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Special to the Forum

Everyone loves birthday parties, and Realtors have one to celebrate: 2013 marks the centennial of the National Association of Realtors Code of Ethics.

While maybe excited reading the first few words, I'm guessing interest waned when you heard the cause for celebration. Things like "codes of ethics" are assumed by many to be as interesting as articles of incorporation, board meeting minutes, the user agreement for iTunes and other heady stuff.

Au contraire.

Human nature being what it is, where there are no generally accepted guidelines, people tend to do whatever they can get away with. The year was 1908 and the Real Estate industry was in trouble. Like a train running without tracks, chaos and disaster were the results.

Prior to Ford's Model T, most people lived in cities in rentals or crowded tenements close to their employment. Automobiles opened up the countryside; and, as people poured out of the cities in search of land of their own, fraud became rampant. Deeds and mortgages as we know them today were not yet in existence and there were no standard practices. Anyone could call themselves a land agent or real estate dealer. Documents were frequently misrepresented or forged and there was little recourse for those discovering they'd been swindled.

Reputable real estate practitioners from across the country realized the need to come together and develop ethical practices, local boards and a national association.

R. Bruce Douglas, Milwaukee Board President, stated, "In the state of Wisconsin, it is easier to become a real estate man and handle thousands of dollars worth of property and money than to become a barber charging ten cents for a shave."

The first meeting was held in 1908. By 1913, they'd adopted the first national code of ethics. It signaled a move from the popular mindset, "Let the public be damned," to "Let the public be served."

A living document, The National Association of Realtor's Code of Ethics and Standards of Practice has been updated continuously since 1913. Designed to protect buyers and sellers of real estate from inappropriate practices, only those belonging to the National Association of Realtors (NAR) and adhering to the Code of Ethics (www.realtor.org/mempolweb.nsf/pages/code) can be called Realtors.

Which brings up an important point: Only those real estate agents who are members of NAR are bound by the Code of Ethics.

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