

Slide 1

**Professionalism:
Play Nice, Play Fair,
Play by the Rules**



Play Nice, Play Fair, Play by the Rules Insights By Debbie Reynolds

Slide 2

Learning Objectives

1. Discover what TREC and our Code of Ethics say about ethics and professionalism
2. List the right way to use RealTracs
3. Learn that practicing good professionalism will help your business
4. Name ways to better deliver professional service to all parties of a transaction

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Slide 3

Remember Monopoly?



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Slide 4

Remember Monopoly?

Know the Rules and the Objectives.
 Identify the players, the turf and boundaries.
 Be ready to concentrate and play fair.
 Make a plan/strategy but also be prepared to flex.
 Act promptly and move things along but don't bully.
 When the unexpected happens, pivot, get creative but don't be a poor sport.
 Do your part, play by the rules , be respectful of others.
 Give it your best shot.

Just one winner, but playing hard and following the rules gives satisfaction and you can always play again.

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Slide 5

The Players in a Real Estate Transaction



Real Estate Agents Brokers/Managers Transaction Coordinators Home Stagers/Photographers Loan Originators/Processors Home Inspectors/ Termite/Misc. Inspectors Repairmen Appraisers Closing Companies	Buyers
Others: Developers/HOAs/Government and Codes Officials/Builders/Foremen/Warranty Companies/ Surveyors/Engineers	Sellers

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Slide 6

Oversee
Orchestrate

Your Role

Conduct
Lead



Are You Being Professional When
 Serving in Your Role?

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Slide 7

What Do You Have to Say About the Professional Conduct of Your Peers?



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Slide 8

From Agents About Other Agents

- Enthusiasm is exciting and contagious.
- Extend a helping hand to others.
- Good leaders lead gently and with confidence, and don't bully
- Build long lasting, good relationships with your peers.
- Nice guys generally finish successfully.
- When an agent reaches out, respond promptly.
- Always strive for personal excellence.
- Listen, think, then speak.

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Slide 9


- Be on time or even a little early.
- We all have bad days. Don't take it out on others.
- Sarcasm isn't welcome and arrogance is a turnoff.
- Aggressive behavior and negativity suck.
- Disrespectful agents hurt the industry.
- Be your best at all times, become an exceptional agent.
- Outstanding agents stand out from the rest.

Be kind, strive for Win-Win!

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Slide 10


Agents may seem charming, on top of her game, excited and nice, but...



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Slide 11

What Does the TREC Law Say?
The Laws are there for a reason!

Breaking the Law.... 

1. Creates damage on the entire industry
2. Hurts the public and causes distrust of agents
3. Could get you additional required education
4. Possibility of civil penalties
5. Suspension or Revocation of your license
6. It becomes public information and is embarrassing


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Slide 12

What Does the Law Say (TREC)?
Duties We Owe to **All Parties** of Transaction

First, who are Parties according to TREC?

Party means any person or persons seeking to obtain or divest an interest in real estate or a business opportunity as a buyer, seller, landlord, tenant, option grantee, option grantor.



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Slide 13

What Does the Law Say (TREC)?
Duties We Owe to **All Parties** of Transaction

Use Reasonable Skill- Your real estate knowledge and care when working real estate

Disclosure of Material Facts- Must be disclosed to each Party of the transaction when you have notice or knowledge such as an Adverse Fact.



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Slide 14

What Does the Law Say (TREC)?
Duties We Owe to **All Parties** of Transaction

So What is an Adverse Fact-
Conditions/occurrences recognized by licensees that have a negative impact on the value of the real estate or significantly reduce the structural integrity or present health risks to occupants.




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Slide 15

What Does the Law Say (TREC)?
Duties We Owe to **All Parties** of Transaction

Maintain Confidentiality- To each party of the transaction until disclosure that there is a written agency with a party in the transaction.

Includes information reasonably expected to be held in confidence.



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Slide 16

What Does the Law Say (TREC)?
Duties We Owe to **All Parties** of Transaction

Honesty and Good Faith

Honesty is defined as moral character showing integrity and truthfulness, fairness, sincerity

Good Faith is defined as being sincere in your intentions, being open, fair and honest

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Slide 17

What Does the Law Say (TREC)?
Duties We Owe to **All Parties** of Transaction

No self dealings or referral of services for personal gain without disclosure and permission-


- This includes if you or immediate family member has a personal interest in the transaction (you are the buyer or seller or working through an individual doing it in your behalf). Also referring services which you have an interest or receive a referral fee.

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Slide 18

What Does the Law Say (TREC)?
Personal Interest
You are the Buyer of the Property


- Licensee wishing to buy a property listed by himself/his firm must make full disclosure to the customers/clients of his position.
- Also to any other prospective purchasers for which the licensee has acted for (client or customer).



