



TRAINING TIP OF THE WEEK

MISLEADING ADVERTISING

Even when not intentional, ethics violations can still occur.

Ethics complaints that involve misleading advertising about a property will usually fall under several articles in the Code of Ethics. Much of the time this misleading or even false advertising is inadvertent. But, even advertising that is unintentionally misleading still causes frustration, costly problems, failed transactions, and are potentially ethics violations. Advertising always need to be carefully reviewed for accuracy before being displayed to the public.

Article 2 of the Code of Ethics states, "REALTORS shall avoid exaggerating, misrepresentation, or concealment of pertinent facts relating to the property or the transactions..." And Article 12 of the Code of Ethics states, "REALTORS shall be honest and truthful in their real estate communications and shall present a true picture in their advertising, marketing, and other representations..." Both of these articles could be relevant to an advertising complaint.

Word choice is crucial in advertisements that deal with technical details where assumptions can easily lead to problems. As a simple example, a listing agent may post, "Great lot available, ready to be built on!" This type of advertisement needs clarification from BOTH sides of the transaction. First, the listing agent could be more specific about what "ready to be built on" means, and the buyer's agent needs to dig a little deeper to make sure they understand what the seller's agent means, as well as advising their client to complete their due diligence thoroughly. The buyer's agent cannot assume that their own understanding is the same as the listing agent's intention. Both agents will have a different perspective about what the language means.

Remember, this caution also applies to communications outside of formal advertising. When texting, sending emails, or discussing a property or transaction in any form, it is important to be careful about your representations, especially when they are more technical. If technical details come up that you are unsure about, make sure to refer them to the people or resources where they can get the correct information.

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