

THE LITTLE BLUE BOOK

RULES

— *to* —

LIVE BY FOR
REALTORS®



NATIONAL
ASSOCIATION *of*
REALTORS®

FORWARD

Some might see this book as *“Rules are rules!!”* Others may look at the title and think *“Rules are meant to be broken!!”* So which is it?

Actually, it’s neither “brand” of “rules.” I come from a second generation real estate family. My Dad was a REALTOR® and my sister and I are REALTORS®. Dad trained us (and countless others) with a passion for professionalism and the Code of Ethics.

He would start his ethics class with “Your ethics can cost or pay!” He’d explain that if we were ethical and professional, our clients would not only be satisfied with us, but would return for their next transaction and refer us to their friends, relatives and acquaintances. So, our “ethics” would “pay” us with increased business and long-term lifetime relationships. The flip side was that if we were not ethical and professional, our ethics would “cost” us, not just in the immediate loss of business, but in the long-term loss of repeat and future referred business.

That’s the kind of “Rules” this book is about. With the Code of Ethics as the backbone of professional success, this book gives us the wisdom of hundreds of REALTORS® in their daily practice. When you internalize these principles, you will help people fulfill the dream of owning or leasing real estate for their home, family and business. What we do **matters** in the most important ways for our clients, not only because real estate is likely a client’s most significant investment, but because it is part of the fabric of our society and our democracy. The first sentence of the Preamble expresses it perfectly. “Under all is the land.” Take these “Rules” to heart. What you do for and with your clients is one of the most important things in their lives.

BRUCE H. AYDT, DSA, ABR, CRB, GRN, SFR, SRS
<http://www.bruceaydt.com/>

Bruce Aydt is an attorney and educator from St. Louis, Missouri. He is a REALTOR® and is currently a SVP and General Counsel of Berkshire Hathaway HomeServices Alliance Real Estate.

THE LITTLE BLUE BOOK RULES — to — LIVE BY FOR REALTORS®

The NATIONAL ASSOCIATION OF REALTORS® (NAR) constantly communicates to consumers and the media the importance of choosing to work with a REALTOR® because of your unparalleled expertise, access to NAR’s many resources and commitment to the Code of Ethics.

Every day, you do your part to promote yourself as a REALTOR®. And every day, your National Association is doing the same. Because of NAR’s outreach — and your efforts — home buyers and sellers know there’s a difference between a REALTOR® and someone who hasn’t earned the right to carry that name. They recognize you as a trusted professional, respected within the industry and your community. As a result, when it comes time to buy and sell real estate, consumers turn to you.

The Little Blue Book: Rules to Live By for REALTORS® focuses on the instructions, principles, philosophies and rules members of the NATIONAL ASSOCIATION OF REALTORS® utilize to be successful in their real estate careers. This product was created from input from nearly 600 NAR members. Tips are presented in a fun, light-hearted, professional guide, with realistic advice from REALTORS® and can be used as excellent conversation starters.

The guide is broken down into eight sections:

- **The #1 Rule in Business**
- **The #1 Rule in Real Estate**
- **REALTORS® and Professionalism**
- **Business Philosophies**
- **Key Do's and Don'ts**
- **Dealing with Clients**
- **Instructions for REALTORS®
New to the Real Estate Business**
- **Best Advice You've Ever Received**

TIP: *Throughout this guide, you'll see images that represent the rules presented. These rules will be called out with a gray bar.*

This guide is a must-have for all NAR members, from new agents to seasoned professionals. It includes lessons learned and tips and observations that can be used in achieving a successful future in real estate. It also takes a tongue-in-cheek approach to showing these rules “in practice” with fun images designed just for this guide.

While the Code of Ethics and Standards of Practice of the NATIONAL ASSOCIATION OF REALTORS® establishes objective, enforceable ethical standards governing the professional conduct of REALTORS®, it does not address issues of common business practice, courtesy or etiquette.

Consider this your instruction manual for success in real estate!

