



# Department of Justice

FOR IMMEDIATE RELEASE  
TUESDAY, NOVEMBER 17, 1970

The Department of Justice filed an antitrust suit today charging the Long Island Board of Realtors, Inc., with fixing commission rates for property sales.

Attorney General John N. Mitchell said the civil suit was filed in the United States District Court in Brooklyn, New York.

The suit charged the Board and those of its realtor members that belong to the Board's multiple listing service with conspiring to fix commission rates for the sale of real estate in Queens, Nassau and Suffolk Counties, in violation of Section 1 of the Sherman Act.

The action was the third taken by the Justice Department against a local real estate board. Pending are similar suits filed against the Prince George's County Board of Realtors, which operates in a Maryland suburb of Washington, D. C., and the Cleveland Real Estate Board, which operates in Cuyahoga County, Ohio.

Assistant Attorney General Richard W. McLaren, head of the Antitrust Division, said the Long Island suit included charges that the Board has circulated published commission rates which are adhered to by its members, and that the Board's multiple listing service and its members have refused to accept a listing containing a rate of commission less than that recommended by the Board.

Because of these activities, the suit said, commission rates for the sale of real estate in the counties where the Board operates have been fixed at a noncompetitive level, and price competition among the broker and salesman members of the Board's multiple listing service has been eliminated.

The current commission rate is six percent on residential sales.

The suit asked for an injunction against the Board and its members, restraining them from agreeing upon, publishing or adhering to recommended commission rates.

Sales of real estate through the Long Island Board of Realtors' multiple listing service exceeded \$100 million in 1969, the suit said.