



CONSUMER **POLICY**
C E N T E R

COMPASS EXPANSION: NEW DATA ON MARKET SHARE AND DOUBLE ENDING

STEPHEN BROBECK

SENIOR FELLOW

APRIL
2026

Today, the most controversial issue in the residential real estate industry is the expansion of Compass Real Estate.¹ Most recently, the company announced a partnership with Rocket Companies, which includes the nation’s largest retail mortgage lender, and with Redfin, Rocket’s real estate portal and brokerage. Some commentators have lauded this expansion as evidence of the modernization of an antiquated industry.² Others, including most industry leaders, have complained that Compass threatens to dominate the industry and its governance while disadvantaging both home buyers and sellers.³ Consumer advocates have made the same complaints.⁴ Federal and state regulators have yet to voice opinions on the issue.⁵

The main purpose of this report is to present new data on the potential market dominance of Compass in five of its most profitable local residential real estate markets. The data are related to its market share and the extent of its double-ended sales in these markets. The report provides context for these data by explaining the market goals and strategies of Compass. It also identifies a number of challenges which the company must overcome, which suggests that there may be limits to further Compass growth. The report concludes with a summary of its findings.

Compass Goals and Strategies

Compass has been very explicit about its goals, most prominently, 30 percent market share in 30 area markets.⁶ The 30 percent share appears to represent sales volume (\$s) not sales units, and its 30 targeted metro areas each includes many with high-priced properties. Given widespread agent compensation of 2.5 or 3 percent of home sale prices, selling expensive homes is usually much more profitable than selling inexpensive ones. With a 3 percent commission, the sale of a \$3 million home generates ten times the commission of

¹Taylor Anderson, “With Rocket deal, Compass strikes at organized real estate. ‘It really seems like war,’” Inman News, February 27, 2026. Brooklee Han, “The ground just shifted: coming soon listings are taking over real estate,” HousingWire (March 19, 2026). Daniel Houston, “Companies must ‘get big in order to compete’ with Compass-Anywhere,” Inman News (October 9, 2025).

² Dezireh Eyn, “Compass, control and the role of the real estate fiduciary,” Inman News (March 9, 2026).

³ Lillian Dickerson, “Douglas Elliman CEO on Compass-Anywhere: ‘From the outside it looks like a mess,’” Inman News (January 28, 2026). America Foy, “Assault on the MLS: How the Compass-Redin deal threatens the open market,” Inman News (March 4, 2026). Jason Oppenheim, “How Compass is ‘weaponizing’ secrecy,” Inman News (March 9, 2026).

⁴ Ashley Nowicki, “Trump’s Corrupt Gift to Big Real Estate,” The Economic Populist (March 25, 2026). See also: Brooklee Hahn, “Are private listings and fiduciary duty truly opposites?” HousingWire (May 8, 2025).

⁵ A letter from 18 members of Congress did request more information from the U.S. Department of Justice about the Compass acquisition of Anywhere. Lillian Dickinson, “Approval of Compass-Anywhere merger raises questions about corruption at AG’s office,” Inman News (February 20, 2026).

⁶ Jake Indursky, “Compass, residential upstart-turned-behemoth, plans to get even bigger,” The Real Deal (January 2, 2025).

the sale of a \$300,000 property. Even if the \$3 million property is sold with a 2 percent commission, the agent receives nearly seven times the commission earned on a \$300,000 sale. That is why the 30 areas that Compass has apparently targeted include 14 of the 15 most populated metro areas – all but Detroit – but also relatively small, high-income areas such as the Hamptons, Santa Barbara, Aspen, Lake Tahoe, Greenwich (CT), and Telluride.⁷