All principles and rules have been supplied by REALTORS®. Utilize these rules/principles to help guide your interactions with other members, clients and business professionals. This guide will provide you with a number of resources to help you maintain professionalism. It is up to you to work with your fellow REALTORS® and clients to find what rules work for you. Please keep in mind that these rules are not all inclusive and may be supplemented by local custom or practice.

The term REALTOR® has one, and only one, meaning:

REALTOR® is a federally registered collective membership mark that identifies a real estate professional who is a member of the NATIONAL ASSOCIATION OF REALTORS® and subscribes to its strict Code of Ethics.

THE #1 RULE IN BUSINESS

Business professionals have a number of principles and rules that they navigate and utilize to operate their businesses and REALTORS® are no different. REALTORS® are often small business owners and must balance many responsibilities. Here are some of the rules that, as a REALTOR®, you can utilize to run your business:



Treat them like gold (clients, fellow agents, affiliates, etc.).
Customer service is key, no matter who it is.

ANGEL S., OMAHA, NEBRASKA

Treat others the way you want to be treated.

ELIZABETH C., BROOKFIELD, WISCONSIN

Always tell the truth even if it's NOT what the client wants to hear.

KATRINI B., PAYETTE, IDAHO

Never stop striving to expand your knowledge and improve your product.

VALERIE ANNE M., STUART, FLORIDA

Always do your homework and show up informed and with some new ideas.

LISA L., DUNEDIN, FLORIDA

If you do the right thing the money will follow.

DEBORAH C., SAN ANTONIO, TEXAS

Be efficient for several reasons: time is money and timely responses to clients, especially when they need something, are vital to positive working relationships.

BARBARA B., KEY WEST, FLORIDA

Everyone is a potential client. Always present yourself in a professional manner.

MIKE H., DUNEDIN, FLORIDA

Always act on your words. Do what you say you will do. Never over promise.

KATESHA B., CHARLESTON, SOUTH CAROLINA

Use skill, care and diligence in everything you do.

CJ W., JACKSONVILLE, FLORIDA

Always keep your goal in mind. The road might not lead where you planned,
so remember where you're headed.

JULIE A., SANTA BARBARA, CALIFORNIA

Tell them what they NEED to know, not what they want to hear.

CHUCK S., BOYNTON BEACH, FLORIDA

Under promise and over deliver!

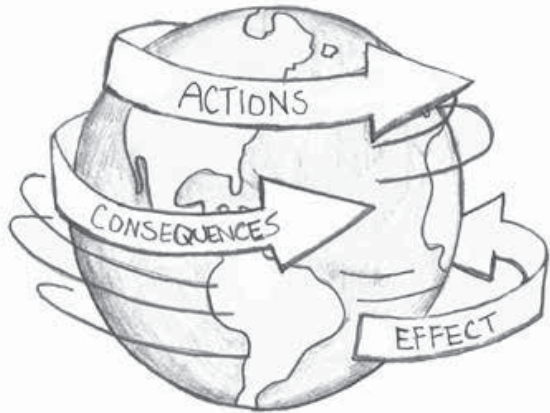
TODD P., PORTLAND, OREGON

Be fair and honest; being truthful is far more important than anything.

MARY JO P., PHILADELPHIA, PENNSYLVANIA

The world is round; what comes around goes around.

LINDA T., BEAVERTON, OREGON



THE #1 RULE IN REAL ESTATE

Running a real estate business can be a crazy ride like no other. Prepare yourself with these helpful rules:



Clients first.

RIP H., FRESNO, CALIFORNIA

Know your market well.

NANCY L., SAN GABRIEL, CALIFORNIA

Practice buyer agency or seller agency, but never agent agency.

PAT K., CANTON, OHIO

Ours is the most intimate of businesses — home is where the heart is —
so never forget that you're dealing with a customer's heart.

JULIE A., SANTA BARBARA, CALIFORNIA

Always be prospecting.

MARK C., MURFREESBORO, TENNESSEE

Client interest always comes first.

TY C., CULLMAN, ALABAMA

Honest commitment and proactive due diligence gets you there faster.

