fees” are *de facto* a federal crime whenever a referral is made “incident to or a part of a real estate settlement service involving a federally related mortgage loan” (Source: <https://www.housingwire.com/articles/opinion-broker-to-broker-referral-exemption-does-not-apply-to-agent-matching-platforms/>)

Subject to this reality, in collusion with over 100,000 “Flex partner agents,” Zillow Preferred (Flex) violates RESPA every (4) seconds, an estimated \$5 billion RESPA fraud since 2018. This is not merely honest services fraud; it is also wire fraud, where RESPA-banned kickbacks are originated and transmitted with “use of interstate wire communication to further that scheme.” United States v. Lemire, 720 F.2d 1327 (D.C. Cir. 1983)

Most consumers, of course, don’t know this. On a single home purchase, Zillow Preferred (Flex) steals thousands from consumers by steering (what otherwise homebuyers could negotiate as tax-free rebates and/or competitive commissions).

Zillow’s Complaint (ECF 1) suffers from major logical conflicts and lies. Zillow’s attempt to identify itself as a free advertising platform that works with brokers as customers and also a competitor in the Brokerage Services market that earns revenue from real estate brokerage commissions - is logically absurd. The 12 U.S.C. § 2607(c)(3) broker-to-broker exemption only allows “real estate agents or real estate brokers” where all parties deliver “services provided in connection with a prospective or actual settlement”... “for which a settlement service provider requires a borrower or seller to pay” to share cooperative broker commissions between one another. 12 C.F.R. § 1024.2(b)(29)(14).

In fact, Consumers in Taylor et al. have also identified this exact problem:

“Zillow ... conduct violates both the plain text of § 2607(a) and its implementing regulation.” ... “The broker-to-broker referral exemption likewise does not apply, as Zillow does not act as a real-estate broker or perform brokerage functions in these transactions. *Its Premier program operates as a referral marketplace* that sells and allocate consumer leads, collects contingent “success fees” tied to closed transactions, and performs no brokerage services in the purchase or sale of property. See 12 U.S.C. § 2607(c)(3).” ... “The *Zillow Fraudulent Business Enterprise’s common purpose of illegally profiting from the commissions paid by buyers for homes listed on Zillow’s website was facilitated by a pattern of mail and wire fraud.* The Zillow Fraudulent Business Enterprise’s scheme constitutes racketeering activity within the meaning of 18 U.S.C. §§ 1961(1), 1961(5) & 1962(c), by using mail and wire facilities, in violation of 18 U.S.C. §§ 1341 (mail fraud) & 1343 (wire fraud).” (Source: <https://www.hbsslaw.com/sites/default/files/case-downloads/zillow-agent-class-action/2025-12-29-consolidated-amended-complaint.pdf>)

B. Alternative MLSs are harmed by the National Association of REALTORS® (NAR)’s Clear Cooperation Policy (CCP), which restrains trade in the MLS market.

Alternative MLSs are trying to stop the NAR’s CCP. The Ninth Circuit already reasoned that NAR’s CCP restrains trade in the MLS market:

“[NAR’s] Clear Cooperation Policy *prevented innovative competitors from entering the market* and growing large enough to meaningfully compete with the MLSs, leaving both buyers’ agents and sellers’ agents with fewer choices, supra-competitive prices, and lower quality products.” The PLS.com, LLC v. National Association of Realtors 32 F.4th 824, 839 (9th Cir. 2022)

In reality, there is no “single MLS,” and NAR-affiliated MLSs are actually “private networks” like any other. MLSs cannot dictate to brokers how to advertise listings in public. If a broker wants to advertise on one MLS or another alternative MLS, not only should they be able to - the federal law requires that this alternative option exists, without any restraints imposed by other dominant MLSs.

Contrary to general belief, NAR’s CCP does not stop brokerage “private listings” at all.

NAR's CCP only requires that "within one (1) business day of **marketing a property to the public**, the listing broker must submit the listing to the MLS for cooperation with other MLS participants" where "**office exclusive listing**, direct promotion of the listing between the brokers and licensees affiliated with the listing brokerage, and one-to-one promotion between these licensees and their clients, **is not considered public advertising.**" (Source: <https://www.nar.realtor/about-nar/policies/mls-clear-cooperation-policy>). For instance, NAR's CCP allows Compass Private Exclusives as office-exclusive listings.