Strategies that are being utilized to attain these goals feature the following:⁸

- Acquire other companies: The 2026 Compass purchase of Anywhere has received, far and away, the most attention. Anywhere includes such well-known brands as Coldwell, Century 21, Better Homes & Gardens, ERA, Corcoran, and Sotheby's. But before this purchase, starting in 2014, Compass had bought some couple dozen firms, mainly in targeted market areas.⁹
- In acquisitions, target companies that prioritize “luxury” sales: In purchasing Anywhere, Compass acquired a national brand, Sotheby's, with a reputation of specializing in the sale of high-priced properties. Yet more significantly, their earlier purchases included companies -- such as Christies (national), Shane Aspen (Aspen), Hudson (Chicago), Deasy Penner (Pasadena), Washington Fine Properties (Washington, D.C.), Porchlight (Denver), and Launch (Scottsdale) – that emphasized the sale of expensive properties.¹⁰
- Expand the number of consumer eyeballs on Compass: Through its announced partnership with Rocket Mortgage/Redfin, Compass will surely attain this objective. As a portal, Redfin is not nearly as popular as Zillow, yet now as part of Rocket, it is solidly entrenched and enjoys good name recognition. Redfin will prominently display Compass listings.
- Steer consumers to Compass agents: As part of their new partnership, Redfin will pass on buyer leads directly to Compass listing agents. Within Compass, an emphasis on private listings – initially not even posted on Redfin -- will give Compass agents the opportunity to sell listings themselves or find buyers for their listings within the new expanded Compass. Furthermore, Compass recently

⁷ This list was generated by AI in response to the query – what 30 metro areas has Compass targeted for expansion? Considering the number and proportion of higher-priced properties in these areas, and the presence of Compass-Anywhere in these areas, the list seems credible though no confirmation from a Compass source could be found.

⁸ SWOTTemplate.com. What is Growth Strategy and Future Prospects of Compass Company (July 25, 2025). Brooklee Han, “Robert Reffkin wants to make Compass a hub for real estate listings,” HousingWire (October 30, 2024).

⁹ Compass, Inc. entry on Wikipedia.

¹⁰ Ibid. Research on individual companies.

announced that it would give listing agents a 10 percent referral fee if they send inquiries about their listings to another Compass agent that results in a sale.¹¹

- Expand services to existing clients: Compass has invested heavily in internal systems that can help ensure that sales proceed smoothly and efficiently. In 2019, they purchased a CRM provider, the same year they purchased an AI startup, and in 2021 they bought a transaction management platform.¹²
- Expand sales of ancillary products, such as mortgages and title insurance, through acquisitions and partnerships: Since 2019, Compass has purchased a half-dozen title insurance and settlement services companies. Their recently announced partnership with the country's largest mortgage broker, Rocket, will provide a major new source of referrals of potential home buyers. Rocket also benefits because it is more likely to receive referrals from Compass agents.¹³

The dream of Compass Chairman and CEO Robert Reffkin and other Compass leaders appears to be domination of the most profitable local markets through overwhelming numbers of agents and listings that attract and pressure consumers to list and purchase properties through Compass agents. As Compass grows in area markets, sellers will increasingly believe that they have the best chance of selling their homes through Compass, especially since buyers will not receive negative information about time on market and price changes. Moreover, buyers will increasingly think that if they do not work with a Compass agent, they will not gain access to many recent listings. In phase one of the private listings program, buyers must contact a Compass agent to obtain this access.¹⁴

While the stated Compass goal is 30 percent market share in select markets, the Compass dream may not stop there. With their acquisition of Anywhere, the number is already higher in some markets, and they are active in area markets well beyond the targeted 30. As of March 2026, Compass expansion has not been seriously challenged by federal and state regulators, the National Association of Realtors, or major competitors. The major roadblock has been Zillow, which has been trying to limit private listings, an effort which Compass litigated. However, in late March Compass withdrew this lawsuit.¹⁵ There were

¹¹ Brooklee Han, "Compass launches referral program for listing agents' buyer leads," HousingWire (February 23, 2026).

¹² These purchases were listed in the Wiki, Inc. entry on Compass, Inc., then researched further. Christian Hill, "Compass Buying Anywhere Real Estate to Become the World's Largest Brokerage," Empire Learning (September 22, 2025).

¹³ Compass and Rocket form historic alliance to dramatically increase home listing inventory on Redfin. News release from Rocket Companies (February 23, 2026).

¹⁴ AJ LaTrace, "Compass to launch client portal amid private listings push," Real Estate News (February 1, 2025).