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Slide 19

What Does the Law Say (TREC)?
Personal Interest
You are the Seller of the Property
 After licensee has acquired personal interest, must make full disclosure to any prospective purchasers who submit offers to buy on that property

Make your position known and clear in all advertising- when you are real estate agent and owner of the property or have an interest. 

Always identify yourself as a licensee when buying or selling properties for yourself/family member.

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Slide 20

What Does the Law Say (TREC)?
 Duties We Owe to **All Parties** of Transaction

- Remember the Confirmation of Agency form does not create agency, just confirms it
- Verbal disclosure does not create agency
- Actions/words do not create agency
- You are a facilitator until there is a signed agency agreement
- Dual agency must have written consent of both parties

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Slide 21

What Does the Law Say (TREC)?
Clients Get More

1. **Obey lawful instructions**- based on the real estate agency agreement
2. **Loyal to client's interest**- (above your own interest) unless it violate duties owed to another client in same transaction
3. **Provide the following unless there is a written waiver**
 - Schedule property showings
 - Receive offers, counteroffers and forward promptly
 - Answer questions in negotiations within your expertise
 - Advise the steps, forms, procedures necessary to take contract to successful closing

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Slide 22


What Does the Law Say (TREC)?
Additional Written Disclosures

- **Verbal disclosure** if you represent are representing a client in the transaction. Tell who you represent otherwise disclose you are a facilitator.
- **With unrepresented parties** must be disclosed in writing prior to the preparation of the listing agreement (unrepresented seller) or prior to a purchase agreement (unrepresented buyer)
- **Upon initial contact with another licensee** in the transaction, disclose your agency relationship. If agency changes you must give notify the other licensee.

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Slide 23

What Does the Law Say (TREC)?
No Inducement/Counsel on Breaking Agency



A buyer comes to you to ask how he can get out of using his agent so he can work with you....

A seller expressed dissatisfaction with his current agent and asks for any ideas on how he can terminate his listing....

You cannot counsel another agent's client on how to change or terminate their agency agreement.
 No interference.

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Slide 24

What Does the Law Say (TREC)?
Advertising

- Use full name of company as licensed with TREC not just franchise name/logo
- Must use company name and company phone number
- If an individual licensee's name is used, must be name registered with TREC
- Agent's name may not be larger than company name
- Never post a sign on a listed property without written permission of the owner
- Never advertise another agent's listing without written permission of the listing agent
- Teams shall not use names confusing to public

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Slide 25

REALTOR® Code of Ethics

Preamble: Aspirational Purposes

- Competency, fairness and high integrity
- Encouraged to cooperate
- Urge client representation
- Be fair/take no unfair advantage
- No unsolicited comments about peers

Principles of the **Golden Rule** apply.

Plus 3 more Sections. 

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Slide 26

Section I COE:
Duties to Clients and Customers

Article 1:

- Promote your clients interest
- Do not mislead a potential client as to value of a property or your services to be rendered
- Must disclose in writing if you represent both buyer and seller in same transaction with consent
- Present all offers/counteroffers until closing unless waived in writing
- Protect confidentiality of the clients

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Slide 27

Section I COE:
Duties to Clients and Customers

Article 2:

- Avoid exaggeration, misrepresentation or concealment of pertinent facts

Article 3:

- Cooperate with other brokers (unless not in your client's interest)
- After offer is submitted, listing broker may not unilaterally alter compensation offered
- Disclose to other brokers if there are accepted offers including any with contingencies
- Don't misrepresent to other brokers availability

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Slide 28

Section I COE:
Duties to Clients and Customers

Article 4:

- Disclose personal interest of yourself, immediate family or any ownership interest to buyers and sellers

Article 5:

- Must disclose if you have a present or contemplated interest in a property before providing professional services

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Slide 29

Section I COE:
Duties to Clients and Customers

Article 7:

- Don't accept compensation from more than one party in a transaction without disclosure and informed consent from both clients

Article 8:

- REALTORS® must maintain a separate account if they have been put in trust of client's monies

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Slide 30

Section I COE:
Duties to Clients and Customers

Article 9:

- All agreements should be in clear and understandable language
- Give a copy at signing to all signing parties
- Keep contracts current by using written extensions
- When using electronic signings for agency agreements, make reasonable effort to explain what they are agreeing to sign before they sign

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Slide 31

Section 2 COE:
Duties to the Public

Article 10:

- Practice and follow all Federal Fair Housing Laws plus protected classes of sexual orientation/gender identity
- Applies to all employees of the broker, firm, independent contractors giving real estate services and administration or clerical support staff
- Must not use harassing or hate speech, epithets, slurs based on the protected classes

Article 11:

- Be competent in your field of specialty

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Slide 32

Section 2 COE:
Duties to the Public

Article 12:

- Be honest and truthful in all real estate communications (social media, websites, etc.).
- Present a true picture in advertising, marketing and other representations, keep info current and accurate
- May offer Free Services* even if you hope to earn a fee from future services
- May offer prizes, or inducements with full disclosure.