Subject to NAR's CCP, if an alternative listings service (such as Geodoma) is able to capture a listing from any real estate brokerage bound by NAR's CCP, such brokerage must also (within one (1) business day) submit that same listing to their NAR-affiliated MLS. This mandate imposed by the NAR-affiliated MLSs renders alternative services ineffective, even if our policies are better and more open.

Even though the Ninth Circuit (dating back to 2022) had already reasoned that "[NAR's] Clear Cooperation Policy prevented innovative competitors from entering the market," the NAR continues to enforce this illegal policy. There is no debate that NAR's CCP exists, and we have a clear and concise Ninth Circuit ruling that says that this policy restrains trade - the NAR does not care.

1. There are no "public" MLSs: NAR-affiliated MLSs and Zillow are Private Listing Networks (PLNs) like any other.

On Gedoma, our lawful Clear Cooperation Policy (CCP) reads:

Real estate professionals using the Platform, within one (1) business day of marketing a property by their brokerage, must submit the listing to Geodoma for cooperation with other users. Brokerage marketing includes, but is not limited to, brokerage website displays, flyers displayed in windows, yard signs, digital communications marketing (email blasts), etc. ***This policy specifically excludes marketing of a property via multi-brokerage listing services, online real estate listings services, and similar third-party multiple listing services applications.***

(Source: <https://geodoma.com/fair-display>)

Geodoma's CCP actually bans office-exclusive listings without affecting how brokers advertise listings by alternative means. This policy exists to allow for a fair playing field for all real estate brokers to share listings. Real estate brokers should not "game" the system by delaying their listings and having timely access to listings provided by other participants. A platform can and should impose rules upon all users for the greater benefits of all users, but such rules must end with the relationship between the platform and the user - the restraint should never affect how the platform's users may choose to interact with alternative platforms.

Geodoma's CCP forces every brokerage user to share their listings in a timely manner. This policy also expires as soon as the brokerage user utilizes any alternative multi-brokerage listing service to advertise that same listing. In this way, if a brokerage user chooses to advertise a listing on an alternative multi-brokerage listing, they are never required to share that same listing on Geodoma. Geodoma's CCP is the antitrust-compliant, genuine anti-pocket listings policy that does exactly what it says it does - it bans the "delayed marketing" and "pocket listings."

The so-called Private Listing Networks (PLNs) are alternative multi-brokerage listing services that heavily restrict which brokers can access their inventory. However, Zillow also restricts how users can access their website. All users on Zillow are required to abide by Zillow's Terms of Service, and if anyone does not agree with Zillow's Terms of Service, they cannot legally access any listings posted on Zillow.

Moreover, ALL listings on Zillow are used to collect RESPA-banned kickbacks. Any listings not displayed on Zillow are also listings that Zillow Preferred (Flex) cannot use to scam consumers with RESPA-banned kickbacks. Logically, both consumers and honest real estate

professionals should avoid Zillow’s service entirely because it is an illegal scam that integrally inflates real estate commissions with exigent kickbacks. In their RESPA class action, Consumers have also recognized this exact notion:

“The harmful effects of Zillow’s fraudulent conduct are exacerbated and amplified by its abuse of its dominant position ***to monopolize as many listings as possible***. On April 10, 2025, Zillow announced that it would be implementing the Zillow Listing Access Standards (the “Zillow LAS”). Under this program, agents must list any properties on MLS (which thereby get routed to Zillow) within 24 hours of any effort by the seller’s agent to sell the property. This includes, for example, yard signs, virtual tours, or social media posts. If the agents do not list their properties within 24 hours, they are sent warnings of non-compliance.” (Source: <https://www.hbsslaw.com/sites/default/files/case-downloads/zillow-agent-class-action/2025-12-29-consolidated-amended-complaint.pdf>)

Since 2018, Zillow has been a Private Listing Network (PLN) that also violates 12 U.S.C. § 2607(a) referral fee ban. It is only because consumers do not know what RESPA is (nor should an average consumer have to know what RESPA is, or even expect to be subjected to illegal kickbacks) that they continue to use Zillow.

