



Northeast Association of REALTORS®

Cooperation and Professionalism in Real Estate: *Suggestions for Living the Golden Rule*

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This manual was produced by the NEAR Education Committee to enhance cooperation and professionalism. It is not intended to be a substitute for or supersede individual office policy, individual agreements between parties, the REALTOR® Code of Ethics, or the rules of any MLS, nor should it be construed as a comprehensive list of all your responsibilities. Rather, this publication contains suggested approaches, courtesies, and reminders to keep interactions among REALTORS® as smooth and harmonious as possible. To assist our members, we distribute this guide along with current versions of the National Association of REALTORS® Code of Ethics, the MLS Property Information Network Rules & Regulations, the Commonwealth of Massachusetts "Real Estate License Law & Regulation," and NAR's suggested courtesies titled, "Pathways to Professionalism."

Remember, your fellow REALTORS® are your associates and colleagues, and you should employ the Golden Rule: "Whatsoever ye would that others should do to you, do ye even so to them." Additionally, as a professional, you should make every effort to keep any disputes with fellow REALTORS® over procuring cause and monies from consumers — buyers or sellers. We hope you find this publication useful!

The NEAR Education Committee

D) LISTING PROCEDURES

Additional information that could be helpful:

- A) Remember, the REALTOR® Code of Ethics requires that, before providing substantive services to a prospect (seller or buyer), you must ask whether they are a party to any exclusive representation agreement. (Standard of Practice 16-13)
- B) Remember, at the first personal meeting to discuss any property, you must provide the Customer Relationship Disclosure form (i.e., what type of agency, if any, that you'll be performing).
- C) Verify accuracy of all listing information. Include directions to the property as well as all contact information such as voice mail, pagers, etc., especially since your fellow REALTORS® will be trying to contact you with offers, issues, etc.
- D) Suggested additional information to be available at the property:
 - 1) Copies of signed lead paint property transfer form
 - 2) Listing sheet
 - 3) Sellers Description of Property, if utilized
 - 4) Plot plan
 - 5) House plans and specifications, if applicable
 - 6) Room sizes
 - 7) Off-season photos
 - 8) Septic system plan, well location if applicable, and Title V Certificate (if available)
 - 9) Items included and excluded with sale (if not on listing sheet)
 - 10) General showing info, i.e., pet in basement, someone sleeping, etc.
- E) Instructions to Seller:
 - 1) Before the seller signs a listing (e.g., Exclusive Right to Sell) and the Agency Disclosure form, the Code of Ethics (Standard of Practice 1-12) requires that you discuss your office policy with them regarding cooperating with and compensating various types of agents (including the amounts).
 - 2) Discuss with seller the Equal Opportunity in Housing laws. (Pamphlet available through NEAR.)
 - 3) Leave the Seller's Description of Property form with seller to be filled out and returned, if applicable to your office policy.
 - 4) Discuss hazardous waste, lead paint, radon, asbestos, oil tanks, Title V and timeframe, etc.
 - 5) Discussion of the Massachusetts Consumer Protection Act (Chapter 93A). Agents must disclose to buyers any known material defects in property.
 - 6) Discuss with seller future activities such as Caravan, house showings, offers, P&S Agreement.

II) SIGNS

- A) Signs that are installed on property must be in compliance with city/town/state regulations. As a courtesy, if you see a fellow REALTOR®'s sign in violation of the regulations, call that office to let them know. If you have been cited for a violation, correct it in a timely manner.
- B) Off-site signs must also be in compliance. (Some local communities restrict/forbid use of off-site or directional signs.)
- C) Remove signs or any directional arrows on poles after home is sold or after the Open House, etc.

D) The cooperating REALTOR® may install a “sold” sign after the closing with the permission of the new owner.

III) BROKER TOURS/OFFICE CARAVANS

- A) All REALTORS® are encouraged to view new listings. It is easier to sell property when it has been seen.
- B) Prepare seller for caravan (i.e., broker tour) and explain how it works and what to expect.
 - 1) Verify that property is on tour.
 - 2) Remind seller of caravan the day before.
- C) Listing REALTOR® — be early. Have the property properly staffed and stay as long as necessary. Your responsibility is to your seller to see that the house is seen even though you may miss a portion of the caravan.
- D) Cooperating REALTOR® — be there on time, do not discuss or comment on the property during caravan tour. It is a disservice to the listing REALTOR® to make any comment about the property or the price while at property.
- E) No smoking, eating, or drinking while at property.

