

Advertising Guidelines

Revised July 2017

REALTORS® shall be honest and truthful in their real estate communications and shall present a true picture in their advertising, marketing, and other representations.

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ADVERTISING OF REAL ESTATE SERVICES

A Proper Representation

REALTORS® must ensure that their status as real estate professionals (e.g. REALTOR®, Broker, Broker Associate, Sales Associate) is readily apparent in all their advertising, marketing, and other representations to the public.

When advertising as a "team," it must be readily apparent in any advertisement what the professional status is for *each member* of that team. This is especially important if one of the team members is NOT licensed. Care must be taken to avoid giving the impression that an unlicensed person can provide services that require a valid real estate license.

The firm name must always be disclosed in any advertisement, including websites.

REALTORS® are only allowed to use professional designations (GRI, ePRO, CRS, etc.), certifications, and other credentials to which they are legitimately entitled.

Source: Code of Ethics Article 12 (S.O.P. 12-5, 12-9 and 12-13)

B Use of the Term “Free”

REALTORS® may use the term “free” in their advertising of products or services, provided that all terms governing the offered product or service are clearly disclosed at the same time. They may represent their services as “free,” even if they expect to receive compensation from another source other than their

client, provided that the potential to benefit from a third party is clearly disclosed at the same time.

Source: Code of Ethics, Article 12 (S.O.P. 12-1, S.O.P. 12-2)

C Offering Prizes

Offering prizes, merchandise discounts, or other inducements to list, sell, purchase, or lease is not unethical, even if receipt of the benefit is contingent on listing, selling, purchasing, or leasing through the REALTOR® making the offer. However, all the terms and conditions of the offer must be clearly communicated in advance.

Source: Code of Ethics, Article 12 (S.O.P. 12-3)

D Referral Fees and Finder's Fees

For further guidance, members are directed to <http://www.hud.gov/respa>. There is also a Referral Fee Chart available on the C.A.R. website, www.car.org.

ADVERTISING OF REAL ESTATE

A Use of Regional MLS Information

The purpose of the MLS is to market properties and offer compensation to other participants for the sole purpose of selling the property. Sellers of properties filed with the MLS have not given permission to disseminate the information for any other purpose. Any use of MLS information inconsistent with this rule is prohibited. Current listing information may not be used for any purpose other than to market property to bona fide prospective purchasers, or to support market evaluations or appraisals.

Source: CARETS MLS Rules, Section 12.11

B MLS Public Remarks

If used, remarks should only be used only for the purpose of marketing the property and to provide a description and condition of the property.

No contact information is permitted including: Names, phone or fax numbers, email addresses or website addresses (including virtual tours)

No showing instructions are permitted, including references to lockbox, alarm, gate or other security codes, or the occupancy of the property. (E.g. property vacant, go direct)

No information directed toward real estate agents or brokers, including reference to commission, bonus or other compensation information, are allowed.

Source: CARETS MLS Rules, Section 12.5

C Advertising Active, Active under Contract, or Pending Listings

REALTORS® must not advertise property without authority in any media, including the internet, without the prior consent of the Listing Broker.

When acting as listing brokers or as subagents, Realtors® shall not advertise or market a price different from that agreed upon with the seller/landlord.

Exception

When providing a market update for a specific area, one may use the information of active and pending listings in order to provide the public with an accurate overview of that area. Permissible information would be: Street name, City (also known as Area), List Price, Bed/Baths, and Amenities.

You **ARE NOT** permitted to use: Street Address Number and Community (Examples of Community: Bella Vista and Cortile in Porter Ranch & Summit Point Estate and Penfield Estates in Woodland Hills)

Source: Code of Ethics, Article 12 (S.O.P. 12-4 & 12-10); CARETS MLS Rules, Section 12.8

D Advertising Sold Listings

Advertising properties that have sold in a neighborhood after that information has been published is

permitted as long as the advertisement does not falsely imply that the agent was involved in the transactions. Allowable listing content per MLS rules are: Property address, status, price, number of bedrooms, number of bathrooms, number of garages, square footage, lot size, year built, tract or development name, and if there is a pool.

Use of listing photographs is prohibited.

Only REALTORS® who participated in the transaction as the listing broker or cooperating broker may claim to have “sold” the property

Prior to closing, a cooperating broker may post a “sold” sign only with the consent of the listing broker.

Source: Code of Ethics, Article 12 (S.O.P. 12-7); CARETS MLS Rules, Section 12.7

E Advertising One’s Own Property

When advertising unlisted real property for sale or lease, in which they have an ownership interest, REALTORS® must disclose their status as both owners/landlords, and as REALTORS® or real estate licensees.

Source: Code of Ethics, Article 12 (S.O.P. 12-6)

DISCLAIMERS

If there is any question as to whether a disclaimer should be made, agents should err on the side of caution, and always disclose from whom or from where information or data is drawn.

REALTORS® must be aware regarding advertising that, while “legally” something might not be required for disclosure or a disclaimer, ethically, the NAR Code of Ethics might have a requirement affecting the activity. MLS Rules also require a disclaimer when using MLS data.

