

Citation Schedule of Fines – Ethics Violations

Article 1

Fines

Not Citation Eligible

- **Standard of Practice 1-5**
REALTORS® may represent the seller/landlord and buyer/tenant in the same transaction only after full disclosure to and with informed consent of both parties.

- **Standard of Practice 1-6** **\$500**
REALTORS® shall submit offers and counter-offers objectively and as quickly as possible.

- **Standard of Practice 1-12** **\$200**
When entering into listing contracts, REALTORS® must advise sellers/landlords of:
 1. *the REALTOR®'s company policies regarding cooperation and the amount(s) of any compensation that will be offered to subagents, buyer/tenant agents, and/or brokers acting in legally recognized non-agency capacities;*
 2. *the fact that buyer/tenant agents or brokers, even if compensated by listing brokers, or by sellers/landlords may represent the interests of buyers/tenants; and*
 3. *any potential for listing brokers to act as disclosed dual agents, e.g. buyer/tenant agents.*

- **Standard of Practice 1-13** **\$250**
When entering into buyer/tenant agreements, REALTORS® must advise potential clients of:
 1. *the REALTOR®'s company policies regarding cooperation;*
 2. *the amount of compensation to be paid by the client;*
 3. *the potential for additional or offsetting compensation from other brokers, from the seller or landlord, or from other parties;*
 4. *any potential for the buyer/tenant representative to act as a disclosed dual agent, e.g. listing broker, subagent, landlord's agent, etc., and*
 5. *the possibility that sellers or sellers' representatives may not treat the existence, terms, or conditions of offers as confidential unless confidentiality is required by law, regulation, or by any confidentiality agreement between the parties.*

- **Standard of Practice 1-16** **\$500**
REALTORS® shall not use, or permit or enable others to use, listed or managed property on terms or conditions other than those authorized by the owner or seller.

Article 3

- **Standard of Practice 3-2**
Any change in compensation offered for cooperative services must be communicated to the other REALTOR® prior to the time that REALTOR® submits an offer to purchase/lease the property. After a REALTOR® has submitted an offer to purchase or lease property, the listing broker may not attempt to unilaterally modify the offered compensation with respect to that cooperative transaction.
 - *Failure to communicate a change in compensation* **\$250**
 - *Attempting to unilaterally modify offered compensation.* **\$500**

- **Standard of Practice 3-4** **\$250**
REALTORS®, acting as listing brokers, have an affirmative obligation to disclose the existence of dual or variable rate commission arrangements (i.e., listings where one amount of commission is payable if the listing broker's firm is the procuring cause of sale/lease and a different amount of commission is payable if the sale/lease results through the efforts of the seller/ landlord or a cooperating broker). The listing broker shall, as soon as practical, disclose the existence of such arrangements to potential cooperating brokers and shall, in response to inquiries from cooperating brokers, disclose the differential that would result in a cooperative transaction or in a sale/lease that results through the efforts of the seller/landlord. If the cooperating broker is a buyer/tenant representative, the buyer/tenant representative must disclose such information to their client before the client makes an offer to purchase or lease.

- **Standard of Practice 3-6** **\$250**
REALTORS® shall disclose the existence of accepted offers, including offers with unresolved contingencies, to any broker seeking cooperation.

- **Standard of Practice 3-8** **\$250**
REALTORS® shall not misrepresent the availability of access to show or inspect a listed property.

- **Standard of Practice 3-9** **\$500**
REALTORS® shall not provide access to listed property on terms other than those established by the owner or the listing broker.

Article 4

\$500
REALTORS® shall not acquire an interest in or buy or present offers from themselves, any member of their immediate families, their firms or any member thereof, or any entities in which they have any ownership interest, any real property without making their true position known to the owner or the owner's agent or broker. In selling property they own, or in which they have any interest, REALTORS® shall reveal their ownership or interest in writing to the purchaser or the purchaser's representative.

Article 5

REALTORS® shall not undertake to provide professional services concerning a property or its value where they have a present or contemplated interest unless such interest is specifically disclosed to all affected parties.

- *Limited to PRESENT interest* **\$500**

Article 6

REALTORS® shall not accept any commission, rebate, or profit on expenditures made for their client, without the client's knowledge and consent. **\$500**

When recommending real estate products or services (e.g. homeowner's insurance, warranty programs, mortgage financing, title insurance, etc.) REALTORS® shall disclose to the client or customer to whom the recommendations is made any financial benefits or fees, other than real estate referral fees, the REALTOR® or REALTOR®'s firm may receive as a direct result of such recommendation. **\$500**

- **Standard of Practice 6-1** **\$500**
REALTORS® shall not recommend or suggest to a client or a customer the use of services of another organization or business entity in which they have a direct interest without disclosing such interest at the time of the recommendation or suggestion.

