SPPI Southwest Public Policy Institute

POLICY BRIEF
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Photo: Eric Johnson / The Mission Realty Advisors Team at Compass

Let Homebuyers Compare

Lead generation can widen access to luxury homes and the broader market, while clear disclosure preserves seller choice and makes pricing history meaningful.

51%
BUYERS WHO FOUND THEIR HOME ONLINE; NAR'S 2025 REPORT [1]

+4.6%
COMPASS PRICE ESTIMATE FOR PHASED MARKETING; 2025–26 [2]

–1.3%
ZILLOW OFF-MLS PRICE ESTIMATE; 2023–25 SALES [3]

THE ISSUE

A homebuyer cannot compare the asking prices of homes the buyer never finds. A seller cannot know whether an offer reflects broad competition if only a narrow audience saw the home. Those information gaps are at the center of the dispute over Compass's private listings described by *The Wall Street Journal*.[4] The policy question is how to preserve a seller's marketing choices while keeping property discovery useful to buyers.

Compass's "See It First" service, announced in September 2026, brings listings at different marketing stages together on Compass.com.[5] Compass says buyers and outside agents can inquire about these homes regardless of brokerage affiliation. That matters: limited distribution across websites is different from requiring a buyer to hire the listing brokerage. Both the availability of a home and the conditions for seeing it should be clear.

SPPI supports lead generation. Our *Swipe Right* research explains how comparison tools and digital intermediaries can expand consumers' access to providers.[6] That principle applies to home search: a service can help buyers discover properties, compare alternatives and connect with an agent. Advertising revenue or payment for a qualified introduction does not, by itself, undermine that service. Those payments can finance search tools that consumers use without paying a subscription.

The practical value is discovery. In NAR's 2025 report, 51% of buyers found the home they purchased through the internet, compared with 29% through an agent.[1] Figure 1A shows selected discovery channels from that survey. These are sources of discovery, not shares of transactions completed without professional help, and they do not measure paid lead generation's independent

effect. They illustrate why a searchable listing can matter before a buyer ever contacts an agent.

Private marketing can serve a legitimate purpose. A luxury homeowner may prefer fewer showings or greater privacy, even at the cost of fewer potential bidders. A seller may also want preliminary feedback before a wider launch. The seller should make that tradeoff after understanding it. An agent's interest in retaining both sides of a transaction should not substitute for the owner's preferences. Equally, a portal's commercial interest in receiving listings is not a sufficient reason to compel every homeowner to advertise there.

The price evidence requires care. Compass reports a 4.6% higher closing price associated with phased marketing in 70,809 closed transactions listed from April 2025 through March 2026, after statistical adjustment.[2] The analysis excludes listings withdrawn or expired without a sale. Its reported 34% faster time to contract starts when homes become active on the multiple listing service (MLS); it does not establish a shorter total marketing period. Sellers need to understand where that clock begins.

Zillow's updated analysis of 2023–25 transactions reports a 1.3% lower price for its off-MLS comparison.[3] Its earlier tier breakdown, shown in Figure 1B, reports a 0.4% gap for luxury homes and a 3.1% gap for the bottom tier in 2023–24.[7] "Luxury" means the highest 5% of estimated values within each region; transactions above $10 million were excluded. These results therefore cannot settle the question for the most expensive trophy properties.

The findings are not directly comparable. Compass examines phased marketing within its brokerage; Zillow compares public listings with private and off-MLS sales. Both companies have commercial stakes. Independent research also cuts both ways: Hayunga finds a 1.7% pocket-sale premium, roughly fourfold for luxury homes, but the premium fell more than 70% after the 2020 Clear Cooperation Policy and became statistically indistinguishable from zero.[8] None establishes what the same property would have fetched under another strategy. The evidence supports disclosure of uncertainty, not a universal promise about which approach pays more.

Pricing transparency also concerns history. Compass promotes early marketing without accumulating public days on market or public price changes.[5] That can help a seller test an asking price, but a later public listing may reveal only part of the property's marketing history. Buyers should know whether the displayed clock covers all exposure or only the active MLS phase. A fresh public timestamp should not imply that a home has never been offered before.

Existing industry rules already recognize choices between full public exposure and strict privacy. NAR's delayed-marketing policy permits a seller to postpone website syndication while the listing remains available to other MLS participants; it requires signed acknowledgement of the exposure being waived or delayed.[9] That differs from an office exclusive withheld from other MLS participants. These are industry arrangements, not a uniform national statutory mandate. Zillow sets its own display conditions[10] while recognizing genuinely private seller choices. Public policy should focus on truthful representations and demonstrable consumer harm, while leaving room for competing distribution models.