¹⁵ Meghan Roos, "Compass drops lawsuit after Zillow embraces pre-marketing," Real Estate News (March 20, 2026).

some indications that it would not be successful. Also, Compass may now think that it can bypass Zillow through reliance on Redfin listings and referrals.

Progress to Date

By the close of 2024, among residential brokerages Compass had the largest annual U.S. sales volume -- \$231 billion. It was followed by Anywhere (\$187 billion), eXp (\$153 billion), and HomeServices of America (\$137 billion). The sales of these four companies dwarfed those of all other firms. The next largest was The Real Brokerage with 2024 sales of \$42 billion.¹⁶

In 2025, in part because of its 2024 purchase of Christies, Compass continued to grow rapidly. From 2024 to 2025, gross transaction value increased by 23 percent while total revenue grew by 24 percent.¹⁷ When Compass completed its acquisition of Anywhere in January 2026, its sales volume was about three times the sales of each of its next two largest competitors and at least ten times the sales of any other U.S. brokerage. While Compass and Anywhere sales volume in 2025 together represented only about 18 percent of total U.S. sales, as will be shown percentages are much higher in targeted urban markets.¹⁸

The huge size of Compass provides many opportunities to increasingly dominate residential real estate brokerage. These include high name recognition (already enjoyed by Zillow), significant political clout within the industry (there is little evidence they are being challenged by the National Association of Realtors), and new marketing opportunities. No national brokerage widely advertises on television. Might Compass (once it stabilizes its finances after the massive Anywhere purchase) begin to regularly advertise during national sports broadcasts, the way credit union giant Navy Federal Credit Union does, or even purchase ad time during the Super Bowl, as partner Rocket has recently? In brief, Compass now has the potential to build a very influential national brand.¹⁹

¹⁶ "10 Largest Brokerages by 2024 US Sales Volume," Real Estate News (April 2, 2025).

¹⁷ Compass, Q4 & FY 2025 Business Update & Supplementary Information.

¹⁸ Nicole Friedman, "Megamerger to Propel Compass's Strategy of Private Home Listings," Wall Street Journal (September 22, 2025). Real Estate News reported on a Capitol Forum analysis that revealed that "the Compass-Anywhere merger could create 'potentially illegal overlaps' in at least 12 states core markets." The article also noted that the data relies on voluntary submissions and minimum thresholds...potentially undercounting smaller players and inflating market-leader share." I tried and failed to purchase a copy of this report and could find no reference to it on the Capitol Forum website. A.J. LaTrace, "Could a Compass-Anywhere merger violate federal guidelines?" Real Estate News (December 26, 2025).

¹⁹ It also assumed an estimated \$2.6 billion of Anywhere debt, which may limit future acquisitions. Saul Klein, "Breaking News: Compass Purchases Anywhere," The Data Advocate (September 24, 2025).

While national size and influence exert an effect on local markets, more meaningful to consumers is the presence of Compass in these markets, especially large numbers of agents, listings, and sales. Key indicators of this presence are its percentage of all unit sales (sales volume skews this percentage upwards because of the sale of million-dollar homes) and the percentage of these unit sales that are double-ended. Double-ending – on a sale, both seller and buyer as clients of one agent or agency -- is a good indicator of a brokerage’s efforts to keep customers and sales within its system.

Five markets were chosen in which to study market share and double-ending in detail – Boston (MA), Washington (DC), Chicago (IL), San Diego (CA), and Austin (TX). All these metro areas are large and have been prioritized by Compass – numbers 4, 5, 7, 9, and 12 on a list of 30. Discount broker Derek Eisenberg helped us secure lists of 1,000 consecutive, recent home sales in each city. These sales, which are called “solds,” were the data that allowed us to examine unit market share and double-ending in five areas where Compass is already a leading brokerage and has prioritized future growth.

Market Share

The key issue pursued here is the percentages of all recent sales that were listed by a Compass agent. In doing so, we distinguished between the Old Compass (just Compass) and the New Compass (Compass plus their recent acquisitions). We also computed several other statistics:

- The number of solds with a Compass buyer agent. Some brokerages are prioritizing listing properties not selling them. We wanted to learn if there was evidence that Compass was de-emphasizing buyer agency.
- The percentage of high-priced properties Compass had sold. It is common knowledge that Compass prioritizes the sale of the former. But we were interested in learning the extent to which this was the case in the five markets.