A fully-informed consumer and a fully-informed real estate professional must logically reject Zillow’s illegal services. In fact, the rules of NAR-affiliated MLSs do not even allow for Zillow as a “paper” brokerage to access IDX feeds:

“Mere possession of a broker’s license is not sufficient to qualify for MLS participation. Rather, the requirement that an individual or firm cooperates means that the participant actively endeavor during the operation of its real estate business to list real property of the type listed on the MLS, share information on listed property and make property available to other brokers for showing to prospective purchasers and tenants when it is in the best interests of their client(s).” (Source: <https://www.nar.realtor/handbook-on-multiple-listing-policy/b-model-association-bylaw-provisions-authorizing-mls-as-a-committee-of-an-association-with-realtor>)

NAR-affiliated MLSs merely choose not to enforce this policy against Zillow Preferred

(Flex) and Realtor.com (OpCity-UpNest) (although CoStar Homes.com also uses “paper” licenses to access NAR-affiliated MLSs IDX feeds, CoStar Homes.com does not collect RESPA-banned kickbacks for referrals from real estate commissions and only partakes in lawful subscription revenues <https://www.homes.com/about/real-estate-licenses/>)

C. NAR-affiliated MLSs and Zillow maintain a broad non-compete agreement since Zillow’s inception, which has only been breached recently with the introduction of Zillow Preview.

Since its inception, Zillow has entered into a wide non-compete agreement with NAR-affiliated MLSs. In exchange for Zillow’s promise NOT to accept listings directly from real estate brokers, NAR-affiliated MLSs provide Zillow with their listings data feed with all current listings that NAR-affiliated MLS Participants provide to them.

“Many MLSs are part of the Zillow Partnership Platform (ZPP), which was created by a direct relationship between Zillow and the originators (brokers) or keepers (MLSs) of the listing information. ***The common goal of the ZPP*** is to deliver and display accurate, curated and near real time listing data that serves both agents and consumers.” (Source: <https://www.zillow.com/agents/what-is-an-mls/>)

When Zillow first came online, NAR-affiliated MLSs (rightfully) recognized Zillow as a massive threat that could render NAR-affiliated MLSs platforms unnecessary (if these services were to truly compete with one another for access to real estate brokerage listings). The mutually-beneficial non-compete agreement between Zillow and NAR-affiliated MLSs allows Zillow to rely on a steady flow of listings and full inventory, without having to chase real estate brokers for the same listings data. In fact, real estate brokers do not enter listings on Zillow, and, instead, must “claim” listings provided to Zillow by NAR-affiliated MLSs feed:

“Claiming a listing allows for this match to happen in case an email mismatch was supplied by a listing feed provider. ***The majority of listings on Zillow are syndicated by various listing feed providers.*** Some are directly from brokers while others come from third-party providers that work with agents and brokers. Often these listings provide an agent’s email address that is different from the one an agent might use on Zillow. In these cases, these listings will not automatically

be matched with an agent's Zillow account, but an agent can use this feature to "claim" them." (Source: <https://www.zillow.com/c/about-linking-and-claiming-listings/>)

Technically, every listing service must procure its own listings. NAR-affiliated MLSs, Zillow Preferred (Flex), Realtor.com (OpCity-UpNest), CoStar Homes.com, Geodoma, etc. ALL must compete to receive listings from real estate brokerages. Today, as obvious as it may sound, the ONLY genuine competitors to NAR-affiliated MLSs are very weak network effects services outside the syndicated ecosystem (such as my minimum viable product platform, Geodoma). NAR-affiliated MLSs control the distribution of 95% of all "homes for sale" listings in the United States, and syndicate this data with all major portals. This continued dominance is a product of the non-compete syndication agreement of listings with portals.

An argument can be made that this portal syndication provides consumers with direct access to NAR-affiliated MLSs data feeds (something that only licensed NAR-affiliated MLS Participants had access to before MLS Aggregators made this data available online) - but at what cost?