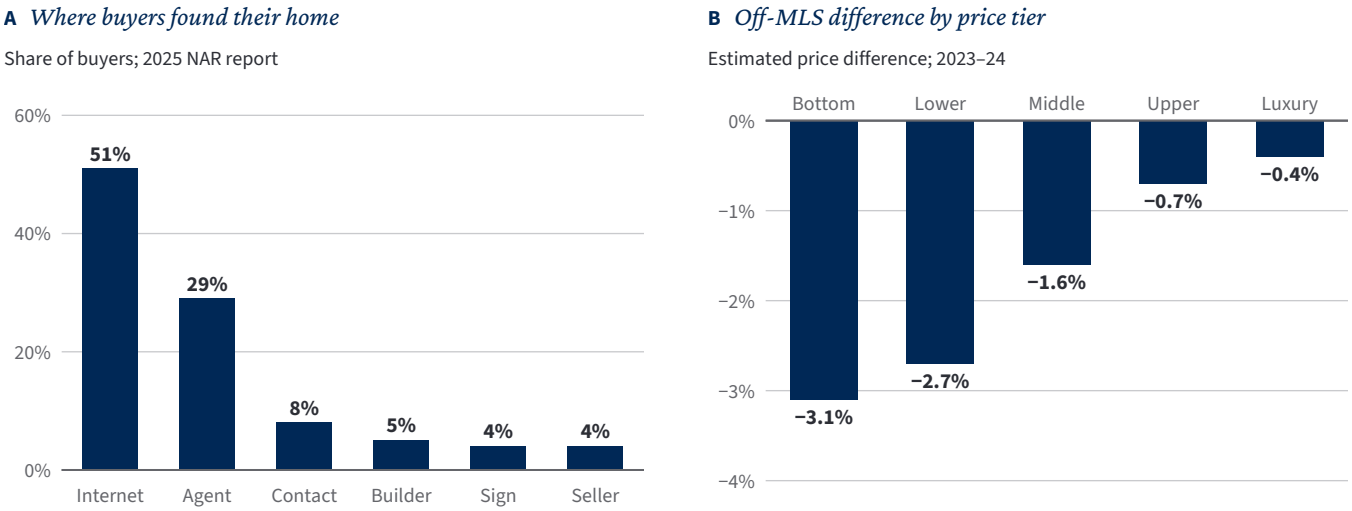
WHAT WE RECOMMEND

1. **Protect lead generation and competing marketplaces.** Policymakers should preserve lawful paid introductions and advertising without compelling use of any portal; marketplaces should identify paid placement, clarify who receives inquiries and pursue seller-authorized listing sharing.
2. **Make restricted marketing an informed seller choice.** Brokers should explain which buyers and agents can see a listing, the exposure forgone, any financial incentive for keeping a transaction within the firm, and how the seller can authorize wider distribution.

3. **Make pricing history interpretable.** Brokerages, MLSs and portals should distinguish the first marketing date from the public launch date and explain whether displayed price changes and days on market omit an earlier phase, while protecting genuinely confidential seller information.

We favor innovation that makes homes easier to find and prices easier to evaluate. A seller may choose discretion; a buyer should understand the limits of the information presented.

FIGURE 1 **Home discovery channels and reported off-MLS price differences**



From NAR (2025), exhibit 3-4, and Zillow Research (2025). A: primary-residence purchases, July 2023–June 2024. Contact = friend, relative or neighbor; builder includes their agent; sign = yard/open house; seller = directly from or knowing seller. 'Other' (less than 1%) omitted; rounding affects totals. B: estimated differences versus MLS-listed sales; luxury is each region's top 5% by estimated value. Sales above $10 million excluded. This tier breakdown predates Zillow's 2026 update. Observational estimates do not establish causation. Panels use different scales. MLS = multiple listing service. Redrawn by SPPI.

SOURCES

1. *National Association of Realtors (2025).* Home Buyers and Sellers Generational Trends Report*, exhibit 3-4, p. 54; methodology, p. 129.*
2. *Compass (July 24, 2026).* Sellers Make 4.6% More When Choosing Private Exclusives or Coming Soons*, including methodology.*
3. *Manhertz, Treh (May 14, 2026).* Selling With Same Agent On Both Sides Cost Home Sellers $1.49 Billion Over Three Years. *Zillow Research; off-MLS analysis and methodology.*
4. *Clarke, Katherine (October 15, 2026).* The Fierce Battle to Control How Americans Buy and Sell Their Homes. *The Wall Street Journal.*
5. *Compass (September 22, 2026).* Compass Unveils 'See It First' in Its Biggest Compass.com Redesign in a Decade, Giving Buyers Early Access to More Homes.
6. *Brenner, Patrick M., Anna M. Gonzalez, and Lucas J. Parker (2025).* Swipe Right. *SPPI White Paper No. 6.*
7. *Zillow Research (February 14, 2025).* Off-MLS Home Sellers Left More Than $1 Billion on the Table the Past Two Years*, including tier definitions and methodology.*
8. *Hayunga, Darren K. (2026).* Pocket Sales in the Housing Market: Selection, Outcomes, and Policy. *SSRN.*
9. *National Association of Realtors (2025).* Multiple Listing Options for Sellers*, policy statement and disclosure requirements.*
10. *Zillow (March 17, 2026).* Updating Zillow's Listing Access Standards for Today's Market.