WILLIAM P., TEMPE, ARIZONA

Treat every transaction equally. Place the same amount of detail and
attention to a \$15,000 lot sale as you would a \$1,000,000 home sale.
Every client deserves the most you can offer them. Show them the benefit
of having a REALTOR® working for them.

TONY D., HARLINGEN, TEXAS

Disclose, disclose, disclose.

DANNY F., CAPE CORAL, FLORIDA

Make sure you always cover yourself by documenting everything.

GERALD K., HONOLULU, HAWAII

Deal honestly and without prejudice. Give 100% quality service
to all customers.

ALICIA P., NEW MILFORD, NEW JERSEY

There is no commission amount worth compromising your integrity.

BATES S., JUPITER, FLORIDA

Honesty. Never ever leave even one minute detail out of the story. Whether it
be through commission or omission, an untruth will come back to haunt you

TEDD G., BOCA RATON, FLORIDA



Be ever mindful of your fiduciary responsibilities!

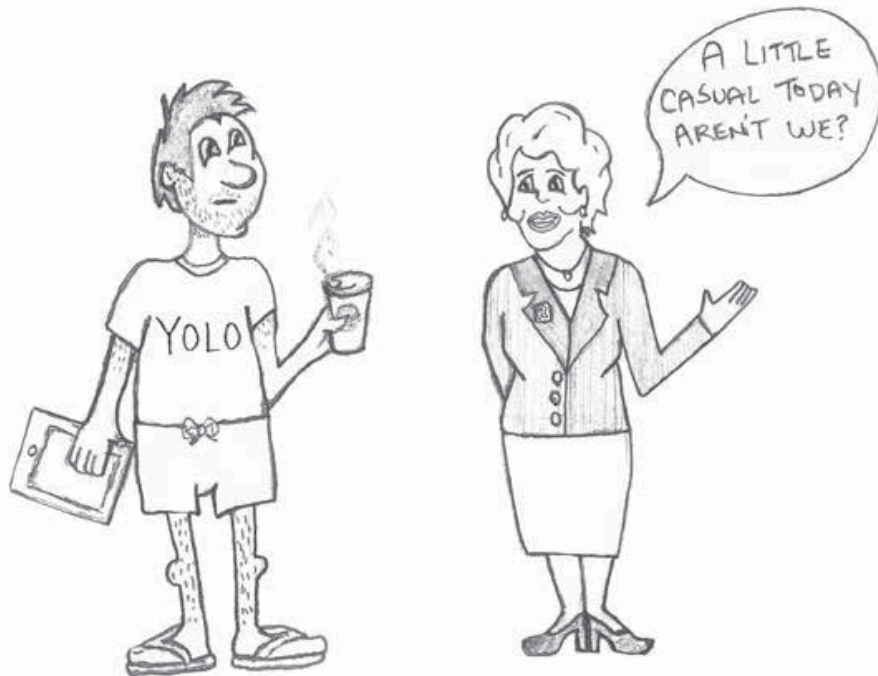
BILL A., FREDERICK, MARYLAND

Clients expect the truth even if they do not want to hear it.

CHRIS M., PARMA, OHIO

Be patient and never give up. Perseverance is key in this business.

YVONNE C., ORLANDO, FLORIDA



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REALTORS® AND PROFESSIONALISM

THE NATIONAL ASSOCIATION OF REALTORS®'s Code of Ethics is universally recognized by lawyers and laymen alike as the measure of professionalism in real estate. It does not describe the lowest common denominator of permissible performance as do the licensing laws of several states. Rather, it describes the optimum performance the public has the right to expect and makes that performance the norm for REALTORS®.

But, as the real estate marketplace is a dynamic, demanding environment, so the Code is, has been and will continue to be a demanding and dynamic document — a plan for professionalism in real estate capable of including and accommodating every change, challenge and controversy that arises.

