

Basic Principles of the CODE OF ETHICS

National Association of REALTORS®

Article 1 - Protect and promote your client's interests, but be honest with all parties.

Article 2 - Avoid exaggeration, misrepresentation, and concealment of pertinent facts. Do not reveal facts that are confidential under the scope of your agency relationship.

Article 3 - Cooperate with other real estate professionals to advance your client's best interests.

Article 4 - When buying or selling, make your position in the transaction or interest known.

Article 5 - Disclose present or contemplated interest in any property to all parties.

Article 6 - Avoid side deals without your client's informed consent.

Article 7 - Accept compensation from only one party, except with full disclosure and informed consent.

Article 8 - Keep the funds of clients and customers in escrow.

Article 9 - Assure, whenever possible, that transactional details are in writing.

Article 10 - Provide equal service to all clients and customers.

Article 11 - Be knowledgeable and competent in the fields of practice in which you ordinarily engage. Obtain assistance or disclose lack of experience if necessary.

Article 12 - Communicate honestly and present a true picture in your advertising, marketing, and other public representations.

Article 13 - Do not engage in the unauthorized practice of law.

Article 14 - Be a willing participant in Code enforcement procedures.

Article 15 - Ensure that your comments about other real estate professionals are truthful and not misleading.

Article 16 - Respect the exclusive representation or exclusive brokerage relationship agreements that other REALTORS® have with their clients.

Article 17 - Arbitrate and mediate contractual and specific non-contractual disputes with other REALTORS® and with your clients.



PROFESSIONAL STANDARDS

549 S. Guadalupe Street
Santa Fe, NM 87501
Office: 505-982-2442
e-Mail: ombuds@nmrealtor.com

The following information and forms can be accessed on the NMAR website:

nmrealtor.com/professionalstandards

Contact Information
NAR Code of Ethics/Standards of Practice
Ethics Complaint Forms/Instructions
Arbitration Forms/Instructions
Mediation Forms/Instructions
Ombuds Program
NMREC Complaint Resolution Procedures
NAR Pathways to Professionalism
NAR Professional Standards



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ARBITRATION

Offered to resolve compensation disputes that arise out of the business relationships between REALTORS® or between REALTORS® and their clients/customers.

Arbitration filing fee: \$500 per party

Initiating arbitration request:

- Complete Arbitration Request Form (A-1/A-2)
- Attach narrative description of circumstances upon which claim is predicated
- Submit to Professional Standards Office.

Arbitration filing requirements:

- Within 180 days after the conclusion of the transaction, if any, or
- Within 180 days after the facts constituting the arbitration matter could have been known in the exercise of reasonable diligence, whichever is later.

Standard of proof in arbitration hearing:

- Based on preponderance of the evidence
- Burden rests initially with the complainant.

Mandatory Arbitration:

- QB/QB (2 firms)
- Broker&QB/Broker&QB (2 firms)
- Client/QB (agency relationship or legally recognized non-agency relationship)

Voluntary Arbitration:

- Broker/Broker same firm (must involve QB)
- QB/Nonmember Broker
- Customer/QB

MEDIATION

Offered to REALTORS® and the public to facilitate the resolution of disputes related to real estate transactions and/or interactions.

Mediation filing fee:

- Ethics Mediation: No filing fee
- REALTOR® to REALTOR®: No filing fee
- Public to REALTOR®: \$250 per party
- Public to Public: \$250 per party

Initiating mediation:

- Complete Request for Mediation and Agreement to Mediation (M-1/M-2)
- May attach supporting documentation
- Submit to Professional Standards Office.

Mediator's role:

- Neutral, impartial third person who assists the parties in discussing and clarifying the issues, and in considering alternatives and next steps in moving towards a resolution
- Mediator controls the mediation process, not the outcome

Benefits of Mediation

- Inexpensive and timely process
- Confidential, flexible, and voluntary option
- Parties maintain option to pursue other processes
- Reconciliation and settlement agreements are encouraged

ETHICS COMPLAINTS

Offered to REALTORS® and the public to address alleged violations of NAR's Code of Ethics or other membership duties as set forth in the NMAR Bylaws.

Ethics complaint filing fee: None

Initiating ethics complaint:

- Complete Ethic Complaint Form (E-1)
- Cite the Articles in the Code of Ethics that may have been violated
- Attach narrative description of circumstances of alleged violation(s)
- Submit to Professional Standards Office.

Ethics complaint filing requirements:

- Within 180 days after the conclusion of the transaction, if any, or
- Within 180 days after the facts constituting the matter complained of could have been known in the exercise of reasonable diligence, whichever is later.

Standard of proof in ethics hearing:

- Based on clear, strong, and convincing evidence
- Burden rests with complainant.