



Should Realtor ethics violations be posted? Agents sound off

Realtors are mixed on the benefits of publicly sharing the names of violators, while NAR leaves it to local associations to decide

BY **PATRICK KEARNS**

SEP 12

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The Realtor community is split about whether or not to publicize the names of Realtors who [violate the National Association of Realtors' \(NAR\) Realtor Code of Ethics](#).

Real estate professionals who are members of Realtor associations — roughly 1.3 million nationwide — are required by NAR to abide by its code of ethics and complete training on the Realtor Code of Ethics every two years. The preamble of that code reads:

"In recognition and appreciation of their obligations to clients, customers, the public, and each other, [Realtors] continuously strive to become and remain informed on issues affecting real estate and, as knowledgeable professionals, they willingly share the fruit of their experience and study with others. They identify and take steps, through enforcement of this Code of Ethics and by assisting appropriate regulatory bodies, to eliminate practices which may damage the public or which might discredit or bring dishonor to the real estate profession."

Violations to the Realtor Code of Ethics include: not treating all parties in a transaction fairly, misleading owners as to market value, misleading buyers as to savings or benefits

A recent story [in the *Chicago Tribune* wondered](#): “Should info on Realtors’ ethics violations be available to the public?” The piece has drawn a mixed reaction from many in the Realtor community. What do you think? Vote in Inman’s poll:

Should Realtors publicly post ethics violations?

Yes for all violations, even for first time ones

94votes

39%

Yes, but only after a certain threshold has been reached (2 violations plus)

120votes

50%

No

27votes

11%



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State and local associations have always been allowed to publish the names of violators — as long as the violation was the second offense occurring within three years and the publication was in a medium where only members have access.

At the association’s [midyear meeting](#) in Washington, D.C., NAR’s board of directors [voted to make a change](#), however, to allow state and local associations to more frequently publish, to their members, the names and photographs of Realtors who violate the code. One thing that’s remained constant is that the decision to publish names and offenses is left to state and local associations.

The Realtor community [is split](#) over whether or not the names of violators should be made public to other Realtors at all. And if it’s information that other Realtors can access, should the public have a right to it as well?

“I would have no problem with full disclosure of ethics violations,” wrote Mark Pheifer, Realtor and associate broker at Smart Growth Living Fathom Realty in a Facebook post on [Inman Coast to Coast](#). “I believe all violations should be disclosed as even the smallest violation goes to the character of an agent.”

[Jeff Lobb](#), founder and CEO of SparkTank Media, wondered why Realtors can publicly brag about how great they are through reviews, but if that same agent was found unethical by a

violations should be discoverable, in their entirety, for consumer discernment.”

Others took a bit of a softer stance, and some fell right in line with what many state and local associations currently do.

“I think mistakes happen and that a single violation shouldn’t be publicly published unless severe,” said Aaron Dickinson, a Realtor with Edina Realty on Facebook. “Repeat violations should be published.”

“Realtor ethics violations should be kept confidential, but a violation of law should be public,” added Ron Maizer, a Realtor and broker with Maizer Realty, in the same Facebook discussion.

Miriam Bernstein, a Realtor and broker-owner at New Orleans Property Lady, thinks making the issues public, but not shaming the agents and brokers involved, could make the violation a teachable moment for others.

“I would like to see the issues posted, the penalties received and not the names of the agents/brokers involved,” posted Bernstein on Facebook. “It can be used to teach what types of issues are brought forward and what the outcome was, which might help persuade individuals that yes the system works. In my view, there is no need to publicly discuss who the violator was.”

[Teresa Boardman](#), a Realtor and broker-owner of Boardman Realty sits on the ethics committee of the Minnesota Association of Realtors and hears the complaints. She said it’s complicated.

“On the one hand, it is self-policing and most of the complaints are Realtor-on-Realtor type transgressions,” posted Boardman, on Facebook. “Often there is no direct harm to consumers but occasionally there is. It is during those times that I wonder why the agent’s broker doesn’t let him or her go.”

[Email Patrick Kearns](#)

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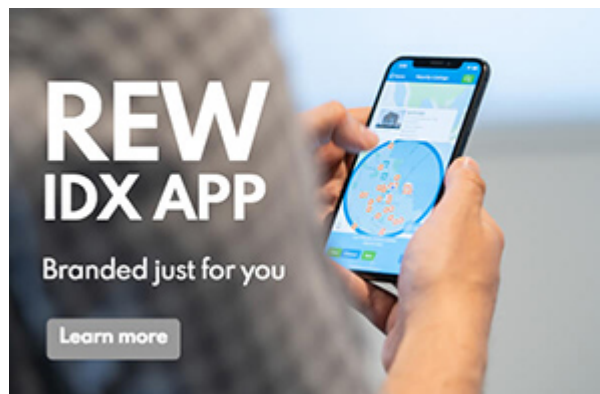
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COMMENTS

13 Comments

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Absoulutely, they should be made public!

