

Code of Ethics

CREA's Code of Ethics and Standards of Business Practice has been the measure of professionalism in organized real estate for over 40 years. The first code was approved in 1913 at the convention of the National Association of Real Estate Boards held in Winnipeg. The first Code of Ethics specifically prepared for members of The Canadian Real Estate Association was approved by members in 1959.

The Code establishes a standard of conduct, which in many respects exceeds basic legal requirements. This standard ensures that the rights and interests of consumers of real estate services are protected. **As a condition of membership, all REALTORS® agree to abide by the Code.**

Some of the requirements of the Code include:

1. REALTORS® must disclose in writing whom they are representing as an agent in the transaction. Parties to a transaction must be told what their agency relationship is to the REALTOR®.
2. Definitions, terminology and presumed agency relationships vary from province to province. Most jurisdictions have their own forms for complying with disclosure requirements, which have been drafted to accommodate agency relationships as they exist in your province or territory.
3. All financial arrangements between REALTORS® and others (e.g. referral fees, compensation from more than one party, rebates or profits on expenditures) must be fully disclosed to clients;
4. REALTORS® cannot acquire an interest in property (either directly or indirectly) without disclosing the fact that they are real estate professionals;
5. REALTORS® cannot use the terms of an agreement of purchase and sale to negotiate commission.

While the Code of Ethics establishes obligations that may be higher than those mandated by law, in any instance where the Code of Ethics and the law conflict, the obligations of the law must take precedence.

A REALTOR®'s ethical obligations are based on moral integrity, competent service to clients and customers, and dedication to the interest and welfare of the public. The Code has been amended many times to reflect changes in the real estate marketplace, the needs of property owners and the perceptions and values of society. For more than forty years, through a variety of updates, the CREA Code of Ethics is unchanged in demanding high standards of professional conduct to protect the interests of clients and customers and safeguard the rights of consumers of real estate services.