

IEASA Code of Ethical Obligations

Preamble

The prestige of any professional body depends to a great extent on the ethical standards observed by its individual members, both in their association with one another and in their relationship with the community in general.

The Institute of Estate Agents of South Africa encourages the highest standards in real estate practice. Its unceasing aim is that its members as a profession and that its members be respected and trusted by all.

The term "Member of the Institute of Estate Agents of South Africa" must connote competency, fairness and high integrity resulting from adherence to the highest moral and ethical conduct in business relations. By accepting this standard as their own, Members shall in all their activities and in the conduct of their business pledge themselves to observe both in word and spirit the ethical obligations set out hereunder.

Articles

- 1.1 Members shall not, by their acts or omissions bring discredit to the Institute or the Real Estate Industry.
- 1.2 Members shall in accepting a mandate protect and promote the interest of the client. This obligation of absolute fidelity to the client's interest is primary, but it does not relieve a member of the obligation to treat all parties to the transaction fairly.
- 1.3 Members shall in offering a property, avoid misrepresentation or concealment of material facts which are known to such member.
- 1.4 Members shall not, for themselves or for any member of their immediate family or their firm, acquire an interest in or buy, any property listed with them, without first disclosing such interest to the owner.
- 1.5 Members shall, in selling or letting a property in which such member has a direct or indirect interest, reveal such interest to any prospective purchaser or lessee.
- 1.6 Members shall operate their business from suitable premises which are used exclusively for business purposes.
- 1.7 Members shall ensure that, where the financial obligations and commitments of parties to real estate transactions are in writing, such documents shall express the exact agreement of the parties. A copy of each such agreement, including mandates, shall be timeously furnished to each party thereto.
- 1.8 Members shall not place any boards or signs on any property without the consent of the owner thereof.

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- 1.9 Members shall not recommend or suggest the use of any services of any organisation or business entity in which such member has an interest, without disclosing such interest at the time of the recommendation or suggestion.
- 1.10 Members shall not advertise not permit any person employed by or associated with them to advertise property without disclosing the trade name of such member's firm.
- 1.11 Members shall not offer any property for sale or to let without a mandate from the client, and in so offering, such member shall comply with all terms of the mandate agreed upon with the client.
- 1.12 Members shall not, in respect of any transaction, accept compensation from more than one party without the full knowledge of all parties thereto.
- 1.13 Members shall, in the event of a dispute with another member arising out of an alleged breach of the ethical obligations of Members, submit such dispute to the Institute for adjudication (in accordance with the IEASA Complaints Disputes Procedure) and not enter into litigation with that member.
- 1.14 Members shall, when charged with unethical practice or when asked to present evidence at any disciplinary proceedings, place all pertinent facts before the relevant committee.
- 1.15 Members shall duly and punctually implement and comply with any decision of the Board, or adjudicator as the case may be, in terms of the IEASA standards of practice and the IEASA Complaints and Disputes Procedures.
- 1.16 Members shall not directly or indirectly seek or obtain information from another estate agent concerning any pending transaction and knowingly use such information to the prejudice of such estate agent, and furthermore Members shall identify themselves as estate agents when seeking or obtaining such information.
- 1.17 Members shall not directly or indirectly, orally or in writing, seek instructions for business between the same buyer and the same seller, or the same lessor and the same lessee as the case may be, which he knows or with ordinary care could have ascertained is being actively negotiated by another member.
- 1.18 Members shall not claim or represent in any manner that they hold a sole mandate over any property unless such mandate is current and in writing.

- 1.19 Members shall respect sole mandates held by other Members, and shall not introduce a prospective purchaser or lessee to any property or continue with negotiations where they are aware or with ordinary care could have ascertained that another member holds a current written sole mandate in respect of such property, without the consent of such member. The restraint imposed herein on the introducer shall not be construed to confer an automatic right in favour of the sole agent to negotiate with a person introduced by another member prior to the granting of the sole mandate. If the sole agent is aware or with ordinary care could have ascertained that another member is actively negotiating on the property in question, the sole agent shall forthwith notify that member that he has been appointed sole agent.
- 1.20 Members who acquire a sole mandate shall inform the client of the advisability of terminating all existing mandates to sell or lease that property.
- 1.21 Members shall not request or use the services of any person employed by, or any independent contractor associated with any other member without the knowledge or consent of that member.
- 1.22 Members shall comply with and observe the code of conduct promulgated in terms of the Estate Agency Affairs Act, provided that where the code of conduct refers to "in the opinion of the Estate Agency Affairs Board" this should be construed as reference to "in the opinion of the Board of Directors of IEASA".
- 1.23 Members shall comply with and observe the provisions of these Articles and the Regulations laid down from time to time, and shall furthermore ensure that their employees and estate agents associated with them so comply.
- 1.24 When an agent leaves the employ of a principal or company, a principal shall not withhold any commission due to the agent, unless the agent owes money to that principal or company. If, however, there is a dispute on whether the agent is entitled to commission or not, then both parties shall agree to go to arbitration through the Institute, to resolve this dispute.
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