

REAL ESTATE ETHICS

4



HOME
FOR
SALE

TRUE LIFE
LISTING AGENT
FORGERY
INTENTIONAL FRAUD?

Q&A ACTIVITY
ASSESSMENT & DISCUSSIONS



PATTY ANN

REAL ESTATE ETHICS 4

TRUE LIFE LISTING AGENT FORGERY INTENTIONAL FRAUD?

Q&A ACTIVITY ASSESSMENT & DISCUSSIONS

By PATTY ANN

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Inquiries and questions can be directed to PattyAnn.net

REAL ESTATE ETHICS

Teacher Lesson Planning Ideas

Welcome! Offered below are ideas for using this lesson plan.

Intentionally Designed

- Pages are in large size type styles for visibility to use on overheads.
- Progressive scenarios are presented in several steps with Q&As.
- Targeted Q&A discussions are connected with associated parts 1, 2 & 3.
- Individual pages allow for Parts (1, 2 & 3) to be presented separately.
- Use on the overhead or as handouts; or a combo of both.

Intentionally Created

- Q&A encourages thoughtful and positive solution oriented answers!
- Use Q&A to encourage discussion and exploration of possibilities!
- Information is based on real life situations and is stated as it happened.
- Supports comprehensive ethical practices in the real estate profession.

For Individual Assignments

- Use pages for small group- or class activity discussions.
- Use pages as independent study, reflection, and assessment.
- All pages are in black/white to conserve ink.
- Assessment of Ethical Practices and the Code of Conduct pages can be used for more discussion and/or as a summary, or a quiz.

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Listing Agent Forgery: Intentional Fraud?

SITUATION (Part 1):

Eva had an accepted offer to purchase a home, contingent on the sale of her home in another area of her state. Eva decided to have her Buyer's Agent, Linda, list her own home on the market. Rather than enlisting another agent it seemed prudent to have one agent be the point of contact person to coordinate all her real estate transactions.

Linda acting as both a Buyer and Listing Agent had imposing time frames due to a hot market. She had to coordinate a number of inspections regarding purchasing Eva's next home. As well there was immediate listing and marketing needs to sell Eva's now home. An experienced Realtor, Linda assured Eva she would handle all tasks in a professional manner.

Linda was stationed within proximity for the home Eva was intending to purchase. But, Linda was on the other end of the state where Eva lived in her current home that was to be sold.

Within days Eva was asked by Linda to help find and line up inspector names for her impending new home. Eva thought this was Linda's responsibility being her purchasing agent. Linda seemed overwhelmed so Eva researched and provided inspector names to Linda.

Eva's new home needed photographs for her property to be viewed on Multiple Listing Service (MLS). Eva had photography experience. Knowing Linda could not know anyone local, Eva took pictures of her home. Then Eva provided the photos to Linda to post for her home's MLS listing.

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Listing Agent Forgery: Intentional Fraud?

Situation (Part 1)

Questions for Discussion:

1) If you were Eva, how would you have responded to Linda's request to sign an agreement to get the help of a local Realtor to represent your home? Would you have said anything different based on the information Linda presented?

2) Did you think it odd that Linda began asking for help from Eva, such as finding the inspector and taking photos?

3) Do you believe Linda was in over her head and didn't know it? Or was she blatantly trying to cover all her responsibilities however she could manage?

4) Do you think having one agent to represent both the buying and selling of both properties a wise decision?

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Listing Agent Forgery: Intentional Fraud?

Final Outcome (Part 3):

Eva decided after this event she would wait and re-list her property at another time. Fortunately, Eva did not have to relocate her job.

After Linda was fired she got immediately hired elsewhere. Eva believed Linda had a fiduciary responsibility and she should be held accountable for her actions. Eva filed a complaint with her state's Realty Board. The Broker also sent in a complaint. The state sent a letter back to Eva stating there was no wrongdoing. This upset Eva. If this governing Board for Realtors did not attend to the ethics of their agents what good was their existence? What purpose did they serve?

Eva emailed all her documentation to the state again. This time she copied in the top administrator of the Realty Board, along with her team of lawyers. This got attention and her case was officially opened.

It took one year for the state investigator to interview Eva and others involved. The evidence against Linda was astounding. A year later Eva contacted the investigator to follow up. Eva was scolded to not contact her; she should be notified. Eva had emailed for updates with no response. Then Eva discovered their email system had been hacked. Finally, after 2 ½ years the state Realty Board issued an "Educational Letter of Advice" to Linda. She had violated several ORS codes. No disciplinary action would be pursued. However, the letter would remain on file for 6 years and would be expunged from the Agency's records thereafter barring any further misconduct.

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Listing Agent Forgery: Intentional Fraud?

Final Outcome (Part 3)

Followup Thoughts:

1) What lessons did YOU learn from this situation?