Unit Sales: The following table reveals the unit sale market share of the Old and New Compass in the five areas. As can be seen, the Old Compass was firmly entrenched in the five areas, with market shares ranging from 10.7 percent (Chicago) to 22.1 percent (Austin), but the New Compass is dominant for two reasons. First, the market shares are relatively large, ranging from 29.7 percent (San Diego and Austin) to 39.5 percent (DC). Second, these shares dwarf that of all other brokerages. They are at least four times larger than the market share of the second largest firm in the city (except in Austin where they are only 2.5 times larger). Moreover, few other companies have as much as a three percent market

share of unit sales – besides the New Compass, only one firm in Boston; four firms in Chicago, Austin, and DC; and five firms in San Diego.

Table 1: Market Share (%) of Unit Sales of Most Active Brokerages in Five Cities (n=1000 in each)*

Boston

Old Compass	14.8
New Compass	32.4
Keller Williams	4.4

Washington, D.C.

Old Compass	22.0
New Compass	39.5
Keller Williams	8.5
Long & Foster	5.8
RLAH	4.5
Samson	4.3

Chicago

Old Compass	10.7
New Compass	35.0
Baird & Warner	8.1
Keller Williams	5.3
ReMax	4.8
Berkshire Hathaway	3.5

San Diego

Old Compass	15.6
New Compass	29.7
eXp	7.0
Real Broker	6.6
Keller Williams	6.4
Berkshire Hathaway	4.8
LPT	3.1

Austin

Old Compass	22.1
New Compass	29.7
Keller Williams	11.6
eXp	5.8
Moreland	3.4
Bramlett	3.0

**Only companies listed were those with at least 3 percent of market share. In Boston, new Compass included Old Compass, Century 21, Coldwell Banker, and Sotheby's. In Washington, D.C. it included Old Compass, Coldwell Banker, Century 21, Sotheby's, and Washington Fine Properties. In Chicago, it included Old Compass, Century 21, Christies, Coldwell Banker, and Sotheby's. In San Diego, it included Old Compass, Coldwell Banker, Sotheby's, and Century 21. In Austin, it included Old Compass, Christies, Sotheby's, and Coldwell Banker. Other New Compass companies were sometimes active in these cities but they had market shares of well under one percent.*

The figures in Table 1 are for listed properties; the figures for Old Compass buyer sides are slightly lower. In Boston, Compass had 148 listing sides and 123 buyer sides; in Washington, D.C., it had 220 listing sides and 197 buyer sides; in Chicago, it had 107 listing sides and 104 buyer sides; in San Diego, it had 156 listing sides and 141 buyer sides, and in Austin, it had 221 listing sides and 192 buyer sides. Major brokerages tend to prioritize listing properties because agents have more control over the sales process and also have the potential to sell the property themselves or recruit a buyer agent from within their own company. Moreover, the class action litigation settlement imposed more demands on buyer agents.

Dollar Sales: The New Compass is even larger than its shares of unit sales because the company tends to sell homes with higher-than average sale prices. As noted earlier, Compass prioritizes the sale of expensive homes because the commissions are so much larger than those for much less expensive properties. The table below illustrates this upscale priority. In all four cities, the Old Compass sold a larger share of homes with a sale price of \$1,000,000 or higher (or in Chicago, \$600,000 or higher) than those with a lower price.

Table 2: Old Compass Market Share (%) of Unit Sales of Homes With Sale Prices Above and Below \$1,000,000 (\$600,000 in Chicago)

	Under Price Threshold	Over Price Threshold
Boston	10.2	21.7
Washington, D.C.	20.8	26.7
Chicago	6.7	22.8
San Diego	13.7	17.5

