

Code of Ethics and Standards of Professionalism

INTRODUCTION: The National Association of Residential Property Managers (NARPM) promotes a high standard of business ethics, professionalism, and fair housing practices. NARPM's members subscribe to the following Code of Ethics and Standards of Professionalism for property managers of single family and other small residential properties.

Article 1

DUTY TO PROTECT THE PUBLIC

It is the duty of the Property Manager to protect the public against fraud, misrepresentation, and unethical practices in property management.

STANDARDS OF PROFESSIONALISM

1-1 The Property Manager shall endeavor to eliminate in the community, through the normal course of business, any practices which could be damaging to the public or bring discredit to the profession.

1-2 The Property Managers shall assist the governmental agency charged with regulating the practices of property Managers.

1-3 The Property Manager shall comply with all local and state ordinances regarding real estate law, licensing, insurance, and banking.

Article 2

DISCRIMINATION

The Property Manager shall not discriminate in the rental, lease, or negotiation for real property based on race, color, religion, sex, national origin, familial status, or handicap and shall comply with all federal, state, and local laws concerning discrimination.

STANDARDS OF PROFESSIONALISM

2-1 It is the duty of the Property Manager to educate those with whom the Property Manager is affiliated with to comply with all fair housing laws.

Article 3

DUTY TO CLIENT

The Property Manager has a fiduciary responsibility to the Client and shall at all times act in the best interests of the Client.

STANDARDS OF PROFESSIONALISM

3-1 The Property Manager shall use a written management agreement outlining all responsibilities and fees. The Client will be provided a copy and the Property Manager will maintain a copy.

3-2 The Property Managers shall communicate regularly with the Client and provide written reports of receipts and disbursements on a regular and agreed upon basis. In the event of any dispute, the Property Manager shall provide a written accounting as soon as practical.

3-3 Tenant applications shall be reviewed and verified in order to determine the Applicant's ability to pay and to determine the likelihood that the Applicant will comply with all provisions of the rental agreement.

3-4 The Property Manager shall accept no commissions, rebates, profits, discounts, or any other benefit which has not been fully disclosed to and approved by the Client.

Article 4

DUTY TO TENANTS

The Property Manager shall treat all Tenants professionally when applying for, living in, and vacating a managed residence. The Property Manager shall hold a high regard for the safety and health of those lawfully at a managed property.

STANDARDS OF PROFESSIONALISM

4-1 The Property Manager shall offer all Applicants a written application.

4-2 The Property Managers shall provide all Tenants with a copy of the signed rental agreement with all addenda.

4-3 The Property Manager shall make all disclosures as required by state and local laws and provide the Tenant an opportunity to complete a written condition report at the time of moving in.

4-4 The Property Manager shall respond promptly to requests for repairs.

4-5 Within the time prescribed by law, a written deposit refund determination shall be provided to the Tenant after they have vacated the property. No undue delay in refunding or accounting for the security deposit shall take place.

4-6 The Property Manager shall avoid exaggeration, misrepresentation, misinformation, or concealment of pertinent facts relating to the advertisement, leasing, and management of the property.

Article 5

PROPERTY CONDITION

The Property Manager shall manage all properties in accordance with safety and habitability requirements of the local jurisdiction.

STANDARDS OF PROFESSIONALISM

5-1 The Property Manager shall not manage properties for Clients who refuse or are unable to maintain their property in accordance with safety and habitability requirements of the local jurisdiction.

Article 6

PROTECTION OF FUNDS

The Property Manager shall hold all funds received on behalf of others in compliance with state law with full disclosure to the Client and must never commingle the firm's or personal funds with those of the Client.

Article 7

DUTY TO DISCLOSE EXPERTISE

The Property Manager must provide accurate information within his area of expertise, but refrain from the unauthorized practice of other professions, including but not limited to the law, accounting, financial planning, construction, and contracting.

Article 8

DUTY TO FIRM

The Property Manager shall act in the best interests of their Employer/Broker.

STANDARDS OF PROFESSIONALISM

8-1 The Property Manager shall have no undisclosed conflict of interest with their Employer/Broker and shall notify their Employer/Broker immediately if a conflict should arise.

8-2 The Property Manager shall receive no kickbacks, rebates, or any other benefits without full disclosure to Employer/Broker.

8-3 The Property Manager may not take or use any proprietary documentation or client/tenant lists during or after relationship with Employer/Broker without express written consent from Employer/Broker.

Article 9

RELATIONS WITH COMPETITORS

The Property Manager shall refrain from criticizing competitors or their business practices. In the event of a controversy between Property Managers with different firms, the Property Managers shall submit the dispute to arbitration rather than litigate the matter. The Property Manager shall not knowingly solicit competitors' clients. This does not preclude the Property Manager from making general announcements.

Article 10

PRICE FIXING

The Property Manager shall not engage in the improper acts of price fixing, anti-trust, or anti-competition with other Property Managers.

STANDARDS OF PROFESSIONALISM

10-1 Unless the Property Manager is purchasing another property management company, fees, commissions, and compensations, shall not be discussed with other Property Managers. The Property Manager shall always seek to avoid the appearance of impropriety in these matters.

10-2 The Property Manager's fees, commissions, and compensations shall be determined by the Property Manager or the Property Manager's Broker based upon, but not limited to, expertise, experience, and the cost of service or expense.

Article 11

DUTY TO REMAIN EDUCATED

The Property Manager shall strive to be informed about relevant matters affecting the property management field on a local, state, and national level.

STANDARDS OF PROFESSIONALISM

11-1 Property Managers shall maintain their real estate license by meeting continuing education requirements as set out by the state in which they work.

Article 12

IMPROVING THE PROFESSION

The Property Manager shall strive to improve the property management profession by sharing with others their lessons of experience for the benefit of all.