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**Charles Stallions**

Let me tell you how that will work, as competitors you will see all kinds of filings so some can use it against their competition. Just like with these so called reviews. Yes I had a bad review because a Landlord would not fix an A/C unit and after two weeks told the tenant she could just leave and the courts even let the Landlord file an eviction for her not paying the rent and not paying it into the courts but who did the did file the bad review on RIGHT and no one bad mouths a competitor worse than a Realtor. So no unless they are will to show the complaintants name and back it up in court.

Like · Reply · 5 · 10h

**Lilly Hughes**

Oh, yes. No anonymous.

Like · Reply · 6h

**Leisa Ormsbee**

If it affects a consumer, then absolutelly yes.

Like · Reply · 9h

**Betsie Huben**

playing it straight, customers and agents, have every right to know who we should be on the lookout for.

Like · Reply · 4 · 8h

**Sheri Stinson**

I just completed one of the most contentious transactions of my almost twenty years in the business. I have filed a complaint against this broker (yes broker) first complaint I've ever filed. This broker was dishonest, bullying and actually threatened me. No one should have to endure that type of abuse throughout a transaction, so YES, those ethics violations should be reported so others can proceed with caution and be and prepared for what may be encountered. If we don't police ourselves properly we may find that ability taken away from us. If the violations were made public perhaps the transgressor should go through certain training in order to have it removed after a certain period of time.

Like · Reply · 6 · 8h

**Victoria Massengale Cahill**

In California, they're already posted. After a hearing, if you're found by your board to be in violation and have to pay a fine of even \$1.00, your violation and information is posted. I'm not sure where, as I have never been in this situation, nor looked anyone up.

Like · Reply · 1 · 7h

**Paula Swayne**

You are not posted if the only result is a letter of warning...just a clarification.

Like · Reply · 3h

**Michael Andrew Graf Rasch**

We need public disclosure of all and everything. BUT you sales agents are all fucking scared out of your pants. Here is what happens. File and file often the correct complaint's (take your time to learn what is and is not a complaint), then over time, the quality of the business will improve, and it's very factual, people will go to those that do toe the line of the rules because clean business without fighting is good business. Oh, I've filed about 7 complaint's last year. I really don't have any issues.

Like · Reply · 1 · 7h

**Becky Wick**

Can't there be a response without reaching into the gutter?

Like · Reply · 2 · 6h

**Lilly Hughes**

I'm all for it. Let's do it for doctors and lawyers, too. Home inspectors and appraisers.

Like · Reply · 6h

**Kenneth Jenny**

Ask the BRE what they think about this type of transparency. They openly post the names of licensees who break the law and suffer the consequences. But leave it to the NAR to now pause on taking such action. The last thing they want is to do anything that might put its precious membership dues at risk.

that violate even the incredibly weak code of ethics established by the NAR for its Realtor members. If we cannot get beyond this being a question we will never see the day when total transparency to the consumer is achieved in this industry.

And then there's the matter of open feedback from consumers on the performance of all Realtors. I am referring to unfiltered Yelp-type service quality ratings and consumer feedback. The right thing to do is clear but is any of this debate in this industry really come as a surprise to anyone?

Like · Reply · 2 · 5h



Andrew Wetzel

Ideally "yes" but our present environment is NOT ideal. I have served on all levels of Pro Stans at the local level since 2002 and also do ethics mediation which my Board offers. In my experience MOST violations are NEVER reported (which would disproportionately stigmatize those that are) and the majority reported are either simple mistakes and/ or related to poor training (meaning not entirely the agent's fault). It would be interesting to see how we feel about claims against brokerages!

I would encourage reporting of findings when the Real Estate Commission is involved although, again, I suspect that many of us do not report issues.

I look at this as one of those "be careful what you ask for" situations.

Like · Reply · 5h



Carmen Arif

Reporting an ethics violation is simply shaming and consumer wouldn't even know about it. There needs to be teeth. If you want to be a "realtor" vs a real estate agent, then you need to have teeth. So first violation if not purposely grievous is a warning. Second violation is a 6 month suspension from NAR and third violation is a 3 year suspension from NAR. If it happens again after the 3 year period is over and they return to NAR then they are excommunicated and NEVER allowed back in EVER. Of course NAR would never really enforce the COE because they would lose to many members and NAR is only about the dues.

Like · Reply · 1 · 5h



Paula Swayne

Actually, only the local associations enforce the COE...NAR only reviews the ethics code and makes changes as needed by law or by request of an association that meets their criteria. It is up to the Realtors to police themselves and the association via ProStandards panels to enforce them. (in other words, they do not go "up the ladder" from the association to the state to the national). The COE has teeth - the Realtor can be fined up to \$15,000. Their membership can be suspended which affects their access to forms. NAR nor any state has the ability to suspend their license...that is a government responsibility.

Like · Reply · 3h



Paula Swayne

This should be clarified. In California, if you are found in violation of the COE and it is only a letter of warning, you are not posted. For all other violations, you are. My feeling? If you