A When Using MLS Data

Representations made to the public, in either print or non print form, should be clear and provide truthful use of information. This includes representations of an agent’s “market share” of real estate activity.

Any print, non print or other representation must clearly indicate the period of time over which a claim is made and must include the following notice in a manner readily visible to consumers but not less than 7 point type:

“Based on information from the Association of REALTORS®/Multiple Listing as of [date the AOR/MLS data was obtained]. All data, including all measurements and calculations of area, is obtained from various sources and has not been, and will not be, verified by broker or MLS. All information should be independently reviewed and verified for accuracy. Properties may or may not be listed by the office/agent presenting the information.”

Source: Code of Ethics, Article 12 (S.O.P.12-10); CARETS MLS Rules, Section 12.9

B Production Claims

Any changes or alterations from the following instances should have some identifying disclaimer attached to the statement.

1) “Production”, “Sales Volume”, and “Sales Production” Claims must be Accurate.

Production always refers to closed escrows. Statements of production amounts must be based upon closed escrows only.

Listing inventory can be new listings taken plus volume or numbers of unsold listings.

A selling agent may state the dollar amount of properties he/she has sold as long as he/she is clearly identified as being the “selling agent” or “buyer’s agent”.

An agent identified as a “Million Dollar Club” agent must have fully met the requirements as set up by his/her office.

Use of words like "top producer," "leading producer" and the like are discouraged, and members must be

careful not to incorporate these phrases in such a way as to imply that the agent is in fact the top or the leading salesperson in a given area, or time period, unless that person is prepared to support the representation with convincing evidence. In most instances, the use of such terms would constitute a misrepresentation, and not simply hyperbole or "puffing."

Source: Membership Rules V.1(a), V.1(d), V.1(e), V.2 & V.6

2) Identify the Time Period

Reference to production or volume of real estate activity should identify a specific time period during which escrows were closed or listings were taken.

Records should be maintained to support any such advertising, in reasonable detail, on both company records and other records used for comparison purposes. However, any advertisement or other forms of public representations must clearly demonstrate the period of time over which such claims are based.

Source: Membership Rules V.1(c) & V.4

INTERNET ADVERTISING

A Websites

The obligation to present a true picture in representations to the public includes information presented, provided, or displayed on REALTORS®' websites.

Source: Code of Ethics, Article 12 (S.O.P. 12-8)

1) Keep Information Current

Reasonable care must be taken to ensure that information on agent websites is current. REALTORS® shall promptly take corrective action and remove advertisements for listings that have expired, sold or have been cancelled.

Source: Code of Ethics, Article 12 (S.O.P. 12-8)

2) Metatags and Keywords

Deceptively using metatags, keywords or other devices to direct or divert internet traffic, or to otherwise mislead the consumer, is prohibited.

Source: Code of Ethics, Article 12 (S.O.P. 12-10); CARETS MLS Rules, Section 12.10

3) Linking To or Framing Other Brokers' Websites

Providing a simple text link to another broker's website is acceptable, as long as it does not imply affiliations or endorsements that do not exist.

It is advisable to seek the advice of legal counsel prior to using framing technology. Framing the content of another website can raise several legal issues such as: trademark or copyright infringement, unfair competition, misappropriation, and false advertising.

The following is prohibited:

- Engaging in deceptive or unauthorized framing of real estate brokerage websites.
- Presenting content developed by others without either attribution or without permission.
- Manipulating listing and other content in any way that produces a deceptive or misleading result.

Source: Code of Ethics, Article 12 (S.O.P. 12-10); CARETS MLS Rules, Section 12.10

B Display of MLS Information

MLS information is to be displayed to specifically identified and bona fide prospective buyers. General MLS rules still apply to information that is presented on the internet.

1) Advertising One's Own MLS Listings

As long as the seller agrees, the fact that the listing broker entered the listing information into the MLS does not prohibit the listing broker from also advertising the home on a website. REALTORS® shall not quote a price different from that agreed upon with the seller/landlord.

Source: Code of Ethics, Article 12 (S.O.P. 12-4); CARETS MLS Rules, Section 12.10

2) Advertising Another Broker's Listing

A member may not advertise another broker's listing on his or her own website or on any other website (Craigslist, eBay, Zillow, Facebook, Instagram or any social media) without obtaining prior consent. (This does not include listings covered under IDX)

Source: Code of Ethics, Article 12 (S.O.P. 12-4); CARETS MLS Rules, Section 12.8

3) Using the Internet Data Exchange ("IDX")

In the case of IDX listings, the consent to advertise is already presumed. This is because a listing broker has the right to withhold authorization to display his or her listings, by "opting out" of the IDX program.

IDX listings must be displayed in strict accordance with all the current IDX rules. (See MLS Rules, Section 12.16 & 12.18)

C URLs and Domain Names

Using a domain name that employs a competitor's name in order to drive traffic to one's website is not acceptable. In addition, it may also violate a competitor's registered trade name.

Using the terms "MLS" or "Multiple Listing Service" in URLs or email addresses is prohibited.

