

## Resolving Realtor® Complaints

One of the important benefits of using a Realtor® in real estate transactions is the availability of a program for submission of an ethical complaint that can result in disciplinary action against the Realtor®. The Southland Regional Association of Realtors® ("SRAR") has a Profession Standards Department that receives and processes ethical complaints against members of the SRAR and arbitrations between broker members of the SRAR from buyers/sellers, the public and other Realtors®

The SRAR also provides an Ombudsman Program designed to allow a quick response to issues with Realtors® with either a settlement or by opening lines of communications.

The National Association of Realtors® issues a Code of Ethics and Standards of Practice that states the various ethical duties to:

- clients and customers,
- the public, and
- other Realtors®.

In some cases, the Code of Ethics establishes obligations that are higher than those mandated by law.

Ethical complaints can be filed within 180 days from the date of the alleged violation that is determined in the exercise of reasonable diligence, and anyone can file a complaint against a SRAR member.

In order to file a complaint with the SRAR, the complainant uses the Ethic Complaint Packet that is available on the SRAR website.

The Complaint Form must be completed in its entirety and signed by the complainant. The Complaint requires the name of the respondent, license number, address, and firm information. The Complaint provides a list of code of ethics violations that can be checked. The facts and circumstances supporting the checked violations can be provided in an attached statement marked Exhibit 1. Affirmation that the respondent is a Realtor®, and the date of the alleged misconduct must be included.

If the circumstances giving rise to the Complaint or the respondents involve a civil or criminal proceeding, or a proceeding before a governmental agency, they need to be specified and explained.

The complainant is informed that there will be a recording of any full disciplinary hearing, and the recording is subject to the rules of confidentiality. The recording is made solely for the purpose of a review by the Association of Board of Directors, if one is requested.

The complainant can be represented by an attorney, and if so, the attorney's information is provided on the Complaint.

The complainant agrees to abide by the rules and procedures used by the SRAR to conduct disciplinary hearings which are set forth in the California Association of Realtors® ("CAR") Code of Ethics and Arbitration Manual and its Implementation Guidelines as they now exist or as they may be modified in the future. The SRAR has adopted an "Addendum" that contains certain provisions applicable to SRAR ethics and arbitration cases, and in some cases, it may supplement or contradict the CAR rules and guidelines.

The Responsible Realtor/Responsible MLS Broker or office manager can be named in a Complaint, but they can only be found in violation if he/she was a knowing participant in the transaction giving rise to the violation, or if the violation was the result of a lack of training or supervision .

The Complaint is first reviewed by the SRAR Grievance Committee that will determine if there is a violation that is then forwarded to the Professional Standards committee for a formal hearing. The Grievance Committee meets once per month and accepts the allegations in the Complaint as true in determining whether to vote to allow the Complaint to proceed to the Professional Standards Committee for a decision. To serve as a member of the Grievance Committee, the Realtor® must be a member of the SRAT for a minimum of two years.

The Professional Standards Committee provides a formal hearing and can impose disciplinary action in accordance with the Professional Standards Rules. Participation on this committee requires special training and three years of previous experience on the Grievance Committee including two years as a voting member.

If the violation involves an advertising violation, the violation may be satisfied by the acceptance of a warning for a first violation, a \$500 for a second violation, or a \$1,000 fine for a third violation.

This program is a valuable benefit to both the public and other Realtors® because it provides a quick and relatively inexpensive process to resolve such complaints, and it discourages Realtors® from violating the Code of Ethics and Standards of Practice.