



CODE OF ETHICS

**GUIDING PRINCIPLES AND STANDARDS
OF BUSINESS PRACTICES OF NAREA**

NATIONAL ALBANIAN REAL ESTATE ASSOCIATION "NAREA"

Effective from **OCTOBER 1st, 2022**

Code of Ethics of NAREA, Guiding Principles and Standards of Business Practices

"**NATIONAL ALBANIAN REAL ESTATE ASSOCIATION**" (**NAREA**), incorporated by the decision of Tirana District Court **No. 5227**, dated **22/01/2016**, with TAX. REG. NO. **M12222452E**, with headquarters at Str. Elbasanit, building 10/1, Floor 1, Apartment 3, hereafter referred to as (**NAREA**).

According to the **NAREA Statute** and **Law No. 9/2022**, the following terms shall have the following meanings:

- a) "**REAL ESTATE BROKERAGE ACTIVITY**" means any activity performed by the real estate **BROKER** to mediate the conclusion of an agreement for the realization of the legal action of transferring the ownership of the real estate or real rights over them, by including publicity when carried out by the **BROKER** for the purpose of promoting the real estate to third parties.
- b) "**REAL ESTATE / RE PROFESSIONAL**" is the natural person certified by the ministry responsible for justice to mediate the conclusion of an agreement for the realization of the legal action of transfer of ownership of real estate or real rights over them.
- c) "**BROKER**" means the entity that performs activities in the field of real estate **BROKERAGE**, certified by the competent bodies, employing, or contracting certified agents in the field of real estate **BROKERAGE**.
- d) "**Agent**" means the person who performs activities in the field of real estate mediation, certified by the competent bodies according to the provisions of the law, employed or contracted by a **BROKER** or practicing independently, according to the criteria and standards of the Association.
- e) "**Customer**" means the person or entity with which a **BROKER** or a **REAL ESTATE OFFICE** has a legally recognized relation as an Office or as an independent **BROKER**.
- f) "**Prospect**" means a seller, buyer, lessor, or lessee who is not yet subject to a representation agreement with the **BROKER** or **Real Estate OFFICE**.

In this Code, wherever the word **BROKER** is used, shall mean the definition according to the **NAREA Statute** and **Law No. 9/2022**.

The Code of Ethics establishes practices and obligations that may be of a higher standard than those of applicable laws. Should any provision of the Code of Ethics be inconsistent with any applicable Law, Ordinance, Norm, DCM or Rule, then that Law, Ordinance, Norm, DCM or Rule shall prevail. The fulfillment of obligations arising from the Legal Framework takes priority.

Preamble

Land ownership is sacred. From the smart utilization of land and the distribution on a broad basis of ownership, depends on the survival, the expansion of our free institutions and civilization. **RE PROFESSIONALS** should be made aware that the interest of the nation and its citizens, necessarily have the most efficient use of the land and the wide distribution of its ownership. The above require the creation of sustainable urban plans, the construction of functional cities, the development of industrial areas, farms as well as the protection of a healthy environment.

Such interests impose responsibilities that go beyond ordinary commercial activity. They impose essential social responsibilities and a patriotic duty to which the **RE PROFESSIONAL** should be committed and willing to develop continuously. So, in this reality, the **RE PROFESSIONAL** is committed to raising the standard of his profession, as well as sharing with his colleagues a common responsibility to act with Integrity and Honor.

In recognition and appreciation of his obligations to costumers, to the public and to each other, the **RE PROFESSIONAL** constantly tries to be up to date on issues affecting Real Estate and, as a professional, to make available all the knowledge and voluntarily share his experience and studies with others. Through the implementation of the **Code of Ethics**, **RE PROFESSIONAL** identify and take steps, assisting the appropriate regulatory bodies, to eliminate practices that may harm the public, or that may discredit, dishonor the profession of **RE PROFESSIONAL**.