3) If this happened to you, would you put out the effort to file a grievance and follow up for the sake of accountability? Why or why not?

5) Do you think Lin getting fired and the Realty Board investigation was adequate punishment? Based on the information presented do you believe Lin's behavior will improve after this incident?

2) Even if you do not press for accountability with her State Real Estate Board. Based on their lack of attention and responses do you believe it was worth Eva's time to pursue justice in this manner?

4) Do you believe the Realty Board's "Educational Letter of Advice" and final judgment was an appropriate resolution for the forgery committed?

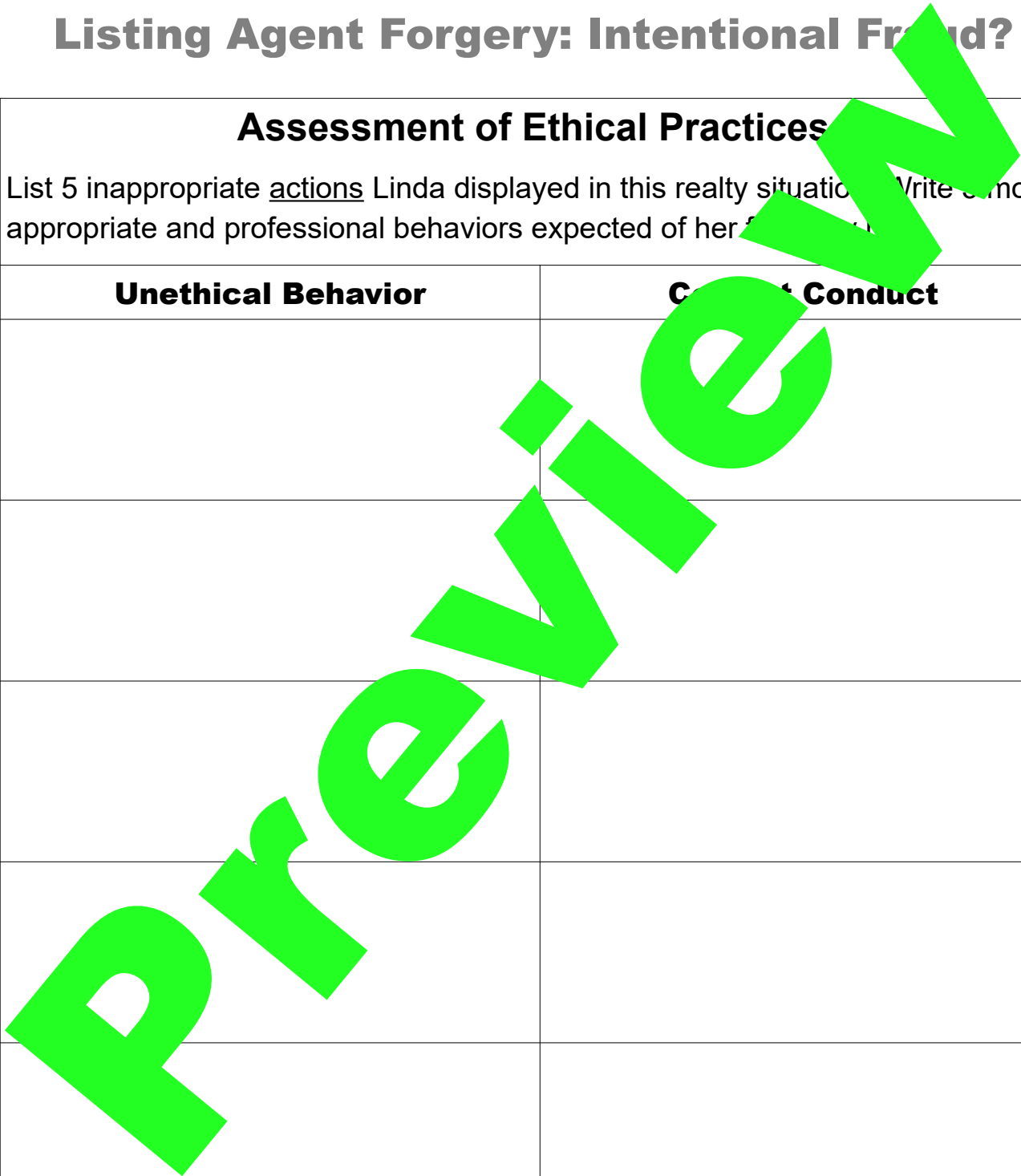
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Listing Agent Forgery: Intentional Fraud?

Assessment of Ethical Practices

List 5 inappropriate actions Linda displayed in this realty situation. Write 5 more appropriate and professional behaviors expected of her for this situation.

Unethical Behavior	Correct Conduct



THANK YOU!

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PET PROJECT**



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Healing & unconditional love & acceptance.
By care-taking animals, humanity will continue to
Ascend to a higher place alongside our furry friends.