

Information for Our Clients

Carolyn Rosson, President and CEO, The Ebby Halliday Companies

You might have seen recent media coverage about a new class action lawsuit filed in the United States District Court for the Eastern District of Texas. The case, *QJ Team and Five Points Holding, LLC v. Texas Association of Realtors et al.*, includes approximately 33 defendants, among them Ebby Halliday and Dave Perry-Miller, Allie Beth, as well as various local Realtor Associations and real estate teams.

This lawsuit is a "copycat" of other cases that have been in the spotlight in recent months, likely spurred by the outcome of the Sitzler-Burnett case. We anticipated that similar claims might emerge, and indeed, this is one among several filed in the past few weeks. However, it's important to note some key points regarding this particular case:

- **Allegations of Commission Inflation:** The lawsuit alleges a conspiracy to inflate commissions among the defendants. We are confident in our practices and believe there is no merit to these claims, especially concerning Ebby Halliday Companies.
- **Naming of Dave Perry-Miller Brand:** The "Dave Perry-Miller" brand is mentioned as a separate defendant, but it is actually a "dba" of our Ebby Halliday parent company. This clarification is important for those within the DPM brand to avoid any confusion.
- **No Direct Correlation with Sitzler-Burnett Verdict:** The verdict in the Sitzler-Burnett case does not directly impact this new lawsuit. The plaintiffs in this Texas case have separate allegations they must prove against the named defendants.
- **Long-Term Legal Process:** Lawsuits of this nature are lengthy. For context, the Sitzler-Burnett case spanned four years from filing to trial, with the appeal expected to extend over another two years. It's crucial to maintain perspective and continue delivering the exceptional service and value you provide to your clients daily. The talking points we distributed following the Sitzler-Burnett verdict remain relevant and helpful for addressing client inquiries about this new case.
- **Our Commitment:** We are fully prepared to vigorously defend against this action and safeguard the valuable services you offer to buyers and sellers. The Ebby Halliday Companies have specific and advantageous aspects in our agreements with the purported class claimants that strengthen our defense.

~ Carolyn Rosson