In any case, the **RE PROFESSIONAL** having personal knowledge of conduct, actions and business operations that may violate the **Code of Ethics**, **Guiding Principles** and **Standards of Business Practices**, which may include, but not be limited to misappropriation of customer funds, misappropriation of information trusted by him/her, intentional discrimination or fraud that causes any economic damage, brings these events to the attention of the **Ethics Committee / Disciplinary Commission** of **NAREA**, as well as **NAREA's own Board of Directors**.

Aware that cooperation with other Real Estate Professionals promotes the best interest of those who use brokerage services, the **RE PROFESSIONAL** encourages:

- a) exclusive representation of costumers.
- b) does not try to gain an unfair advantage over competitors
- c) distances himself /herself from any unsolicited comments towards other actors in the market.

In those cases, where his/her opinion is required or believed to be necessary, the **RE PROFESSIONAL** offers it in an objective, very professional manner, not influenced by personal motives or by any advantage or possible benefit.

The title **RE PROFESSIONAL** embodies and represents **Expertise, Experience, Excellence, Honesty**, and **High Integrity**, derived from commitment to a high ethical level in business relations.

No incentive for individual profit, and no request from the costumer, can justify deviation from this standard.

Accepting this **Code of Ethics**, **Guiding Principles** and **Standards of Business Practices**, the **RE PROFESSIONAL** undertakes to respect the principals mentioned in this instrument, in all activities carried out by him/her, as: Agent, broker, **BROKERAGE OFFICE**, in cooperation with other **RE PROFESSIONAL**, in remote communication, through technological or online structures.

Obligations to Customers

Article 1

When representing a seller, buyer, lessor, lessee, or other customer as an Agent or **BROKER**, the **RE PROFESSIONAL** undertakes to protect and promote the interest of his customer. This obligation towards the customer is primary but does not release the **RE PROFESSIONAL** from the obligation to treat all parties fairly. When serving a seller, buyer, lessor, lessee or other party even when not part of a **REAL ESTATE OFFICE**, the **RE PROFESSIONAL** remains bound to treat all parties fairly.

- **Standard of Practice 1-1**

The **RE PROFESSIONAL**, when acting in a real estate transaction, remains obligated to fulfill any responsibility established by the **Code of Ethics**.

- **Standard of Practice 1-2**

The obligations imposed by the **Code of Ethics** include all activities and transactions related to real estate.

- **Standard of Practice 1-3**

The **RE PROFESSIONAL** in an attempt to secure a listing should not intentionally misinform the owner regarding the market value.

- **Standard of Practice 1-4**

The **RE PROFESSIONAL** when seeking to represent a buyer or lessee, should not misinform the buyer or lessee about savings or other benefits that may be realized using the **RE PROFESSIONAL**'s services.

- **Standard of Practice 1-5**

The **RE PROFESSIONAL** may represent the seller/lessor and the buyer/lessee in the same transaction, only by notifying both parties.

- **Standard of Practice 1-6**

The **RE PROFESSIONAL** shall present offers and counteroffers objectively and as quickly as possible.

- **Standard of Practice 1-7**

When the **RE PROFESSIONAL** acts as the listing agent, he/she should present all offers and counteroffers to the seller/lessor until the closing or transaction execution, unless the seller/lessor has waived this obligation in writing. Upon the written request of a cooperating **RE PROFESSIONAL**, representing the buyer/lessee, who submits an offer to the **LISTING RE PROFESSIONAL**, the **LISTING RE PROFESSIONAL** shall, as soon as practicable, provide a written confirmation to the **COOPERATING RE PROFESSIONAL**; where it is stated that the offer has been submitted to the seller/lessor or that the seller/lessor has waived the obligation to submit the offer. **RE PROFESSIONAL** shall not be obliged to continue marketing the property after an offer has been accepted by the seller/lessor.



● **Standard of Practice 1-8**

RE PROFESSIONAL, acting as **RE PROFESSIONAL** for buyers/lessees, shall present all offers and counteroffers to buyers/lessees until acceptance, but have no obligation to continue to offer properties to their costumers after an offer has been accepted unless otherwise agreed in writing.

