

The NATIONAL ASSOCIATION OF REALTORS® Code of Ethics: What Does it Mean for Consumers?

How does the Code of Ethics affect everyday real estate practices?

If a REALTOR® represents you, whether you are buying or selling a home, you can count on that REALTOR® to:

1. Be honest with all parties in the transaction – not just with you, as his or her client, but also with the other real estate practitioner and his or her clients.

For example, if REALTORS® represent a buyer with a spotty credit history, they can't be dishonest with sellers about this fact. At the same time, REALTORS® can help their buyer clients collect and assemble information, such as credit reports and audited tax returns, to demonstrate that the buyer has addressed the problem and improved their situation.

2. Put your interests ahead of his or her own, at all times.

A REALTOR® makes every effort to understand the housing needs of his or her client, thoroughly researches available inventory, and shares all relevant information with the buyer so that he or she can make an informed decision. This service is provided regardless of the compensation available.

3. Disclose all pertinent facts regarding the property and the transaction to both buyer and seller.

If a REALTOR® believes information provided by a seller is questionable, the REALTOR® is obligated to investigate. REALTORS® should recommend that buyers consult their own experts, such as home inspectors, to address concerns. For example, if a home seller asks his or her REALTOR® to conceal the fact that the roof leaks, the REALTOR® cannot comply; if the seller insists, the REALTOR® should end the business relationship with that seller.

4. Be truthful in all communications with the public.

When REALTORS® distribute newsletters, create Web sites, or place advertisements, they must be careful not to represent other real estate professionals' work product as their own. If recently sold or listed properties in the community are publicized, it must be clear whether the REALTOR® was actually involved in the transaction, or whether that data came from the local multiple listing service or other source. This

ensures that the public understands the REALTOR®'s experience and can make an informed decision when choosing real estate representation.