Double-Ending and Double-Dipping

Double-ended sales are those in which the listing agent and buyer agent belong to the same company. Double-dipped sales, which are one type of double-ending, are those in which one agent works with both seller and buyer, usually as a facilitator. This facilitation, illegal in eight states, is usually called “dual agency” or “transaction brokerage.” Double-dipped sales can be much more profitable than sales involving two agents because it is usually easier for one agent to manage a sale: The agent does not have to communicate and coordinate about the sale, including the sale price, and they also avoid working with agents who are inexperienced or incompetent. Their transaction coordinator can manage the paperwork.²⁰ Double-ended sales that are not double-dipped are attractive to agents because the initiating agent, usually a listing agent, typically receives a referral fee from the other agent (often 20-25 percent of their commission) and also the approval of the company for which they work.²¹

Compass has denied that its private exclusives are intended to double-end sales. One of its executives has said: “It’s not something we track; it’s not something we encourage.”²² Compass also maintains that their Private Exclusives Book is accessible to any agent at a Compass office, yet research has revealed that a large majority of attempts to access this book were unsuccessful.²³ However, the key question is whether double-ending sales

²⁰ Stephen Brobeck, Double-Dipping by Real Estate Agents: Risks and Costs to Home Buyers and Sellers (Consumer Federation of America, May 2021).

²¹ Stephen Brobeck, Real Estate Referral Fees: Do They Harm Consumers? (Consumer Federation of America, September 2020). A recent study by Brobeck and Wendy Gilch for the Consumer Policy Center focused on referrals from referral agencies not from agents and brokers.

²² AJ LaTrace, “The New Compass Plan Seems...2-Sided,” housingnotes.com (February 3, 2025).

²³ Industry expert Mike DelPrete and his researchers tested this availability by posing as buyer agents who contacted Compass seeking access to Compass Private Exclusive listings. They reported that 90% of these

serves Compass interests. The answer seems pretty clear. As one commentator put it: “A private listing network is a vehicle to get paid by both sides, control the listing, and have an edge in recruiting new agents.”²⁴ In documents revealed during the Compass lawsuit against Zillow, Compass included a slide that stated: “Pre-marketing results in a consistently higher percentage of [transactions] where Compass is on both sides.” The slide indicated that off-market sales double-end 72 percent more frequently than on-market sales.²⁵

Compass’s new policy of offering 10 percent of a commission to a Compass agent for an internal referral may well increase this frequency.²⁶ So should the full integration of Anywhere into Compass. With an additional 180,000 Anywhere agents to make referrals to, the double-ending rates of Old Compass agents should increase. And with the widespread adoption of the private listing program throughout Anywhere, the double-ending rates of their agents should also rise. Said one commentator: “That’s what pocket listings, dark listings, private exclusives, and ‘coming soon’ is all about: Getting both sides of the deal.”

Even before integrating Anywhere into the New Compass, how much progress has Compass made in achieving double-ending? The company announced its Private Exclusive Book in May 2025 but has offered private exclusive to clients for at least several years. By early 2026, was Compass double-ending deals more frequently than other brokerages? And to what extent were they double-ending sales that were not also double-dipped? Our data on 1000 recent sales in each of five cities helps answer these questions.

Table 3 shows two things: first, double-ending rates, including double-dips, for all companies with at least 40 sales in our city samples of 1000, and second, the double-dip rate as a percentage of all double-ends. The table reveals that among major brokerages, the Old Compass was the leading double-ender in four of the five cities and in the fourth (San Diego) was still a frequent double-ender. In Washington, D.C., its double-end rate (including sales with customers not clients) was an exceptional 41 percent. The fact that it listed 220 of the 1000 solds in DC here does not fully explain the high percentage. But there is one other notable statistic in the table: Only one of 89 double-ended sales in DC was a double-dip. This suggests that Compass agents in DC were encouraged to double-end but not to double-dip. Such company advice could reflect an aversion to dual agency,

“buyer agents” were “ghosted” or “refused” access. See public docket for the Compass vs. Zillow lawsuit in the Southern District of New York, Exhibit DX176.

²⁴ Ibid.

²⁵ Taylor Anderson, “Docs offer inside peek at Compass’s war against ‘organized real estate,’” Inman News (January 9, 2026).

²⁶ This program appears to provide any agent, whether or not they are involved in the sale, the 10% if they refer either a seller or buyer to another Compass agent that results in a sale.

a controversial issue. But it would also be consistent with a corporate goal of not only keeping clients within the Compass world but also providing an incentive for agents to join the company.