● **Standard of Practice 1-9**

The **RE PROFESSIONAL** has the obligation to maintain confidential information provided by his/her costumers (as defined by law). The **RE PROFESSIONAL** during or after the termination of professional relations with his/her costumers, shall not:

- 1) disclose confidential customer information
- 2) use confidential information to their disadvantage
- 3) use of confidential customer information for his/her own advantage or the advantage of third parties, except for cases when:
 - a) obtain the customers' consent in a written form to share the information
 - b) **The RE PROFESSIONAL** is required to provide the information by a court order, or
 - c) it is the intention of a customer to commit a criminal offense and the information is necessary to prevent it.

● **Standard of Practice 1-10**

The **RE PROFESSIONAL** in accordance with the terms and conditions of his/her real estate license and his/her property management agreement, shall competently manage the property of the costumers, respecting the rights, security, and smooth enjoyment of the property by the lessees located in facility legally.

● **Standard of Practice 1-11**

The **RE PROFESSIONAL** who is hired to maintain or manage a customer's property must exercise due care and make reasonable efforts to protect it against foreseeable and reasonable events and losses.

● **Standard of Practice 1-12**

When entering listing contracts, the **RE PROFESSIONAL** must inform sellers/lessors of:

- 1) the policies of the **RE PROFESSIONAL** company regarding cooperation
- 2) The opportunity for the **RE PROFESSIONAL** to act as a representative of both parties, buyer/lessee, seller/lessor.

● **Standard of Practice 1-13**

When concluding a buyer/lessee agreement, the **RE PROFESSIONAL** should inform potential customers of:

- 1) the policies of the **RE PROFESSIONAL** company regarding cooperation.
- 2) the amount of compensation to be paid by the costumer.
- 3) the possibility of additional or compensatory compensation from other **RE PROFESSIONAL**, from the seller or lessor or from other parties.
- 4) the possibility for the **RE PROFESSIONAL** to act as a representative of both parties, buyer/lessee, seller/lessor.

● **Standard of Practice 1-14**

The **RE PROFESSIONAL** shall not access, use, permit or enable others to access or use, listed or managed properties, other than as agreed with the lessor or seller.

Article 2

The **RE PROFESSIONAL** shall avoid exaggerating, misrepresenting, or concealing relevant facts regarding the property or the transaction. The **RE PROFESSIONAL** shall not, however, be obligated to advise on matters outside the scope of their real estate license.

● Standard of Practice 2-1

The **RE PROFESSIONAL** shall be obliged to disclose only those data unfavorable to the property, which are visible or understandable, based on the specific expertise of the **RE PROFESSIONAL** according to the requirements of the law. Article 2 does not impose on the **RE PROFESSIONAL** the obligation of expertise in other professional or technical disciplines.

Article 3

The **RE PROFESSIONAL** may cooperate with other agents. Indisputable exceptions are cases where cooperation is not in the best interest of the customer. The opportunity to cooperate does not include the obligation to share commissions, fees, or otherwise compensate another **RE PROFESSIONAL**.

● Standard of Practice 3-1

The **RE PROFESSIONAL**, acting as the **EXCLUSIVE RE PROFESSIONALS** of the seller or lessor, sets the terms and conditions of the offers to cooperate.

Unless expressly stated in offers for cooperation, the terms of the sharing of commissions, if any, will be determined by the **COOPERATING RE PROFESSIONALS** before attempting to accept the offer of cooperation.

● Standard of Practice 3-2

Any changes in compensation offered for cooperative services may be communicated to the other **RE PROFESSIONAL** prior to the time the **RE PROFESSIONAL** submits an offer to purchase/lease the property. Once a **RE PROFESSIONAL** has submitted an offer to buy or lease property, the **LISTING RE PROFESSIONAL** may not attempt to unilaterally modify the compensation offered in connection with that cooperative transaction.

● Standard of Practice 3-3

Standard of Practice 3-2 does not prevent the **LISTING RE PROFESSIONAL** and the **COOPERATING RE PROFESSIONAL** from entering into an agreement to change the cooperation compensation.

● Standard of Practice 3-4

The **LISTING RE PROFESSIONAL** has an obligation to be transparent about the commissions he has agreed with the owner/lessor as well as the existence of higher or variable commission agreements.