Brokers who submit their listings to NAR-affiliated MLSs don't have any control over which portals take their listings data, even if they don't agree with the individual portal's business practices. Despite offering very different things, Zillow Preferred (Flex), Realtor.com (OpCity-UpNest), and CoStar Homes.com receive the same IDX feeds from the same NAR-affiliated MLSs. In my humble opinion, an open and competitive marketplace requires portals to attack the dominant NAR-affiliated MLSs with an alternative, rather than succumb to their IDX data feeds.

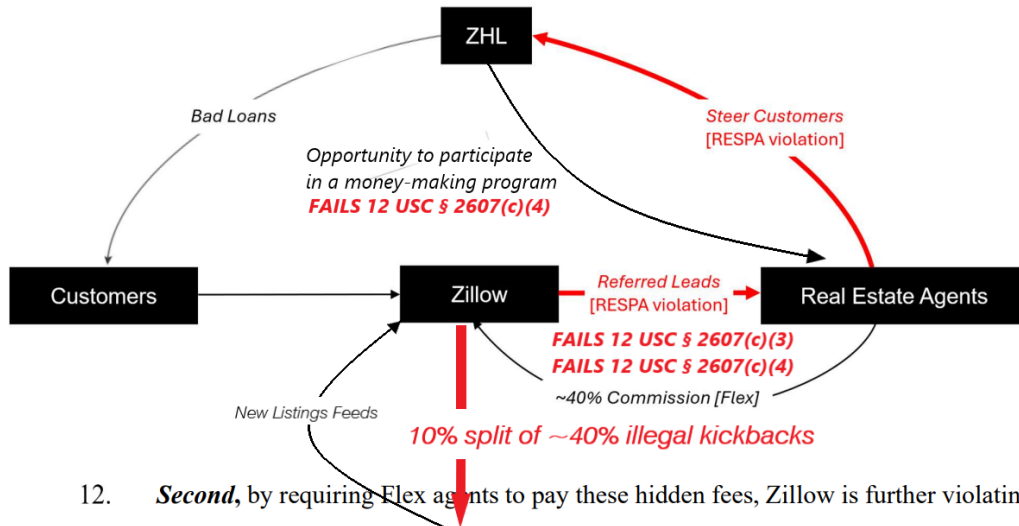
1. Zillow Preview utilizes 10% splits of ~40% RESPA-banned kickbacks shelled out by Zillow Preferred (Flex) Partner Agents for buyer referrals.

Since April of 2026, Zillow Preview has begun to accept listings directly from real estate brokers. To entice brokers into submitting their listings early into Preview, Zillow “*creates an opportunity for listing agents to share in the revenue Zillow earns when a buyer who connects through a Zillow Preview listing ultimately transacts with a Zillow Preferred agent.*” (Source: <https://www.zillow.com/news/introducing-zillow-preview/>). According to Zillow:

“Zillow Preview also delivers something genuinely new for listing agents: the opportunity to earn share of the revenue Zillow receives. When a buyer who first connects through a Zillow Preview listing ultimately completes a transaction with a Zillow Preferred agent, ***the listing agent has the opportunity to earn a payment from Zillow equal to 10% of the buyer agent’s commission***, with no additional cost to the buyer, seller, or agents. This is a new income stream for listing agents tied directly to the value they’re already creating.” (Source: <https://www.zillow.com/news/firstteam-zillow-preview-pre-market-listings/>)

Alas, there is a major “additional cost” to homebuyers - they are subjected to illegal ~40% kickbacks by an agent-matching platform. Zillow’s novel attempt to compete for early access to listings with NAR-affiliated MLSs is a major extension of their RESPA-banned kickback fraud. In graphic form (the schematic below is taken from the Taylor et al. RESPA class action pleadings, with my commentary added as an overlay), Zillow Preview looks like this:

of clients to ZHL. This is a clear RESPA violation. *See* 12 U.S.C. § 2607(a). In graphic form, it looks like this:



12. **Second**, by requiring Flex agents to pay these hidden fees, Zillow is further violating



Zillow Flex referrals are unable to meet 12 U.S.C. § 2607(c)(3) and 12 U.S.C. § 2607(c)(4) RESPA exemptions.

D. Compass, to “double-end” their commissions with a 3-Phase Marketing Strategy (3PM), steers their own buyer clients toward pre-marketed listings that Compass KNOWS are overpriced by 2.9%.