Examples of Improper Use:

JohnDoeMLS.com

ABCSearchMLS.com

JonesRealtyandMLS.com

Source: CARETS MLS Rules, Section 12.20

D Use of the REALTOR® Trademarks on the Internet

For purposes of domain names and internet addresses only, capitalization of the term REALTOR® is not required and it may appear in lower case letters.

The term REALTOR®, whether used as part of a domain name or in some other fashion must refer to a member or a member's firm.

For use as a domain name or e-mail address on the Internet the term REALTOR® does not need to be separated from the member's name or firm name with punctuation.

Examples of Proper Use - Domain Name:

johndoe-realtor.com

johndoerealtor.com

Examples of Proper Use - Email Address:

jdoe*realtors@webnetservices.com

jdoerealtors@webnetservices.com

The term REALTOR® may not be used with descriptive words or phrases.

Examples of Improper User:

numberonerealtor.com

chicagorealtors.org

The REALTOR® block R logo should not be used as hypertext links at a website as such uses can suggest an endorsement or recommendation of the linked site by your Association. The only exception would be to establish a link to the National Association's web site, REALTOR.org, or its official property listing site, REALTOR.com.

REALTOR® TRADEMARKS AND LOGOS

Note: In this section, the terms REALTOR®, REALTORS®, the REALTOR® Logo and the Block “R” mark will collectively be referred to as the “MARKS”.

A Authorized Use of REALTOR® Membership MARKS

Use of the terms REALTOR® or REALTORS® by members is subject to the provisions prescribed by the NATIONAL ASSOCIATION OF REALTORS® (NAR). Southland Regional Association of REALTORS® (SRAR) has the authority to control use of the terms within its jurisdiction.

1) *Use of MARKS by Brokers and Salespersons*

REALTOR® members of SRAR have the privilege of using the MARKS in connection with their places of business within California, or a state contiguous thereto, so long as they remain REALTOR® members in good standing. No other class of members shall have this privilege.

2) *Use of MARKS Dependent on Status of Firm Principals*

A REALTOR® member who is a principal of a real estate firm, partnership or corporation may use the MARKS only if engaged in the real estate profession within California, or a state contiguous thereto. If there is an additional place of business in which no principal, partner, corporate officer or branch office manager holds REALTOR® membership, the MARKS may not be used in any reference to that place of business.

B Pronouncing the Term REALTOR®

The proper pronunciation is “real’ tor.”

C Acceptable Uses of REALTOR® Trademark

Use of the REALTOR® trademark is restricted to a local firm name, since it is the local firm which has elected to be a member firm and which is therefore subject to the Code of Ethics.

1) *In Connection With Member Name or Firm Name*

The terms REALTOR® or REALTORS® should be in caps with registered mark.

Separating punctuation, such as a comma, must appear between name and REALTOR®.

Example of Proper Use:

John Doe, REALTOR®

(followed on second line with: Broker, Broker-Associate or Salesperson)

REALTOR® cannot be used in name of company. Use either “Realty” or “Real Estate” in company name.

Example of Proper Use:

XYZ Realty, Inc.,

REALTORS®

Separating punctuation (such as “,” or “-” or “/”) must separate company name from REALTORS® trademark.

Example of Proper Use:

Smith Realty,

REALTORS®

The terms REALTOR® or REALTORS® must always be separated from the firm name by punctuation, even when the term appears on a separate line.

Example of Proper Use:

Jones, Inc., REALTOR®

Real Estate Broker/Builder

(or)

Doe Realty, Decade 80, REALTORS®

REALTOR® or REALTORS® should not be followed on the same line with a description of another business function, even if separated by punctuation.

*Example of **Improper** Use:*

Jones, Inc., REALTOR®/Builder

*Example of **Proper** Use:*

Jones, Inc., REALTOR®

Real Estate Broker/Builder

For more information and rules governing the REALTOR® Trademark, please visit

<https://www.nar.realtor/logos-and-trademark-rules>

SIGNS

A **“For Sale” Signs**

Only “For Sale” signs of the listing broker may be placed on the property.

Source: CARETS MLS Rules, Section 12.6

B **“Sold” Signs**

Prior to closing, a cooperating broker may post a “sold” sign on a property only with the consent of the listing broker.

Source: Code of Ethics, Article 12 (S.O.P. 12-7); CARETS MLS Rules, Section 12.7

C **Limits and Restrictions**

Brokers should be aware that posted signs must be in compliance with any ordinance established by the city in which they are posted. SRAR has no responsibility or authority to enforce the regulations established by a city sign ordinance. Additionally, all signs shall be in compliance with the requirement of the Bureau of Real Estate. More information can be found at <http://www.dre.ca.gov/>

SOURCES:

CARETS MLS Rules (Section 12), June 2017

2017 NATIONAL ASSOCIATION OF REALTORS® Code of Ethics (Article 12)

NATIONAL ASSOCIATION OF REALTORS®, Membership Marks Manual, 2014

S.R.A.R Membership Rules (Rule V), August 2010