● Standard of Practice 3-5

When a **RE PROFESSIONAL** requests information from another **LISTING RE PROFESSIONAL** about a property under management or listing, the **RE PROFESSIONAL** should disclose their status and whether their interest is personal or on behalf of a customer. If it is on behalf of the customer, they should disclose their real relation with the customer.

● Standard of Practice 3-6

The **RE PROFESSIONAL** should provide accurate information regarding availability and access to show or inspect a listed property.

- **Standard of Practice 3-7**

The **RE PROFESSIONAL** should provide access to listed properties in compliance with the terms set forth by the owner or the **LISTING RE PROFESSIONAL**.

- **Standard of Practice 3-8**

The **RE PROFESSIONAL** may not refuse to cooperate based on the race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity of the **RE PROFESSIONAL**.

Article 4

The **RE PROFESSIONAL** is not entitled to acquire rights or purchase or submit offers from himself to any member of his/her immediate family, or any entity in which he has any ownership interest, in any real estate without disclosing his true position as owner as well as the owner's agent or the **RE PROFESSIONAL**. In the sale of property, they own or have an interest in, the **RE PROFESSIONAL** shall disclose their ownership or interest in writing to the buyer or buyer's agent.

Before undertaking to provide professional services in relation to a property in which he has a current or future interest, the **RE PROFESSIONAL** should inform all parties of his position/interest in relation to this property.

- **Standard of Practice 4-1**

For the protection of all parties, the statements required by Article 4 shall be made in writing and shall be provided by the **RE PROFESSIONAL** prior to the signing of any contract.

Article 5

The **RE PROFESSIONAL** shall not accept any commission, reimbursement or profit for expenses incurred for his customer, without the knowledge and consent of the customer. When recommending real estate products or services (such as: homeowner's insurance, warranty programs, mortgage financing, title insurance) the **RE PROFESSIONAL** shall disclose to the customer or customer to whom the recommendation is made any profit or financial fees, other than real estate referral fees that may be a direct result of this referral.

- **Standard of Practice 5-1**

The **RE PROFESSIONAL** shall not recommend or suggest to a customer the use of the services of another association or other business entity in which he/she (the **RE PROFESSIONAL**) has a direct interest without disclosing this interest at the time of the recommendation or suggestion.

Article 6

The **RE PROFESSIONAL** for the protection of all parties, shall ensure whenever possible that all agreements related to real estate transactions including but not limited to listing and representation agreements, that purchase contracts and leases of be in writing in very clear and understandable language, specifically expressing the terms, conditions, obligations, and commitments of the parties. A copy of each agreement shall be given to each party to these agreements upon their execution.



Obligations to the Public

Article 7

The **RE PROFESSIONAL** shall not deny equal, professional services to any person based on race, religion, color, sex, disability, familial status, national origin, sexual orientation or gender identity.

The **RE PROFESSIONAL** shall not be part of any plan or agreement to discriminate against a person or persons based on race, religion, color, sex, disability, familial status, national origin, sexual orientation, or gender identity.

The **RE PROFESSIONAL** while working as a real estate employee shall not discriminate against a person based on race, religion, color, sex, disability, familial status, national origin, sexual orientation, or gender identity.

• **Standard of Practice 7-1**

When involved in the sale or rental of a home the **RE PROFESSIONAL** shall not voluntarily provide any information regarding the racial, religious, regional, or ethnic composition of any neighborhood nor he/she will engage in any activity that may result in a sale under duress, however the **RE PROFESSIONAL** may provide other demographic information.

• **Standard of Practice 7-2**

When not involved in the sale or lease of any residence, the **RE PROFESSIONAL** may provide demographic information regarding a property, transaction, or professional assignment to a party, if such information is deemed by the **RE PROFESSIONAL** to be necessary to assist or complete, in a manner in accordance with Article 7 a real estate transaction or professional assignment, obtained or derived from a known, reliable, independent, and impartial source. The source of this information, any additions, deletions, modifications, interpretations, or other changes will be disclosed in reasonable detail.