Table 3: Double-Ending (DE) and Double-Dipping (DD) Rates for Active Companies (at least 40 Sales)*

	DE/Sales (%)	DD/DE (%)
Boston		
Old Compass	21	42
Coldwell Banker	18	32
Sotheby's	12	43
Keller Williams	11	40
Washington, D.C.		
Old Compass	41	1
Keller Williams	18	50
Samson	16	29
Long & Foster	14	20
RLAH	13	0**
Coldwell Banker	11	33
Chicago		
Old Compass	24	9
ReMax	23	36
Christies	21	7
Coldwell Banker	15	50
Keller Williams	13	14
Baird & Warner	11	22
San Diego		
eXp	29	40
Keller Williams	25	38
Old Compass	24	32
Real Broker	21	7
Coldwell Banker	19	28

Berkshire Hathaway	15	14
--------------------	----	----

Austin

Old Compass	20	9
Keller Williams	10	0
eXp	9	0

**DEs include DDs.*

*** Only 5 sales double-ended.*

Factors Affecting the Future of Compass

The residential real estate industry is currently in a state of flux. Until fairly recently, it was largely self-regulated. The National Association of Realtors (NAR), with the participation and support of most major industry players, set rules and provided a mechanism for complaints against those who broke them. State regulators, with active participation from industry members, generally supported the rules and played a role in enforcing them.

As a whole, the industry was also highly inefficient, with far too many agents trying to sell a limited number of properties, spending excessive amounts of time and money to find clients. This inefficiency helps explain why the industry has worked so hard to preserve high, uniform commission rates. These rates were instrumental in convincing attorneys to file class action lawsuits. While the litigation failed to bring down rates, it did shake up the industry, creating opportunities for those who bridled at certain industry rules to challenge, work around, or even flout them. NAR, also weakened by leadership scandals, was forced to acquiesce -- though some MLSs tried to fight back -- and the dissidents made little effort to create an alternative set of industry rules. At present, many agents may well believe that their main regulator is their brokerage.

Compass helped create and took advantage of this situation. They acquired dominant market share in many area markets. They have linked up with a portal and a large mortgage broker to gain and market their listings. They have used private listings and fees to promote double-ending. In doing so, they have made an end run around the one industry competitor that seriously threatened their control of sales. They have forced this competitor and major brokerages to form their own partnerships. But Compass does face potential constraints.

Themselves: How ambitiously and aggressively will Compass seek to expand their market and political power?

- Will they be content with attaining 30 market share in 30 markets? They are already above 30 percent in some markets, one antitrust red flag. Might there be new acquisitions or partnerships with big regional brokerages to quickly establish a major presence in new markets? In 2025, the company was reported as discussing the acquisition of Home Services of America, which includes regional powerhouses such as Edina Realty (MN), Long & Foster (DC area), and Houlihan Lawrence (suburbs north of NYC).
- How aggressively will they promote Redfin as an alternative to Zillow? Will they work behind the scenes to weaken multiple listing services and promote private listings, in part to weaken the big portal? Will they purchase or partner with Homes.com to greatly increase the number of consumer eyeballs?
- Will they start to visibly market nationwide, either alone or with their own brands or partners such as Rocket/Redfin? At present, they are limited not just by their finances but also by their multiple brands. But the prospect of running ads on major sports events, the way big insurers do, may well be attractive to them.
- Or, will they slow down and prioritize integration of their many new parts and partnerships? They borrowed heavily to purchase Anywhere.
- Will they continue to make decisions independent of NAR and the MLSs, or will they make an effort to reach an accommodation with these traditional governors of the industry?

Their Competitors: How effectively will major portals and companies respond to Compass expansion?

- Recently, Zillow agreed to pre-sale listings for major national and regional companies – Keller Williams, ReMax, Home Services of America, and United Real Estate. Also, Homes.com and Realtor.com agreed to pre-sale listings for eXp. How quickly will home buyers learn that they need to search more portals than Zillow if they want to thoroughly search available properties? Will Zillow advertise more widely to reinforce consumer perception that they are the best source of listings?
- To expand their sale of ancillary products, especially mortgages, will brokerages and portals reach out beyond mortgage brokers to big banks? Will other large corporate entities emerge that combine brokerage, listing, referral, and the sale of ancillary products?
- Will big brokerages outside Compass merge to increase their presence and shrink the gap between them and Compass in local markets? Will these companies more aggressively seek to acquire successful local or regional brokerages? The latter are now in much greater need of access to markets and protection from big companies.

