

Real Estate Agents & REALTORS® - What is a REALTOR?

The Differences Between REALTORS & Real Estate Agents

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REALTORS® must subscribe to the Code of Ethics and non-member agents do not.

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People use the terms REALTOR® and real estate agent interchangeably, but that is incorrect. There are differences between REALTORS® and real estate agents. They are not the same. Although both are licensed to sell real estate, the basic difference between a real estate agent and a REALTOR® is a REALTOR® is a member of the National Association of REALTORS®. As such, the main difference that you hear a lot about -- but are likely confused about -- is that a REALTOR® must subscribe to the [REALTOR® Code of Ethics](#). But what does this mean to a consumer?

The Code of Ethics is strictly enforced. It contains 17 Articles and various underlying Standards of Practice. It's not just a bunch of rules that agents swear to uphold and adhere to. The Standards are much more restrictive and confining as to conduct than those governing agents who simply hold a real estate license. While there is no evidence nor guarantee that all REALTORS® are morally or ethically better than unaffiliated real estate agents, it is an attempt by the industry to regulate and, as such, deserves recognition. Keeping mind, of course, that even the non-NAR member "real estate agent" is held to the same legal standard, as a practical matter.

Here are 17 things that a REALTOR® promises to do that non-affiliates do not:

#1) Pledge to put the interests of buyers and sellers ahead of their own and to treat all parties honestly.

#2) Shall refrain from exaggerating, misrepresenting or concealing material facts; and is obligated to investigate and disclose when situations reasonably warrant.

#3) Shall cooperate with other brokers / agents when it is in the best interests of the client to do so.

#4) Have a duty to disclose if they represent family members who own or are about to buy real estate, or if they themselves are a principal in a real estate transaction, that they are licensed to sell real estate.

#5) Shall not provide professional services in a transaction where the agent has a present or contemplated interest without disclosing that interest.

#6) Shall not collect any commissions without the seller's knowledge nor accept fees from a third-party without the seller's express consent.

#7) Shall refuse fees from more than one party without all parties' informed consent.

#8) Shall not co-mingle client funds with their own.

#9) Shall attempt to ensure that all written documents are easy to understand and will give everybody a copy of what they sign.

#10) Shall not discriminate in any fashion for any reason on the basis of race, color, religion, sex, handicap, familial status, or national origin.

#11) Expects agents to be competent, to conform to standards of practice and to refuse to provide services for which they are unqualified.

#12) Must engage in truth in advertising.

#13) Shall not practice law unless they are a lawyer.

#14) Shall cooperate if charges are brought against them and present all evidence requested.

#15) Agree not to bad mouth competition and agree not to file unfounded ethics complaints.

#16) Shall not solicit another REALTOR'S client nor interfere in a contractual relationship.

#17) Shall submit to arbitration to settle matters and not seek legal remedies in the judicial system.

The National Association of REALTORS® was founded in 1908 and has more than one million members.