• **Standard of Practice 7-3**

The **RE PROFESSIONAL** should not use offensive language, hate speech, epithets or slurs based on race, color, religion, sex, disability, familial status, national origin, sexual orientation, or gender identity.

Article 8

The services that the **RE PROFESSIONAL** provides to their customers should be in accordance with the standards of practice and competence reasonably required in the specific real estate disciplines in which they engage, namely, real estate **BROKERAGE**, property management, real estate, commercial and industrial real estate **BROKERAGE**, land **BROKERAGE**, real estate appraisal, real estate consulting, real estate syndication, real estate auction, and international real estate.

The **RE PROFESSIONAL** shall not undertake to provide specialized professional services in relation to a property or service that is outside their scope of competence, unless they engage the assistance of someone who is competent in these types of property or service, or if the facts are disclosed to completely to the customer. Any person engaged to provide such assistance should be identified as such to the customer and their contribution to the task should be identified.



● **Standard of Practice 8-1**

When the **RE PROFESSIONAL** prepares opinions on the value or price of the property, he/she should:

- 1) have knowledge of the property type being valued
- 2) have access to the information and resources necessary to formulate an accurate opinion
- 3) be familiar with the area where the property subject to assessment is located, unless the absence of any of them is disclosed to the party requesting the opinion in advance.

● **Standard of Practice 8-2**

When the **RE PROFESSIONAL** provides consulting services to customers that include only consulting for a fixed fee (not commission), such advice shall be provided in an objective manner and the fee will not depend on the consulting provided. If, in addition to consulting with a fixed fee, the same parties also engage in mediation of a potential transaction, the mediation fee will not be affected by the fixed consulting fee, unless the parties decide otherwise by prior agreement between the customer and the **RE PROFESSIONAL**.

Article 9

The **RE PROFESSIONAL** shall be honest and truthful in his/her communications related to real estate and should make an accurate representation in advertising, marketing, and other representations.

The **RE PROFESSIONAL** shall ensure that his/her status as a **RE PROFESSIONAL** is clearly visible in its advertising, marketing and other representations, and that recipients of all real estate-related communications are notified that those communications are from a **RE PROFESSIONAL**.

(Referring to the legal provisions, the name of the entity, license number and NUIS/TAX.RE.NO. should be made public)

● **Standard of Practice 9-1**

Unless the **RE PROFESSIONAL** receives compensation from any source for his/her time and services, he/she may use the term "free" and similar terms in its advertising and other representations only if he/she clearly and conspicuously communicates:

- 1) by whom it is paid or expects to be paid.
- 2) the payment amounts.
- 3) any condition related to payment, product or service provided and.
- 4) any other condition regarding his remuneration.

● **Standard of Practice 9-2**

Offering premiums, prizes, product discounts, or other incentives to list, sell, buy, or lease is not, per se, unethical even if receiving the profit is limited upon the listing, sale, purchase, or leasing from the **RE PROFESSIONAL** making the offer. However, the **RE PROFESSIONAL** should be careful and candid in any such advertising or other public or private representations, so that any interested party may receive or benefit from the **RE PROFESSIONAL**'s offer. There should be a clear, complete, and prior understanding of all terms and conditions of the offer. The provision of any inducement to do business is subject to the limitations and provisions of the law, as well as the ethical obligations defined by the applicable Standards of Practice.

● **Standard of Practice 9-3**

The **RE PROFESSIONAL** shall not offer for sale/lease or advertise properties without having the right of representation specified in the **BROKERAGE** (cooperation) contract. When acting as a **LISTING RE PROFESSIONAL**, the **RE PROFESSIONAL** will not offer a different price than that agreed upon with the seller/lessor.

- **Standard of Practice 9-4**

The **RE PROFESSIONAL** shall not advertise nor permit any person employed or associated with them to advertise real estate services or listed properties in any media (e.g., electronic, print, radio, television, etc.) without revealing the name of the Real Estate OFFICE or the name of that **RE PROFESSIONAL** in a visible and easily identifiable way.

- **Standard of Practice 9-5**

The **RE PROFESSIONAL**, when advertising real estate for sale/lease in which they have an ownership interest, should disclose their status as owner/lessor and as **RE PROFESSIONAL**.