According to Zillow’s Complaint (ECF 1), “A Zillow Research study found that off-MLS homes sold between 2023 and 2024 typically sold for \$4,975 less than those listed on the MLS,

and these impacts were worse in many states.”

In their attempt to discredit Compass 3PM strategy, Zillow mixes up two different concepts: (1) off-MLS listings, and (2) delayed-MLS listings. Compass’s 3PM strategy merely delays the submission to MLSs in an effort to “game” the MLS participation. In fact, ~94% of all Compass 3PM continue to MLS, and only ~6% of homes are sold in the “pre-marketing” phase. If the home seller could not utilize the final MLS phase, they would never agree to the 3PM strategy.

The Compass research assessed Compass sell-side residential transactions from January 1, 2024, through December 31, 2024, finding that:

“Homes pre-marketed as Compass Private Exclusives and/or Compass Coming Soon before going active on the MLS were associated with an average **2.9% higher close price** compared to those that were not pre-marketed.” (Source: <https://www.compass.com/newsroom/press-releases/3UJruvyWpqhdxQ4yShtLp/>)

In these ~6% of Compass 3PM home sales, Compass favors the home seller by initially overpricing 3PM listings by 2.9%. Pre-marketed listings do not have to be priced lower because there are no “Days on Market” and “Price History” associated with pre-marketing. Pre-marketed listings allow home sellers to list their home for 2.9% more without the downside of the MLS-tracked metrics. Alas, this also means that Compass (when it represents both the home seller and the homebuyer) must steer BUYER clients toward homes that they KNOW are overpriced by 2.9% to double-end the deal. This conduct violates the fiduciary duty to BUYER clients, by self-admission on the Compass website.

The math is such that with these ~6% of Compass 3PM home sales, Compass BUYER clients, statistically, overpay for homes by about \$200 million a year - even though Compass holds a fiduciary duty to treat both their buyer and seller clients fairly. Compass should never

have released this statistic, but they did.

Until Compass stops this illegal conduct, their entire brokerage is banned from using Geodoma (even though this lawful ban does not matter, because Geodoma does not have sufficient network effects to leverage against Compass), because I don't want to facilitate their illegal conduct on my platform. In theory, this ban harms the platform with less access to listings, but it is legally justified as a unilateral action by a platform against a user that operates in violation of the law (in the same way, a platform must never accept listings advertised for "straight white couples only" because housing discrimination is illegal).

E. Since August 17, 2024, NAR-affiliated MLSs are lying about GSEs Interested Party Contributions (IPCs) limits applicability toward buyer-paid commissions under the terms of the Gibson et al. antitrust settlement.

Since August 17, 2024, NAR has lied about GSEs' Interested Party Contributions (IPCs) limits applicability toward buyer-paid commissions post-settlement in Gibson et al. antitrust lawsuit. IPCs are contributions made by third parties with a vested interest in the transaction to cover costs that are ***the buyer's responsibility***. Since August 17, 2024, NAR-affiliated MLS Participants have been baking in buyer-paid closing costs into federally-funded loans as seller-paid commissions outside GSEs IPCs caps. This is a \$500 billion False Claims Act fraud over seven years, until August 17, 2031 when the Gibson et al. settlement terms are set to expire. This affects every NAR-affiliated MLS Participant. This is the primary reason why "nothing has changed" in how commissions are paid since the settlement took effect in 2024. (See Tuccori v. At World Properties, LLC, 1:24-cv-00150 (N.D. Ill. Apr. 21, 2026) (Doc. 149) and <https://geodoma.com/ipcs-limits>).

F. Eleven U.S. states (Alaska, Oregon, North Dakota, Kansas, Oklahoma, Missouri, Louisiana, Mississippi, Alabama, New Jersey and Tennessee) hold anticompetitive buyer broker rebate bans.