For 70 years, Ebby Halliday has been selling the dream of homeownership in North Texas. Today she is known simply as the Grande Dame of Dallas real estate. The company she founded, Ebby Halliday, REALTORS®, is the No. 1 independent in Texas and is a household name. Making people feel special, thriving on change, investing in a dream and making every day count are principles that helped Ebby guide her firm to exponential growth. Over the years, Ebby has helped shape the industry, strategically grown her business and provided never-ending community service to her beloved hometown. The image to the left is a representation of how Ebby often instructed new agents on their professional appearance.

Professionalism is a key aspect to the Code of Ethics, but there are additional aspects to professionalism that REALTORS® should think about.

Here are some of the additional ways REALTORS® can show professionalism:

You are the “Director of First Impressions” for your company. How you act, dress and respond to clients will provide the impressions they will receive regarding the corporation as a whole. Therefore, act professionally, dress like the astute real estate professional that you are, and respond to your clients’ requests with respect and promptness.

DIANE M., JUPITER, FLORIDA

Work hard, dress well, be honest and follow up as quickly as you can.

JOE B., LOUISVILLE, KENTUCKY

Be a problem-solver even more than being a salesperson.

ALLAN N., SOUTHERN PINES, NORTH CAROLINA

Make appointments, keep appointments and pick up the phone when it rings.

Treat clients and other agents with respect.

L. RUTH S., SCOTTSDALE, ARIZONA

You need to sell yourself and your reputation before you can ever sell a house.

ANDREW B., DALLAS, PENNSYLVANIA

By keeping informed in your specialty. If you deal with short sales, be up to date with all the details needed to better service your customers. Be the best informed real estate professional on the area you specialize. Always be well informed and inform your clients well.

ANA M., MIAMI, FLORIDA

Treat every client as your most important one.

FAITH M., LAKEWOOD RANCH, FLORIDA

Take as much time with your clients as needed. (Buying or selling a home) is a big decision. Don’t pressure them during the process.

KATHIE S., SUMMERVILLE, SOUTH CAROLINA

Be prepared, be organized, be on time and be respectful.

LAURA D., SAN DIEGO, CALIFORNIA

They should honor their word and do what they say they will do.

ERIC Y., PUEBLO, COLORADO

Answer the phone.

TAMI C., CASA GRANDE, ARIZONA



BUSINESS PHILOSOPHIES

Having a mantra or a philosophy can help guide your interactions, communications and business. Check out some of these business philosophies from members just like you:



Do not sit and wait for the business to come to you. Go get it!

ANGIE E., BETHLEHEM, PENNSYLVANIA

Don't look at the business one deal at a time but one year at a time. Deals will come together, deals will fall through and often you will have no control over the outcome no matter how hard you work. If you always look at each deal in and of itself you could get very frustrated. The best advice is to look at the course of a year and how many deals you closed, how many clients you served and were you well paid for the time spent as a whole.

BILL T., STANDISH, MAINE

Try to facilitate a win-win situation for all parties.

DANIEL O., CHURCHVILLE, MARYLAND

Success is a seven-letter word that spells QUALITY.

STEPHEN S., SAN DIEGO, CALIFORNIA

Service above self.

PETER L., TUCSON, ARIZONA

If it is important to my client, then it is very important to me.

ADDIE F., WILMINGTON, MASSACHUSETTS

4 E's — Be educated, be ethical, be experienced, be enthusiastic.

NANCY C., ORMOND BEACH, FLORIDA

Always act with a long-term vision in mind.

STEVE H., SANTA ROSA, CALIFORNIA

Never get comfortable where you are because
there's always room for improvement.

CARLOS G., CONYERS, GEORGIA

The customer is always right.

CRAIG V., ALLEGAN, MICHIGAN

The job is not over until the customer says it is.

GENE N., CROSSVILLE, TENNESSEE

Anyone can find a place to live. I'll help you find a home.

GARY M., FORT LEE, NEW JERSEY

Success in business requires training, discipline and hard work.

ANTHONY J., PELHAM, ALABAMA

Service beyond sales.