- **Standard of Practice 9-6**

Only the **RE PROFESSIONAL** who participated in the transaction as a **LISTING RE PROFESSIONAL** or **COOPERATING RE PROFESSIONAL (BUYING RE PROFESSIONAL)** may claim to have "sold" the property. Prior to concluding, a **COOPERATING RE PROFESSIONAL** may place a "sold" mark only with the consent of the **LISTING RE PROFESSIONAL**.

- **Standard of Practice 9-7**

The obligation to provide truthful information to the public includes the information presented, offered, or displayed on the **RE PROFESSIONAL's** websites. **RE PROFESSIONAL** shall make reasonable efforts to ensure that the information on its websites is current. When it becomes apparent that information on an **RE PROFESSIONAL's** website is no longer current or accurate, the **RE PROFESSIONAL's** shall take corrective action immediately.

- **Standard of Practice 9-8**

Real Estate OFFICE website will prominently display the company's name and licensing state(s) in a reasonable and easily identifiable manner.

- **Standard of Practice 9-9**

The **RE PROFESSIONAL's** obligation to present a true image in their advertisements and representations to the public includes the Internet content, images and URLs and domain names they use, and prohibits the **RE PROFESSIONAL** from:

- 1) being involved in fraudulent or unauthorized use of websites of other real estate brokerage offices.
- 2) manipulating the listing (e.g., presenting content developed by others) and other content in any way that produces a misleading or false result.
- 3) presenting content developed by others without attribution or permission; or
- 4) distortion of customer opinion, including the use of false images.

- **Standard of Practice 9-10**

The **RE PROFESSIONAL** that intends to share or sell information to the customer, collected via the Internet should inform the customer of the above, in a reasonable and easily visible manner.

- **Standard of Practice 9-11**

The **RE PROFESSIONAL** shall not:

- 1) use URLs or domain names that featured less than an actual photograph on the date of publication, or
- 2) register URLs or domain names which, if used, would present less than a true picture on the date of publication.



•Practice of Standard 9-12

The **RE PROFESSIONAL** may only use professional designations, certifications, and other credentials for which it has the legitimate right and the relevant authorizations to use.

Article 10

The **RE PROFESSIONAL** shall not be engaged in activities that constitute unauthorized legal practice and will recommend obtaining legal advice when required by the interest of any party involved in the transaction.

Article 11

If accused of unethical practice or required to provide evidence or cooperate in any proceeding or professional standards investigation, the **RE PROFESSIONAL** shall present all relevant facts before the relevant bodies or **NAREA** of which he is a member and shall not undertake no action to disrupt or obstruct the process.

• Standard of Practice 11-1

The **RE PROFESSIONAL** shall not make any unauthorized disclosure or distribution of claims, findings or decrees made pursuant to **Article 11**.

• Standard of Practice 11-2

The **RE PROFESSIONAL** will not intentionally obstruct the **NAREA's Board of Directors'** investigative or disciplinary proceedings by filing multiple ethics complaints based on the same event or transaction.

Obligations to BROKERS

Article 12

The **RE PROFESSIONAL** shall not knowingly or negligently make false or misleading statements about other **RE PROFESSIONAL**, their businesses or their business practices.

• Standard of Practice 12-1

The **RE PROFESSIONAL** shall not intentionally or negligently file ungrounded or false complaints against their colleagues regarding ethics issues.

• Standard of Practice 12-2

The obligation not to make false or misleading statements about other real estate professionals, their businesses and their business practices includes the obligation consciously or carelessly publish, repeat, retransmit, or republish negligent, false, or misleading statements made by others. This obligation is applicable if false or misinforming statements are repeated verbally, in writing, by technological means (e.g., the Internet) or by any other means of communication.

• Standard of Practice 12-3

The obligation not to make false or misleading statements about other real estate professionals, their businesses and their business practices includes the obligation to refute or remove statements made by others in electronic media that The **RE PROFESSIONAL** checks, as the **RE PROFESSIONAL** knows the statement is false or misleading.

