



Department of Justice

FOR IMMEDIATE RELEASE
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The Department of Justice filed an antitrust suit today charging the Atlanta Real Estate Board with fixing commission rates on the sale of property.

Attorney General John N. Mitchell said the civil suit was filed in the United States District Court in Atlanta, Georgia.

The suit charged the Atlanta Board and its more than 950 members with combining to fix commissions and fees charged for services provided in connection with the sale, lease and management of residential and commercial real estate in the Atlanta area, in violation of Section 1 of the Sherman Act.

The action was the fifth taken by the Justice Department against a local real estate board.

Assistant Attorney General Richard W. McLaren, head of the Antitrust Division, said the Atlanta suit included charges that the Board and its members have agreed to uniform rates of commissions and fees which are published, circulated and adhered to by the members, and that they have used standard contracts incorporating the agreed upon uniform

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rates of commissions and fees.

As a result, the suit said, commissions and fees have been fixed at a non-competitive level and price competition among members of the Board has been eliminated.

The current commission rate is six percent on residential sales and five percent on commercial 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.

In 1969, the Board's members negotiated and arranged the sale of residential property alone having a value of \$257 million, the suit said.