LINDA N., LA QUINTA, CALIFORNIA

KEY DO'S AND DON'TS

Deals may come and deals may go, but sometimes there are things that you could have done to avoid having your clients lose confidence in you or could do to keep a deal together. Here are some of the key do's and don'ts:

— DO —

Stay on top of their needs; i.e., feedback from showings, keeping in constant touch, returning calls and messages.

PAM R., EAST PROVIDENCE, RHODE ISLAND

Obey the codes of conduct and rules of ethics.

VIDYA N., WESTLAKE, OHIO

Follow through, either by an appointment, a returned phone call, responding in some manner to email, text or other form of communication.

TERESA C., LAS VEGAS, NEVADA

— DON'T —

Show a lack of knowledge.

TIM D., BROOKSVILLE, FLORIDA

Disappear on them. Not respond to their phone calls or emails.

CAROL C., BLOOMFIELD, COLORADO

Wait too long to deliver bad news.

TOMMIE L., MILFORD, CONNECTICUT

Don't lie. Don't sugar coat the situation.

LINDA G., LITTLE ROCK, ARKANSAS

Don't ever forget an appointment.

MARY LOU B., DARIEN, CONNECTICUT

Don't ever disregard or break confidentiality with a client.

M. LEA C., NEWBURYPORT, MASSACHUSETTS

Discredit another agent.

TOMMIE L., MILFORD, CONNECTICUT

Advise a client to sell or buy when it will not be in their best interest.

DEBBIE S., DUNWOODY, GEORGIA

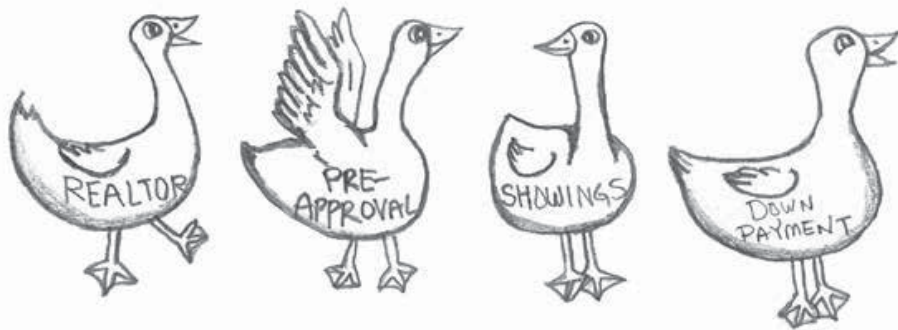
Not doing something that you said you would do is the quickest way to lose their confidence. Don't make promises that you cannot keep.

DAN O., FAYETTEVILLE, NORTH CAROLINA



DEALING WITH CLIENTS

Your rapport and ability to anticipate your clients' needs can be paramount to a successful deal and a successful real estate business. Follow these rules to make all of your interactions with clients successful:



I try to convince them to get their “ducks in a row” so to speak — to get a preapproval so we know what they can do as far as loan approval, which will guide us in finding a suitable property.

DEBBIE D., NEW ALBANY, INDIANA

Listen, listen and listen. Only when you understand what buyers/sellers are looking for, can you help them realize their dream.

LYNDA L., WINCHESTER, MASSACHUSETTS

Never move a buyer in before closing.

DAN H., VENICE, FLORIDA

Be honest. Educate the client on the process and procedures.

BAHMAN D., PLANO, TEXAS

Tell every client the same thing and have them start their search by first talking with at least two mortgage people.

JANET R., GLEN FALLS, NEW YORK

We have two ears and one mouth; use them in proportion. LISTEN!

JENNIFER B., CLIFTON PARK, NEW YORK

I remind them that my area of expertise is assisting them in buying or selling real estate. I let the other professionals such as inspectors, plumbers, etc. demonstrate their areas of expertise.

CINDY M., PORTLAND, TEXAS

When explaining the market to my clients, I have used this mantra repeatedly: “Market value is determined by what a buyer is willing to pay and what a seller is willing to accept.”

KATHLEEN W., RICHMOND, TEXAS

Where a client starts regarding wants, needs, price, etc. is not always where they end up, but my job is to help navigate the road from beginning to closing.