Article 13

The **RE PROFESSIONAL** should not take any action, engage or interfere with exclusive representation agreements that other **RE PROFESSIONAL** have with customers, sellers, lessors, buyers and tenants.

- **Standard of Practice 13-1**

Article 13 is not intended to prohibit aggressive or innovative business marketing practices that are ethical and does not prohibit agreements with other **RE PROFESSIONAL** that involve commissions, fees, compensation or other forms of payment or expenses.

- **Standard of Practice 13-2**

Article 13 does not prevent the **RE PROFESSIONAL** from making general marketing announcements to potential customers, regarding the **RE PROFESSIONAL's** service even though some recipients of the notice may have entered into agency agreements or other exclusive relationships with another **RE PROFESSIONAL**. A general telephone, e-mail, or mail campaign to address a broad group of prospects in a particular geographic area or in a particular occupational group, business group, or organization is considered "general" for purposes of this standard.

Article 13 aims to define as unethical these two basic forms of personal approach to the potential customer: Firstly, phone calls or personal solicitations to owners who have been identified through a sign on the property, aggregated multiple listings or other information services that have exclusively listed their property with another **RE PROFESSIONAL**.

Secondly, approach via mail or other forms, directly to potential owners when their properties are listed exclusively with another **RE PROFESSIONAL**. An exception is made when these approaches are part of a general mailing campaign, to a wide group of customers according to the provision of this article.

- **Standard of Practice 13-3**

Article 13 does not exclude the **RE PROFESSIONAL** from contacting the customer of another **RE PROFESSIONAL** for the purpose of providing or entering into a contract to provide another type of real estate service that is not related to the type of service currently provided (e.g., property management as opposed to **BROKERAGE**) or providing the same type of property service that is not subject to the exclusive agreements of other **RE PROFESSIONAL**.

- **Standard of Practice 13-4**

When the **RE PROFESSIONAL** is contacted by the customer of another **RE PROFESSIONAL** regarding the establishment of an exclusive relationship to receive the same type of service and the **RE PROFESSIONAL** has not directly or indirectly initiated such discussions, they may discuss the terms under which they may enter into an agreement which takes effect upon the expiration of any existing exclusive agreement.

- **Standard of Practice 13-5**

The fact that a prospective customer has retained an **RE PROFESSIONAL** as an exclusive representative or **EXCLUSIVE RE PROFESSIONAL**, in one or more past transactions, does not prevent other **RE PROFESSIONAL** from establishing exclusive relationships in the future with this prospective customer.



- **Standard of Practice 13-6**

The fact that an exclusive agreement has been concluded with an **RE PROFESSIONAL** shall not prevent any **RE PROFESSIONAL** from entering into a similar agreement after the expiration of the previous agreement.

- **Standard of Practice 13-7**

The **RE PROFESSIONAL**, before concluding a representation agreement, have the obligation to make reasonable efforts to determine whether the potential customer is subject to a current valid exclusive agreement to provide the same type of real estate service.

- **Standard of Practice 13-8**

The **RE PROFESSIONAL**, acting as a representative or the **RE PROFESSIONAL** of the buyer or lessee, shall inform the seller/lessor's representative or **RE PROFESSIONAL** of this relationship at the first contact and shall provide written confirmation of that notification to the seller/lessor's representative or **RE PROFESSIONAL** as of commencement of negotiation between the parties.

- **Standard of Practice 13-9**

All relations regarding the property listed exclusively, or with the buyer/lessee subject to an exclusive agreement, shall be conducted with the **CUSTOMER's** representative or **RE PROFESSIONAL** and not the customer.

Before providing essential services (such as preparing a purchase offer or presenting a comparative market analysis) to prospective customers, the **RE PROFESSIONAL** shall ask the prospective customers whether they are party to any exclusive representation agreement. **RE PROFESSIONAL** shall not consciously provide essential services in connection with a prospective transaction to prospective customers who are parties to exclusive representation agreements.

- **Standard of Practice 13-10**

The **RE PROFESSIONAL** shall not use the information received during a cooperation with another **RE PROFESSIONAL** to refer that information to other **RE PROFESSIONAL**.