Note: For NEAR-specific Caravan Rules & Regulations, see Appendix A.

IV) APPOINTMENTS AND SHOWINGS

- A) Remember, the REALTOR® Code of Ethics requires that, before providing substantive services to a prospect (seller or buyer), you must ask whether they are a party to any exclusive representation agreement. (Standard of Practice 16-13)
- B) Make sure you present at your first appointment with a buyer the Agency Disclosure form for the buyer’s signature.
- C) Know your listing. Familiarize yourself with the facts before you show. If you have not seen the house on caravan, take the time to look at the property before you show it. You can do a much better job if you know the property.
- D) Punctuality
 - 1) Allow leeway before and after each appointment if you are showing more than one house. Stay as close to schedule as possible.
 - 2) If showing is cancelled, notify Listing Office/REALTOR® immediately.
 - 3) If you are more than 30 minutes late, notify listing office of delay or cancellation.
- E) When you do have an appointment and the prospective buyer does not want to go into the house, after you have arrived at the property, go to the door and explain to the homeowners. Later, notify the listing REALTOR®.
- F) If the owner is at home, disclose the nature of your agency relationship. Be courteous, but do not discuss the property with the owner if it is not your listing; discuss it with the listing REALTOR®.
- G) It is helpful to let the listing REALTOR® know the prospective buyer’s reaction to the property — if appropriate and requested — called Constructive Feedback.
- H) Any unusual situations should be reported to the listing REALTOR® (e.g., lack of heat, broken windows, unlocked or open doors, leaks, etc.).
- I) Do not go into the house if another REALTOR® is inside; stay in your car or show the buyer the exterior of the property.
- J) If children are present at showings, be sure to advise parents to keep them under control.
- K) Keys
 - 1) Clearly mark keys and attach together.
 - 2) Return promptly. This is very important.
 - 3) Do not pick up too early – it is not fair to keep others from showing the house.
 - 4) Listing REALTOR® may wish to have multiple sets of keys to the property.
- L) Lockboxes
 - 1) Knock first before using.
 - 2) Adhere to lockbox times, even if lockbox is older model, unless instructed otherwise.
 - 3) Lockboxes at condominium complexes should be labeled with listing agency’s info. (Note: agent business card holders for electronic lockboxes are available at the NEAR REALTOR® Store.)
- M) Questions not answered in the listing form should be referred to the listing REALTOR® (not to the seller). If you have a complete and accurate listing, there will be fewer questions. Showing REALTOR® should tell buyers that they will write down all questions and ask the Listing REALTOR® later.
- N) Signing In

- 1) When requested, sign in, or at a minimum, leave your business card.
 - 2) Your card should be presented to the seller when you arrive. If no one is home, leave your card with time and date.
- O) Listing office is responsible for having phone coverage so that other REALTORS® have reasonable access.
 - P) When showing a property, the REALTOR® should strive to keep all parties together within sight.
 - Q) Leave the house as you found it (i.e., if all lights are on, leave them on).

V) OPEN HOUSES

- A) Be on time, leaving enough time to set up signs in advance.
- B) Make sure agency disclosure table tents are posted and/or stated on listing sheets in lieu of having every visitor sign an agency disclosure form. (These are available at the NEAR office.)
- C) If you are working with a buyer (client or customer):
 - 1) and cannot accompany them to an open house, make every effort to contact the listing REALTOR® in advance to verify that there will be cooperation.
 - 2) at your first face-to-face appointment, be sure to have them sign an agency disclosure form. Take this opportunity to educate them regarding agency relations, including visiting open houses and contacting other agents.
- D) When staffing an open house:
 - 1) Remember, the REALTOR® Code of Ethics requires that, before providing substantive services to a prospect (seller or buyer), you must ask whether they are a party to any exclusive representation agreement. (Standard of Practice 16-13)
 - 2) remember: if staffing an open house, you can only provide seller representation or dual agency representation. You cannot negate the buyer's right to representation.
 - 3) remember, by law all offers must be presented to the seller forthwith (as soon as possible). You may not decide which offers to present and which to reject.
- E) Remember, whether you represent the buyer or the seller, you have fiduciary duties to your client that mean you MUST put their interests ahead of your own.