The Litigators: The legal landscape has changed significantly since large law firms filed class action suits and the U.S. Department of Justice was active in seeking a more price competitive industry. At present, Compass faces no significant discernible legal threats to its expansion.

- There has been no indication that DOJ or the Federal Trade Commission currently intends to pursue antitrust litigation against any of the new acquisitions, mergers, and partnerships. Nor is their evidence that they intend to carry on with efforts to check workarounds that limit price competition, sought earlier both by class action litigators and by DOJ themselves. However, as occurred six years ago, in 2029 a new presidential administration may allow DOJ to resume its antitrust activity. In many local and regional markets, an expanded Compass would appear to violate the Merger Guidelines issued by DOJ and the FTC in 2023.
- To date state-attorneys general have given no indication that they intend to engage in these issues. Historically, they have deferred to state real estate regulators. Moreover, those who believe these antitrust issues are important have limited bandwidth, especially considering their interest in challenging the policies of the Trump administration. Some state legislatures are considering limiting private listings, but these efforts have been driven in part by Compass competitors that recently agreed to pre-list properties.
- Large class action law firms recently sued Zillow. They may also be considering litigation against Compass. But their modus operandi is usually to delay litigation until substantial harms can be proven and damages estimated. Compass expansion has probably occurred too recently to document both.

Consumers: In the past, most home buyers and sellers have not actively engaged in brokerage issues. Their limited experience in home sale and purchase limited their knowledge of the real estate marketplace and how to optimize their welfare. Moreover, in any sale they understandably are more interested in the price and timing of the sale, especially if they are selling and buying at the same time. A third factor is that many consumers highly value convenience, so may be willing to pay more for the services of a realtor who can quickly facilitate a sale, including effectively managing the purchase of a mortgage, title insurance, and other ancillary services.

However, as consumers lose access to a full range of current listings, forcing them to consult several portals and possibly depend on agents for information about new listings, consumers may engage more fully in the sales process. Sellers may increasingly understand that privately listing their property limits its exposure to potential purchasers and also may lengthen the time to sell. Buyers may begin looking for those portals that

include important information about days on market and any price changes in their listings, which Compass and other private listings increasingly do not include. Sellers and buyers may learn that they have a good chance to lower listing and buyer agent fees if they comparative shop for an agent, including negotiation of fees. Both sellers and buyers may increasingly look for agents who take fiduciary duties seriously and will remain loyal to their clients. By doing so, sellers and buyers can lower fees, improve service, ensure agent loyalty, and purchase the best home available to them.

Summary

Recently Compass has expanded rapidly through acquisitions and partnerships. In doing so, it threatens to dominate many local markets and strongly influence industry governance. Today its sales volume is about three times the sales of each of its next two largest competitors and at least ten times the sales of any other brokerage.

In some cities its dominance is much greater. In the five markets examined, the Compass share of unit sales ranges from 30 to 40 percent and, in terms of sales volume (\$s), the percentages are even higher. Moreover, the percentages of unit sales for its main competitors are much lower.

Compass has prioritized private listings that are available only to consumers who are buyer clients. It is not surprising, then, that their double-ending rates are relatively high. In Washington, D.C., the rate exceeds 40 percent. As Compass integrates Anywhere into its structure, the number of the new company's double-ended sales is likely to rise considerably.

As it has expanded, Compass has challenged, worked around, or flouted traditional industry rules. As a result, the whole industry – including NAR, major competitors, and portals including Zillow – have been pressured into altering their own policies and practices.

How the industry will evolve in the future is far from clear. It seems certain, though, that Compass's own priorities and practices will exert a major influence on the decisions of other industry entities. One can be very skeptical, however, as to whether the changes resulting from all of these decisions will end up benefiting consumers.