

CODE COMPREHENSION

ARTICLE 3

Ethical Duty to Cooperate



QUESTION:

A broker who does not belong to a REALTOR® association or MLS wants to show a property I have listed.

Can I decline to make the property available?

ANSWER:

No, you cannot decline to make the property available based on the buyer agent's membership status. Article 3 of the Code requires REALTORS® to cooperate with other brokers in their client's best interest. REALTORS® are obligated to share information on the property they have listed and to make the property available to other brokers for showing regardless of the cooperating broker's membership status. This ethical duty to cooperate does not, however, create a duty to compensate. Compensation in a cooperative transaction typically results from a blanket offer made through the MLS. When dealing with brokers who do not belong to the MLS, the listing broker should discuss compensation with the cooperating broker prior to the time an offer to purchase is submitted.

STANDARD OF PRACTICE 3-1 PROVIDES, IN PART:

“ REALTORS®, acting as exclusive agents or brokers of sellers/landlords, establish the terms and conditions of offers to cooperate. Unless expressly indicated in offers to cooperate, cooperating brokers may not assume that the offer of cooperation includes an offer of compensation. Terms of compensation, if any, shall be ascertained by cooperating brokers before beginning efforts to accept the offer of cooperation...”