- **Standard of Practice 13-11**

Signs giving notice of the property for sale, rent or exchange shall not be placed on the property without the consent of the seller/lessor.

- **Standard of Practice 13-12**

The **RE PROFESSIONAL**, before or after termination of their relationship with their current **REAL ESTATE OFFICE**, shall not induce customers of the current **REAL ESTATE OFFICE** to cancel the exclusive contractual agreements between the customer and that office.

Article 14

In the event of contractual disputes or specific non-contractual disputes, as defined in **Standard of Practice 14-2**, between **RE PROFESSIONAL** of different **REAL ESTATE OFFICES**, arising out of their relationship as **RE PROFESSIONAL**, the **RE PROFESSIONAL** shall attempt to resolve the dispute through the appropriate bodies within NAREA. If the dispute is not resolved amicably by the relevant **NAREA** bodies, the **RE PROFESSIONAL** may submit the dispute to arbitration or resolve the case by court means.



- **Standard of Practice 14-1**

It is recommended that any dispute be resolved using all **NAREA** facilitation mechanisms. However, Article 14 does not oblige the **RE PROFESSIONAL** to resolve the dispute through **NAREA**, in those circumstances when one or all parties involved in the dispute notify the **NAREA's Board of Directors** in writing that he/she chooses other forms of dispute resolution or arbitration, provided by the legislation in force.

- **Standard of Practice 14-2**

The specific non-contractual disputes that are directly submitted to the relevant bodies of **NAREA** in accordance with **Article 14** are:

1) When a **LISTING RE PROFESSIONAL** has divided the commission with a buyer/lessee **RE PROFESSIONAL** and a third **RE PROFESSIONAL** claims to be involved in this transaction. In these cases, the complainant may request remuneration from the first **RE PROFESSIONAL** of the buyer/lessee and the relevant **NAREA** body may continue to review the case without summing and involving the **LISTING RE PROFESSIONAL**.

In this case, the monetary reward to be discussed is only the value of the remuneration due to the first **RE PROFESSIONAL** of the buyer/lessee without including the part earned by the **LISTING RE PROFESSIONAL**. Alternatively, if the complaint is filed against the **LISTING RE PROFESSIONAL**, this in accordance with **NAREA's Board of Directors** policies may include the first **RE PROFESSIONAL** of the buyer/lessee as a third party responsible. In any case, the decision of the review panel will be exhaustive in respect of hearing all involved parties.

2) When two or more **LISTING BROKERS** claim the right to remuneration related to an open (non-exclusive) listing with a seller or lessor who accepts or requests to be part of the resolution of the dispute by the relevant bodies of **NAREA** and who also accepts the recognition as binding of the final decision of **NAREA**.

3) In cases where one of the **LISTING RE PROFESSIONAL** has been compensated by the seller or lessor, the other **LISTING RE PROFESSIONAL**, in the capacity of the complainant, may request remuneration from the first **LISTING RE PROFESSIONAL** and the resolution of the dispute by the relevant **NAREA** body may proceed between parties without including the customer.

- **Standard of Practice 14-3**

The obligation set forth in Article 17 to arbitrate includes disputes between **RE PROFESSIONAL** in different cities in cases where the **RE PROFESSIONAL** seeking arbitration agrees to travel to the city where **NAREA** is headquartered, attends the hearings convened by the review panel, and accepts as binding any decision made in arbitration conducted by **NAREA** when the relevant body determines that there is an arbitration case.



Explanatory notes

Readers should be aware of the above policies, which have been approved by **NAREA's Board of Directors**: In filing a claim of an alleged violation of the **Code of Ethics** by a **RE PROFESSIONAL**, the claim should be considered an alleged violation of one or more articles of the **Code of Ethics. Standards of Practice** may be cited in support of the claim. **The Standards of Practice** serve to clarify the ethical obligations imposed by the various articles and to supplement, and do not replace, the Case Interpretations in Interpretation of the **Code of Ethics**.

Amendments to existing standards of practice and additional standards of practice are adopted from time to time. Readers are cautioned to ensure that the most recent editions are used.





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