CARRON S., MADISON, WISCONSIN

Remember to explain all details of the selling or buying transaction so that the client knows what to expect. They are hiring us for our knowledge; we shouldn't assume they know how it all transpires.

SANDRA S., SHELTON, CONNECTICUT

Determine which method of communication they desire (texting/email) and how often.

VIVIAN P., WILLIAMSBURG, VIRGINIA

Ask questions. Ask what their time frame is for buying a new home so you know if they are just looking or need something right away. Ask what they are looking for in a new home, such as location, size, garage, etc. Prioritize their needs. Ask the husband and wife to both make a list and then compare notes to see if they are on the same page. When viewing a home, ask what they like or dislike about the home, so that it helps you locate others that might interest them. Ask lots of questions!

DEBBIE J., FREDERICKSBURG, VIRGINIA

Keep connected to past clients. They are your best form of advertising.

TOM B., CUMMING, GEORGIA

Arrive 15 minutes early to an appointment.

TED W., MAYWOOD, ILLINOIS

Make sure your client is prequalified with a lender before you take them out looking.

ROXANN V., LEHIGH ACRES, FLORIDA

Smart phones, fancy computers and iPads are helpful, but remember: “Real estate is a 95% people business.”

LINDA T., BEAVERTON, OREGON

INSTRUCTIONS FOR REALTORS® NEW TO THE REAL ESTATE BUSINESS

Entering into the real estate business can be very daunting. There is a ton to learn and even more to do. Follow these instructions from seasoned members to get you started on the right track:



Fasten your seatbelt; you're in for a wild ride. And, never, ever, ever give up!

LEE L., MALIBU, CALIFORNIA

Find a successful REALTOR®; learn from them and do open houses.

JOE B., LOUISVILLE, KENTUCKY

Do your homework and present yourself well.

SARAH K., OAK HARBOR, WASHINGTON

Always be timely and fair.

LAUREN K., WILLOW PARK, TEXAS

If you don't know, ask.

JOANN B., PRESCOTT, ARIZONA

Create a database of all the people you know and who know of you.

Make contact with those people every 21 days.

MAURY K., BEAVERTON, OREGON

Never compromise your integrity.

DYLCIA C., FORT MYERS, FLORIDA

“Mirror the client.” I learned this years ago. When meeting with a client, if they are leaning forward at the table, I lean forward. If they relax and recline, I relax and recline. This mirroring technique puts the client at ease and creates a connection, showing the client “I get it.” Whenever possible, answer the phone, no matter what time or how often they call. They are undergoing an enormous process, one we do every day of the week. Keep remembering how worried or concerned they are and often just the sound of our voice will alleviate their fears.

ERIC A., BEND, OREGON

Obtain your Graduate, REALTOR® Institute (GRI) designation immediately. Not only will you earn a designation, you will gain knowledge into the inner workings of daily real estate life.

DEBORAH C., SAN ANTONIO, TEXAS

Never be afraid to ask questions. Your broker is there to support you and help you learn. Lean on them and other seasoned agents.

CARRON S., MADISON, WISCONSIN

Knowing all facets of your market is essential to being successful.

DON H., SPRING HILL, FLORIDA

To keep in contact with my sphere of influence on a regular basis to become their go-to person for all their real estate needs.

MARIE K., MEDFORD, NEW JERSEY

Make a schedule.

LAUREN K., WILLOW PARK, TEXAS

Read the Code of Ethics at least once a month for the first year you are in real estate. This, in my view, will set the foundation for ethical behavior when dealing with members of the public and fellow real estate professionals. It will succinctly establish the ground rules on how to interact with all parties involved in a transaction.

J.T. T., TUCSON, ARIZONA



BEST ADVICE YOU'VE EVER RECEIVED

Hindsight is 20/20. Having the support of seasoned professionals with sage wisdom and advice can really help you succeed. Whether you are a seasoned professional or just starting out, following a well-traveled path can help lead you to your goals more quickly. We asked our members to share the best advice they've ever received and here are some of the most useful insights they shared:



Always carry your business card and do not shy away from a conversation.