VI) OFFER TO PURCHASE/CONTRACT TO PURCHASE

- A) REMINDER: The law says that every offer MUST be presented to the seller forthwith (i.e., at the earliest possible moment). No exceptions! If listing REALTOR® is unavailable, the office principal or a designated representative of the listing office should present any offers.
- B) Both listing and cooperating REALTORS® should advise seller and buyer (respectively) that the Offer to Purchase is a legally binding contract and that, if not understood, legal advice should be sought.
- C) Never assume that terms can be changed or added at the P&S (Purchase & Sale Agreement) stage. Remember, all changes must be agreed to by all parties.
- D) Cooperating REALTOR® should contact and tell listing REALTOR® he has an offer and wishes to deliver it and make arrangements to do so. If the cooperating REALTOR® is an MLS Participant, they have the right to be present at the presentation of the offer (but not at discussion about the offer's merits). Any refusal must be made by the seller in writing.
- E) Cooperating REALTOR® should take any offer immediately to listing REALTOR® with check/financial information and signed agency disclosure form. When possible, hand-deliver offers. If faxed, call listing REALTOR® before you fax. Remember, faxing is not confidential!
- F) Upon acceptance of offer, a complete package should be delivered to the listing REALTOR® which includes the signed offer, deposit check if any, signed Agency Disclosure form, the name of the buyer's attorney, and signed Lead Paint Transfer form. As a reminder, make sure all documents are fully executed.
- G) In order to be enforceable, offers and counter-offers must be in writing and executed by the parties.
- H) Cooperating REALTOR® should deliver endorsed check to the listing REALTOR® (if stipulated in the agreement) along with the name of the buyer's attorney.
- I) Listing and cooperating REALTORS® should deliver copies of signed offers to seller and buyer, respectively.
- J) Listing REALTOR® should notify cooperating REALTOR® that offer has been rejected by the seller.
- K) According to MLS-PIN Rules & Regulations, property status changes (i.e., Active to UAG or BUP, UAG to Sold, etc.) must be made within 24 hours.

VII) PURCHASE & SALE AGREEMENT (P&S)

- A) Never assume that terms can be changed or added at the P&S (Purchase & Sale Agreement) stage. Remember, all changes must be agreed to by all parties.
- B) All agents in a transaction should remember: When stipulated in the agreement, time is of the essence!
- C) Listing office (or seller's attorney) typically prepares the Purchase & Sale Agreement and gets the agreement to the cooperating REALTOR®, and provides a copy to seller and seller's attorney ASAP.
- D) Cooperating REALTOR® provides copy to the buyer (and buyer's attorney) ASAP.
- E) If changes are made by either party (or their attorney), they are to be made in a timely manner and returned to listing REALTOR® when changes are agreed upon.
- F) The listing REALTOR® should provide P&S with all changes agreed upon and deliver necessary numbers of copies to the cooperating REALTOR®.
- G) Both listing and cooperating REALTORS® should advise seller and buyer (respectively) that the P&S agreement is a legally binding contract and that, if not understood, legal advice should be sought.
- H) Signatures on Purchase & Sale:
 - 1) Cooperating REALTOR® should get signature(s) of buyer(s) and additional deposits (if any) payable to the escrow party and return signed P&S and endorsed check to listing REALTOR® if stipulated in the agreement. If there is not enough time to get it signed, it is typically the responsibility of the REALTOR® requiring the extension to prepare the extension.
 - 2) Listing REALTOR® is responsible for getting signature of seller(s) and properly accounting for deposits forwarded to them and verifying if an interest-bearing account has been requested.
- I) Distribution of Purchase & Sale:
 - 1) Listing REALTOR® is responsible for distribution of copies to seller.
 - 2) Cooperating REALTOR® is responsible for distribution of copies to buyer.
- J) It is the cooperating REALTOR®'s responsibility to speak to the buyer about scheduling inspections, to inform the listing REALTOR® about the appointment, and to accompany any inspectors, unless other arrangements have been made between the REALTORS®.
- K) The listing REALTOR® should accompany appraiser and provide all requested market information.

VIII) CLOSINGS

- A) Cooperating and listing REALTORS® should coordinate time and place of closing with attorneys and prepare written extensions, if necessary.
- B) REALTORS® should advise buyer and seller as to their respective responsibilities at closing, including but not restricted to smoke alarm certificate, 6-D Certificate if condo (showing all Association Fees are paid for condo sales), escrows on rentals, insurance binders, walk-through, broom-clean condition, and vacancy of home (i.e., that all contingencies of the P&S have been met).
- C) Cooperating brokers fees, if any, should be paid in a timely manner.
- D) The listing REALTOR® should see that all keys are at the closing, unless other arrangements have been made.
- E) The listing REALTOR® is responsible for sign and lockbox removal.