Article 12

REALTORS® shall be honest and truthful in their real estate communications and shall present a true picture in their advertising, marketing, and other representations. REALTORS® shall ensure that their status as real estate professionals is readily apparent in their advertising, marketing, and other representations, and that the recipients of all real estate communications are, or have been, notified that those communications are from a real estate professional. **\$250**

- Failure to disclose RE status **\$500**

- **Standard of Practice 12-1** **\$250**
REALTORS® may use the term "free" and similar terms in their advertising and in other representations provided that all terms governing availability of the offered product or service are clearly disclosed at the same time.

- **Standard of Practice 12-2** **\$250**
REALTORS® may represent their services as "free" or without cost even if they expect to receive compensation from a source other than their client provided that the potential for the REALTOR® to obtain a benefit from a third party is clearly disclosed at the same time.

- **Standard of Practice 12-3** **\$250**
The offering of premiums, prizes, merchandise discounts or other Inducements to list, sell, purchase, or lease is not, in itself, unethical even if receipt of the benefit is contingent on listing, selling, purchasing, or leasing through the REALTOR® making the offer. However, REALTORS® must exercise care and candor in any such advertising or other public or private representations so that any party interested in receiving or otherwise benefiting from the REALTOR®'s offer will have clear, thorough, advance understanding of all the terms and conditions of the offer. The offering of any inducements to do business is subject to the limitations and restrictions of state law and the ethical obligations established by any applicable Standard of Practice.

- **Standard of Practice 12-4** **Not Citation Eligible**
REALTORS® shall not offer for sale/lease or advertise property without authority. When acting as listing brokers or as subagents, REALTORS® shall not quote a price different from that agreed upon with the seller/landlord.

- **Standard of Practice 12-5** **\$250**
REALTORS® shall not advertise nor permit any person employed by or affiliated with them to advertise real estate services or listed property in any medium (e.g., electronically, print, radio, television, etc.) without disclosing the name of that REALTOR®'s firm in a reasonable and readily apparent manner either in the advertisement or in electronic advertising via a link to a display with all required disclosures.
- **Standard of Practice 12-6** **\$250**
REALTORS®, when advertising unlisted real property for sale/lease in which they have an ownership interest, shall disclose their status as both owners/landlords and as REALTORS® or real estate licensees.
- **Standard of Practice 12-7** **\$250**
Only REALTORS® who participated in the transaction as the listing broker or cooperating broker (selling broker) may claim to have "sold" the property. Prior to closing, a cooperating broker may post a "sold" sign only with the consent of the listing broker.
- **Standard of Practice 12-8** **\$250**
The obligation to present a true picture in representations to the public includes information presented, provided, or displayed on REALTORS® websites. REALTORS® shall use reasonable efforts to ensure that information on their websites is current. When it becomes apparent that information on a REALTOR®'s website is no longer current or accurate, REALTORS® shall promptly take corrective action.
- **Standard of Practice 12-9** **\$250**
REALTOR® firm websites shall disclose the firm's name and state(s) of licensure in a reasonable and readily apparent manner. Websites of REALTORS® and non-member licensees affiliated with a REALTOR® firm shall disclose the firm's name and that REALTOR®'s or non-member licensee's state(s) of licensure in a reasonable and readily apparent manner.
- **Standard of Practice 12-10** **\$500**
REALTORS®' obligation to present a true picture in their advertising and representations to the public includes Internet content posted, and the URLs and domain names they use, and prohibits REALTORS® from:

 1. *engaging in deceptive or unauthorized framing of real estate brokerage websites;*
 2. *manipulating (e.g., presenting content developed by others) listing and other content in any way that produces a deceptive or misleading result;*
 3. *deceptively using metatags, keywords or other devices/methods to direct, drive, or divert Internet traffic; or*
 4. *presenting content developed by others without either attribution or without permission, or*
 5. *to otherwise mislead consumers.*
- **Standard of Practice 12-12** **\$250**
REALTORS® shall not:

 1. *use URLs or domain names that present less than a true picture, or*
 2. *register URLs or domain names which, if used, would present less than a true picture.*

- **Standard of Practice 12-13** **\$500**
The obligation to present a true picture in advertising, marketing, and representations allows REALTORS® to use and display only professional designations, certifications, and other credentials to which they are legitimately entitled.

Article 14

Not Citation Eligible

If charged with unethical practice or asked to present evidence or to cooperate in any other way, in any professional standards proceeding or investigation, REALTORS® shall place all pertinent facts before the proper tribunals of the Member Board or affiliated institute, society, or council in which membership is held and shall take no action to disrupt or obstruct such processes.

Article 16

- **Standard of Practice 16-16** **\$500**
REALTORS®, acting as subagents or buyer/tenant representatives or brokers, shall not use the terms of an offer to purchase/lease to attempt to modify the listing broker's offer of compensation to subagents or buyer/tenant representatives or brokers nor make the submission of an executed offer to purchase/lease contingent on the listing broker's agreement to modify the offer of compensation.
- **Standard of Practice 16-19** **Not Citation Eligible**
Signs giving notice of property for sale, rent, lease, or exchange shall not be placed on property without consent of the seller/landlord.