In 40 U.S. states, buyer brokers are allowed to negotiate buyer rebates with their clients,

where “rebates are no different from simply charging a lower commission fee, and one should ask why the ability to rebate can mitigate the disincentive to compete through lower commission rates” according to an economic analysis paper published on the US-DOJ website titled “*How Rebate Bans, Discriminatory MLS Listing Policies, and Minimum Service Requirements Can Reduce Price Competition For Real Estate Brokerage Services and Why It Matters*” (Source: <https://www.justice.gov/atr/how-rebate-bans-discriminatory-mls-listing-policies-and-minimum-service-requirements-can-reduce>)

In U.S. states where rebates are permitted, buyer brokers can reduce the commissions paid by the homebuyers, even if Buyer Broker Compensation (BAC) is offered in “blanket” form on MLS. If MLS operates in states without rebate bans, the policy of transmitting optional “blanket” offers of Buyer Broker Compensation (BAC) is not, by itself, harmful to buyers. However, in the U.S. states with active rebate bans, MLSs are unable to lawfully utilize optional blanket offers of compensation at all. Eventually, these bans are harmful to consumers and lawful businesses.

CONCLUSION

Zillow, a major player in our broken real estate industry, came to this Court asking to “restore competition and transparency” with dirty hands. Even if there is a boycott against Zillow, it exists primarily because Zillow has engaged in RESPA-banned kickbacks since 2018. Under the “clean hands doctrine,” courts generally refuse to grant equitable relief to a party who has acted unfairly, dishonestly, or in bad faith regarding the subject of their claim.

Zillow cannot be allowed to benefit from its own misconduct. Subject to the ongoing and highly problematic Zillow Preferred (Flex) \$5 billion RESPA kickbacks class action lawsuit, Zillow cannot even identify its business function and product market without lying. Even if this Court is to accept the absurd notion that “[t]hrough its Preferred agent programs, Zillow shares

in compensation from other cooperating licensed real estate brokers pursuant to a brokerage-to-brokerage agreement,” this admission raises a problem where a *bona fide* brokerage cannot maintain a “referral network” of direct competitors.

The 12 U.S.C. § 2607(c)(3) exemption narrowly allows payments pursuant to cooperative brokerage and referral arrangements between real estate agents and real estate brokers, but ***unaffiliated*** real estate brokers must always render referral agreements in a particular instance for a particular transaction. Two ***unaffiliated*** brokers, acting in a real estate brokerage capacity, may discuss a referral fee only for a specific transaction at hand, and they cannot agree to allocate all their customers to whom they will sell, or to abstain from servicing consumers (e.g., Compass and RE/MAX cannot legally create a “program,” where Compass agrees to send all their clients to RE/MAX and shares in compensation from RE/MAX pursuant to a perpetual agreement. Real estate brokers must compete with one another, not feed customers to direct competitors. Enter: highly illegal customer allocation cartel - Redfin Partner Program - that does exactly that. Over 40% of all Redfin sales are allocated into a “partner agent” network of third-party brokerages. Source: <https://www.redfin.com/partners>)

If these “cooperating licensed real estate brokers” (almost every major brokerage in America, starting with Compass) and Zillow Preferred (Flex) were, indeed, *bona fide* brokerages making and accepting referrals in compliance with the 12 U.S.C. § 2607(c)(3) exemption, then they would be also allocating customers between one another on a perpetual basis under a perpetual agreement reached with a competitor to form a “network.” It is *per se* illegal antitrust conduct for direct competitors to agree to allocate their customers at the same level of distribution of some service or product.

As pleaded in their Complaint (ECF 1), Zillow is either (1) a two-sided platform that

collects illegal kickbacks from their broker-customers' RESPA-covered commissions for referrals, or (2) a *bona fide* brokerage that maintains *per se* illegal horizontal customer allocation agreements with “*cooperating licensed real estate brokers.*”

Neither of these two designations are legal, and the proposed explanation that “**Zillow operates differently from a traditional brokerage in some ways, but offers many of the services provided by brokerages, such as connecting potential home buyers with agents and sellers**” is both absurd and in direct conflict with the published fact that “**Premier Brokers and Premier Agents are provided with validated leads at no upfront cost, and they pay a performance advertising fee only when a real estate transaction is closed with one of their leads.**”

Thank you for your time,

I declare under penalty of perjury that the foregoing is true and correct.

Dated: May 13, 2026

/s/ Dmitry Shkipin

Dmitry Shkipin, pro se