SAMANTHA A., HOMESTEAD, FLORIDA

When I first got my real estate license, a broker told me not to go full time unless I had enough money to live on before I received my first commission check. I heeded his good advice and am very glad I did.

BETTY S., LEXINGTON, KENTUCKY

Every transaction hits its crisis point – expect it, deal with it and don't let it derail you.

NORMA D., SOUTH BERWICK, NEW HAMPSHIRE

Choose one area of real estate and become an expert. Whether it be land, residential, condos, property management, etc. Become the go-to person.

JONNIE F., N. MYRTLE BEACH, SOUTH CAROLINA

Read and reread the Code of Ethics until you understand your obligation to clients, customers and other real estate professionals.

JOHN Z., EAST ISLIP, NEW YORK

Never stop learning; no one knows everything they need to know.

MICHAEL S., GENESEO, NEW YORK

Honesty is the best policy.

RAZIA A., EDEN PRAIRIE, MINNESOTA

It's okay to say no. You need to have a work/personal life balance.
You can't serve others if you don't serve yourself first.

BRIDGET B., LOS ANGELES, CALIFORNIA

Get it in writing.

JESSICA L., SUMMERVILLE, SOUTH CAROLINA

To think long term rather than just short term.

REBECCA V., MIAMI BEACH, FLORIDA

Be respectful of other agents. The hardest part of being an agent is
that you are competing for business with your friends.

CANDIDA G., SANTA ROSA BEACH, FLORIDA

Don't spend your commission before you close.

LINDA N., FLOWER MOUND, TEXAS

Treat your fellow REALTOR® not as opposition, but as a partner in a
problem-solving solution.

NANCY Z., SUN CITY, ARIZONA

Be open to change and new technology. Learn something
new whenever possible.

RHONDA W., FLAT ROCK, MICHIGAN

RESOURCES

There are a number of resources and additional tools from the
NATIONAL ASSOCIATION OF REALTORS® that members can utilize to help
practice professionalism, work with clients and run a successful business.

We've put together a list of a number of these resources, but remember
to stay in touch with NAR by going to Realtor.org often and updating your
subscriptions to our weekly report to stay on top of news and updates
from NAR.

Code of Ethics

<http://www.Realtor.org/code-of-ethics>

NAR Website

<http://www.Realtor.org>

REALTOR® Store is your one-stop shop for real estate products and resources

<http://www.Realtor.org/Store>

Pathways to Professionalism

<http://www.Realtor.org/code-of-ethics/pathways-to-professionalism>

A Pathway to Professional Conduct: Respect Starts Here Resources

BROCHURE:

<http://www.realtor.org/prodser.nsf/products/135-85?OpenDocument>

VIDEO:

<http://www.Realtor.org/videos/video-a-pathway-to-professional-conduct>

ADDITIONAL RESOURCES:

<http://www.Realtor.org/articles/a-pathway-to-professional-conduct-respect-starts-here>

.Realtor / Top Level Domain

The trusted, valued source for real estate information on the Internet

<http://www.about.realtor/>

It Pays to Work With a REALTOR® Brochure

<https://secure.realtor.org/prodser.nsf/products/135-30?OpenDocument>

New Member Orientation Materials

<http://www.Realtor.org/orientation>

Professional Standards

<http://www.Realtor.org/topics/professional-standards>

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Project Editor

COLLEEN DOYLE

Director of Product Management,
NATIONAL ASSOCIATION OF REALTORS®

Illustrations by

LISA DRYER-HANSMEIER

Director of Communications & Creative Services,
Colorado Association of REALTORS®

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This guide is a must-have for new agents and even seasoned professionals. It includes lessons learned, tips and observations for a successful future in real estate. It also takes a tongue-in-cheek approach to showing these rules “in practice” with fun images designed just for this guide.

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430 North Michigan Avenue • Chicago, IL 60611-4087
800.874.6500 • www.REALTORS.org

