

Chapter RL 24

CONDUCT AND ETHICAL PRACTICES FOR
REAL ESTATE LICENSEES

RL 24.01	Authority and intent (p. 71)	RL 24.085	False portrayal of interest, prohibited (p. 77)
RL 24.02	Definitions (p. 71)	RL 24.09	Market value estimates (p. 77)
RL 24.025	Responsibilities relating to a principal and others (p. 72)	RL 24.10	Net listing prohibited (p. 77)
RL 24.03	Competent services (p. 72)	RL 24.12	Confidentiality of offers (p. 77)
RL 24.04	Advertising (p. 73)	RL 24.13	Drafting and submission of offers (p. 77)
RL 24.05	Self-dealing (p. 73)	RL 24.15	Adequate funds required (p. 78)
RL 24.06	Unauthorized practice of law (p. 74)	RL 24.16	Availability of rules (p. 78)
RL 24.07	Disclosure (p. 74)	RL 24.17	Miscellaneous requirements (p. 78)
RL 24.075	Tie-in arrangements (p. 76)		
RL 24.08	Agreements to be in writing (p. 76)		

Note: Chapter REB 15 as it existed on February 29, 1980 was repealed and a new chapter REB 15 was created effective March 1, 1980. Renumbered from chapter REB 15, effective March 1, 1983.

RL 24.01 Authority and intent. (1) The rules in this chapter are adopted pursuant to ss. 227.11, 452.07 and 452.14, Stats.

(2) The intent of the department in adopting the rules in this chapter is to establish minimum standards of conduct for real estate licensees and to define that conduct which may result in board action to limit, suspend or revoke the license of a real estate broker, salesperson or cemetery salesperson, or to reprimand a real estate broker, salesperson or cemetery salesperson.

(3) If a licensee violates rules in this chapter, the licensee has demonstrated incompetency to act as a broker, salesperson or cemetery salesperson in such manner as to safeguard the interests of the public under s. 452.14 (3) (i), Stats. However, the term "incompetency" is not limited in its meaning to violations of this chapter.

(4) If a licensee violates the rules set forth in s. RL 24.075, the licensee has engaged in improper, fraudulent or dishonest dealing as those terms are used in s. 452.14 (3) (k), Stats. However, the terms "improper, fraudulent or dishonest dealing" are not limited in their meaning to violations of s. RL 24.075.

History: Cr. Register, February, 1980, No. 290, eff. 3-1-80; renum. (3) to be (5), (3) renum. from REB 15.02 (2) and cr. (4), Register, December, 1980, No. 300, eff. 1-1-81; renum. from REB 15.01 and am. (2) to (4), Register, February, 1983, No. 326, eff. 3-1-83; am. (1) and (3), r. (5) (intro.) and (d), renum. (5) (a) to (c) to be RL 24.025, RL 24.03 (2) (b) and (c), Register, January, 1987, No. 373, eff. 2-1-87; correction in (4) made under s. 13.93 (2m) (b) 4, Stats., Register, May, 1988, No. 389.

RL 24.02 Definitions. (1) "Adverse facts" includes, but is not limited to: radon, exposed asbestos, underground storage tanks, disposal of toxic chemicals on the property, leaking basement, structural defects, location in a flood plain or wetland, and planned or commenced public improvements which may result in special assessment or otherwise materially affect the property.

(2) "Builder" means any person engaged in the business of constructing speculation homes or contract homes.

Register, January, 1992, No. 433

(3) "Buyer broker" means a licensee having an agency relationship with a buyer in relation to a particular transaction.

(4) "Commonly controlled corporation" means the same person or persons own stock in both corporations, possessing at least 80% of the total combined voting power of all classes of stock entitled to vote and at least 80% of the total number of shares of all other classes of stock of both corporations.

(5) "Competent third party" means a federal, state or local governmental agency, or a person who conducts an inspection or investigation and who the licensee reasonably believes has the expertise necessary to meet the industry standards of practice for the type of inspection or investigation conducted.

(6) "Contract home" means a home built by a builder under contract with a buyer.

(7) "Effectively controlled" means having the power or authority to cause the transfer of an interest in real estate for oneself or another but does not include the authority conferred by a real estate listing contract.

(8) "Licensee" means a person, partnership or corporation holding a license as a real estate broker, salesperson or cemetery salesperson.

(9) "Speculation home" means a home built by a builder to be placed on the market without a prior contract with a buyer.

History: Cr. Register, February, 1980, No. 290, eff. 8-1-80; renum. (1) to be (5), renum. (2) to be REB 15.01 (3), cr. (1) to (4) and (6), Register, December, 1980, No. 300, eff. 1-1-81; renum. from REB 15.02, Register, February, 1983, No. 326, eff. 8-1-83; renum. (4) to (6) to be (7) to (9) under s. 13.93 (2m) (b) 1, Stats., Register, September, 1990, No. 417; renum. (1) to (3) to be (2), (4) and (6), cr. (1), (3) and (5), Register, September, 1990, No. 417, eff. 10-1-90; am. (1), Register, January, 1992, No. 433, eff. 2-1-92.

RL 24.025 Responsibilities relating to a principal and others. Licensees shall represent the interests of the principal as an agent. The responsibility owed the principal does not exempt the licensee from the obligation to treat fairly all parties to a transaction.

History: Renum. from RL 24.01 (5) (a) and am., Register January, 1987, No. 373, eff. 2-1-87.

RL 24.03 Competent services. (1) **DISCRIMINATION PROHIBITED.** Licensees may not discriminate against, nor deny equal services to, nor be a party to any plan or agreement to discriminate against any person because of sex, race, color, handicap, as defined in s. 51.01 (5), Stats., religion, national origin, sex or marital status of the person maintaining a household, lawful source of income, sexual orientation as defined in s. 111.32 (13m), Stats., age or ancestry.

(2) **COMPETENCE REQUIRED.** (a) Licensees shall not provide services which the licensee is not competent to provide unless the licensee engages the assistance of one who is competent. Any person engaged to provide such assistance shall be identified and that person's contribution shall be described.

(b) Licensees shall act to protect the public against fraud, misrepresentation and unethical practices.

Register, January, 1992, No. 433