



Pluses and Minuses of Arbitration **-A quick, summary guide-**

Buyer

Buyers are more likely than Sellers to make a claim so the fact that arbitration can make it easier to present a claim is attractive to Buyers. On the other hand, if a buyer has a substantial claim and the law on their side do they want to risk having an arbitrator ignore the law and have no right to appeal? These are issues that have to be balanced.

Plus	Plus or Minus	Minus
Cheaper than District Court Easier to do without an attorney	Arbitrator does not have to follow law Good if law is against you	More expensive than Conciliation Court If no appeal to District Court
Standard of Proof is lower than Court Easier to prove your case	Arbitrator does not normally know the law Good if law is against you	Arbitrator may not be familiar with residential real estate
Hearing is at the home More effective than pictures	Get direct contact with arbitrator Bad if you make bad impression	Inconsistency of decisions Hard to predict results
More informal than court Not as intimidating		Time to bring claim is shorter than for court Once time limit passes your claim is gone
Easier to serve out-of-state Seller Not easier to collect if you win		No appeal If you get a bad decision you are stuck

Seller

Since arbitration makes it easier for claims to be made and almost all claims are made by Buyers, generally sellers do not have as great an incentive to agree to arbitration in real estate.

Plus	Plus or Minus	Minus
Cheaper than District Court Easier to do without an attorney	Arbitrator does not have to follow law Good if law is against you	More expensive than Conciliation Court If no appeal to District Court
Time to bring claim is shorter than for court Once time limit passes their claim is gone	Arbitrator does not normally know the law Good if law is against you	Arbitrator may not be familiar with residential real estate
Hearing is at the home More effective than pictures	Get direct contact with arbitrator Bad if you make bad impression	Inconsistency of decisions Hard to predict results
More informal than court Not as intimidating		No appeal If you get a bad decision you are stuck
		Standard of Proof is lower than Court Easier for claimant to prove their case
		None of the protections of court No discovery/depositions to find out weakness of claims

The above is a general discussion about arbitration and is not intended as specific legal advice. Your Real Estate Agent is not an attorney and cannot give legal advice. If you have questions or concerns regarding arbitration, you should seek the advice of a real estate attorney.