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Slide 33

Section 2 COE:
Duties to the Public

Article 12 cont'd:

- No blind ads- Must disclose your real estate firm name
- Only participating brokers may claim having sold a property. No sold sign posted on a listed property without the listing broker's permission
- Websites must disclose company name, number and state of licensure
- Only use designations and certifications in which you are entitled to use

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Slide 34

Section 2 COE:
Duties to the Public

Article 13:

- **No unauthorized practice of law**

Article 14:

- If charged or asked to bring evidence to a hearing, must cooperate in ethics or arbitration hearings, not impede, not threaten to sue nor share the findings or allegations of the hearings. Shall not obstruct investigative or professional hearing processes.

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Slide 35

Section 3 COE:
Duties to REALTORS®

Article 15:

- Do not make false or misleading statements about other real estate professionals, their business practices or their companies

Article 16:

- Don't interfere with another agent's representation with a client
- If asked by another REALTOR® for the expiration date of an agency agreement and you refuse to give it, the REALTOR® may contact the client directly about talk about giving future services

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Slide 36

Section 3 COE:
Duties to REALTORS®

Article 16 cont'd:

- If contacted by another agent's client, you may talk about or initiate a future agreement
- Always ask the consumer if he is in a current, valid representation agreement
- If representing a buyer, disclose at first contact to seller/seller's agent your relationship and in writing prior to an offer
- If property is unlisted and you represent buyer and expect compensation from seller, make this known at first contact to seller, follow up with written confirmation of agency by execution of offer

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Slide 37

Section 3 COE:
Duties to REALTORS®

Article 16 cont'd:

- Communicate through the client's agent unless given permission to do otherwise
- Don't knowingly obligate a party to more than one commission
- Don't use an offer or executed purchase agreement to try to modify the compensation that was offered
- Posting a for sale or rent sign must have permission of owner of property
- When terminating employment with a broker, you shall not induce a client to cancel a contract

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Slide 38

Section 3 COE:
Duties to REALTORS®

Article 17:

- Disputes between different firms in regards to commissions, will be mediated and if mediation is not required they will be arbitrated
- Clients may also mediate or arbitrate
- Resulting agreements are binding on both parties of the hearing
- If you sue for an arbitrable matter, it is deemed you refused to arbitrate and violated the Code
- Arbitration is also required for disputes with REALTORS® from other states

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Slide 39

What Do You Think?
TREC or COE Violation?



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Slide 40

Case Study 1
 You have sold another agent's listing and your buyers have been granted early occupancy. You drop by to bring the buyers a welcome basket and to see how the move is going. You notice the buyers have moved the Listing Agent's sign to the side of the house.
 Closing is in a couple of days away so you decide to save yourself a trip later and get a photo of the happy buyers in front of the house.
 You put up one of your Company's Sold Sign and take a few selfies with the buyers.
 After it closes, you post the sold sign photo on social media. Any problems with this?

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Slide 41

Case Study 2
 A friend of yours listed his home with another agent that lives in his neighborhood. You see it on Facebook and you feel done in by your friend so you call him and try to talk some sense into him. Soon the friend tells you he made a mistake and wants you to list his house. He is so sorry he didn't go with his gut and list with you at the beginning and asks you for suggestions as to how to end it and list with you. You know there are several ways the other agent has failed the seller, such as there are really bad photos and more. So what do you say?

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Slide 42

Case Study 3
 You are listing a home and meet the photographer at the property. There is TVA tower on one side of the back yard. You instruct the photographer to avoid getting the tower in his photos. A few photos still have the power lines and tower showing.
 You decide to photo edit to take the tower out of the photos and let the buyers see discover it for themselves. When the potential buyers come see the house they will see the tower and power lines and all will be good because the inside of the house is amazing and will sell the house. Problem?

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Slide 43

MLS Rules
Are they for the other guy or for you?



How Much Do You Know?

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Slide 44

MLS Rules

1. Coming Soon- Listing cannot be shown for a specific period of time by anyone or to anyone.

- This includes the listing agent and any agent from listing agent's firm.
- TREC says must have written permission to put a sign on a property.
- TREC says Must not mislead the public.



