

Ethics Case Example #2

REALTOR® C contacted REALTOR® D to ask if his listing on South Street was still available and if there was anything pending on it. REALTOR® D said there was no major interest at that time. REALTOR® C wrote an offer and submitted it by fax that evening.

The offer was open for acceptance until 5 pm the following day (Thursday). After not hearing from REALTOR® D by 5 pm on Thursday evening, REALTOR® C called REALTOR® D. REALTOR® D informed REALTOR® C that she had not yet heard from her clients who happened to be a relocation company. REALTOR® D then asked for more time. REALTOR® C checked with her clients and they agreed to wait until 5 pm on Friday.

On Friday, REALTOR® D left REALTOR® C a message stating her sellers had accepted another offer. REALTOR® C returned REALTOR® D's call and asked why she was not informed of multiple offers. REALTOR® D said she did inform REALTOR® C that there was another offer. REALTOR® C denies that REALTOR® D ever told her of another offer and informed REALTOR® D that she would file a complaint with the Board as REALTOR® D did not allow her clients to submit their best offer and that REALTOR® D was not working in her seller's best interest. REALTOR® D then disclosed that the seller had not signed off on the contract and wouldn't until Monday. REALTOR® D then asked if REALTOR® C wanted to consult her clients and submit another offer. REALTOR® C explained the situation to her clients who then stated that they were no longer interested in the property due to the circumstances.

A complaint was sent to the Board by REALTOR® C charging that REALTOR® D had violated article 1 of the Code of Ethics by not disclosing that there were multiple offers and that he tried to portray the property as having an accepted offer, when the seller had not even signed off on the offer.

REALTOR® D responded to the complaint that he had informed REALTOR® C of a pending contract and that the sellers were out of town, owned by a relocation company. Both contracts were submitted at the same time and the sellers chose the higher bid contract. REALTOR® D stated that upon hearing this information REALTOR® C was very upset and that he, REALTOR® D, told REALTOR® C that they could submit another offer as the one accepted was not yet finalized. REALTOR® C did not respond with another offer, but an offer was submitted and accepted from REALTOR® E's clients which was better than the first or second offer.

REALTOR® D believes he acted ethically and professionally and in the best interests of his clients. REALTOR® C was given the opportunity to submit another offer as the sellers had not yet finalized a contract.

Is there a possible violation of Article 1?

Should case be dismissed?

Should case be sent to Professional Standards Committee for a hearing?

Conclusion: The Grievance Committee Panel determined that the complaint, even if the allegations are true, does not support a violation of the Code of Ethics. This case was dismissed.