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Slide 45

MLS Rules

2. Listing Type- If you are owner or have ownership interest use Owner-Agent under Special Condition section

3. Private Remarks- This is where you may put your website, email, other phone numbers, contact instructions, co-list agents or other advertising (don't put in Public Remarks that will be seen by the public).

4. To-Be-Built- Must have intended plan or otherwise it is a residential lot. This can be loaded in media along with plat and representative house photos from a prior listing or model.

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Slide 46

MLS Rules



5. Photos-

- For Sale signs must be incidental to property
- No overlays, text, logos added (promotional)
- No changing actual property representation
- Minimum of one primary photo of property must be entered and remain once it is closed

6. Presale of New Home- To be entered into MLS prior to framing completion as Under Contract Showing or Under Contract Not Showing.

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Slide 47

MLS Rules

7. Status Changes-

- Compensation/listing data changes must have seller and broker signatures- put in MLS within 48 hrs.
- Binding Sale Contracts must be changed to Under Contract- Showing or Under Contract- Not Showing within 48 hrs.
- Closed Sale must be changed to closed within 72 hours.

8. Expiration of Listing- If it was not extended during the listing period and you allowed it to expire, it now must be listed as a new listing

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Slide 48

MLS Rules

9. Presentation of Offers-

- Offers must be presented as soon as possible
- All written offers presented until closing unless agreed otherwise in writing by seller or precluded by law

10. Refusal to Sell- If seller refuses to accept a written offer satisfying the terms of the listing, MLS is to be immediately notified



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Slide 49

MLS Rules

12. Non-members- We are encouraged to cooperate with non-members (agents in other MLSs)

13. Signs-

- Only listing agent's For Sale sign can be posted (unless written permission is given)
- Only listing agent's Sold sign can be posted unless permission is granted by listing broker

14. Offers of Compensation- Sharing of commission is unconditional and determined by listing broker

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Slide 50

MLS Rules

15. Change in Compensation- If a deviation from what is shown in MLS, cooperating broker must be notified in writing prior to offer submission

16. Personal Interest-

- Seller side, disclose at time listing is filed with MLS so the public and other agents will know.
- How do you do this? Special Listing Conditions
- Buyer side, disclose in writing not later than the time of writing the offer



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Slide 51

MLS Rules

17. Dual or Variable Commissions-

- Exists when a seller will pay a specified amount (x) if listing is sold by the listing broker/listing agent - without a cooperating broker - and a different amount (y) if a cooperating broker is used. Check yes if this applies and this is to be disclosed to client before offer is made.

18. Security- Do not share your Password.


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Slide 52

MLS Rules

19. Listing Content-

- Broker has right to license the data based on info on listing agreement
- Agent confirms he has not violated patents, copyrights, trademarks, etc.

20. Limitations of Use- 

Any public representation based wholly or in part on RealTracs data must state specific periods of time and include: "Based on information from RealTracs Inc. for the period (xxx) through (xxx)"

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Slide 53

MLS Rules




21. SentiLock-

- Keep your PIN to yourself. Do not share, transfer or pledge the rights of your SentiKey subscription.
- Follow all additional security procedures specified by the MLS when showing properties

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Slide 54

Things Your Peers Want You to Know



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Slide 55

Do It

- Communicate- Answer calls, texts and emails.
- Present yourself as a professional and act like one.
- Don't go into hiding or play games.
- Keep your word. Don't lie.
- Be pleasant, don't be argumentative.
- Be careful what you say.
- Look for solutions not roadblocks.
- Do your job and I'll do mine.
- Be pleasant, don't get an attitude when difficulty comes.
- Words can bite. Choose them carefully.
- Don't take a rejected offer personally.
- Strive to keep the relationship intact.

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Slide 56

Best Practices for Playing Fair

- Do your part, learn and know the rules
- Treat people with kindness, using the Golden Rule
- Know, follow TREC laws, NAR Code of Ethics, MLS rules
- Check your behavior first, correct it. Set a good example.



- Always strive for excellence working together, not against
- Gently, kindly speak up when you see unprofessional behavior.
- Never blast bad behavior on social media.
- Don't be the problem, be part of the solution.


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Slide 57

The Challenge

Complete your C2EX Certification. It takes time, commitment and dedication but does not cost you money.

C2EX REALTORS® stand apart from the masses and are recognized on the NAR website and you can use the logo in your advertising.



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Slide 58



Get Started!
C2EX.Realtor

Got Questions?
C2EX@Realtors.org

Download Free Marketing Materials!
NAR.Realtor/C2EX

Slide 59



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Play by the Rules**

Professionalism Begins with U!

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