

Dear Code-E,

I've been seeing creative inducements flyers all around town. Is this a legal practice?

Signed,

Mass Mailer Overload

Dear MM,

Great question! After much research, I have found Article 12 – Standards of Practice 12-3 under the Code of Ethics as well as the Attorney General's Opinion from 1997. This should provide you a better understanding of what is acceptable for inducements to list, sell, purchase or lease.

Sincerely,

Code-E

Article 12 - Standard of Practice 12-3 The offering of premiums, prizes, merchandise discounts or other inducements to list, sell, purchase, or lease is not, in itself, unethical even if receipt of the benefit is contingent on listing, selling, purchasing, or leasing through the REALTOR® making the offer. However, REALTORS® must exercise care and candor in any such advertising or other public or private representations so that any party interested in receiving or otherwise benefiting from the REALTOR®'s offer will have clear, thorough, advance understanding of all the terms and conditions of the offer. The offering of any inducements to do business is subject to the limitations and restrictions of state law and the ethical obligations established by any applicable Standard of Practice. *(Amended 1/95)*

Attorney General's Opinion (AGO 97-28 (12-31-1997)) Giving of a rebate, gift or discount to a buyer is probably lawful. It is probably lawful in a real estate transaction in Nevada for a broker who is representing the buyer to give the buyer a rebate, gift or discount after the closing of the transaction, because NRS 645.280, unlike the laws of other states, neither specifically prohibits nor allows rebates, gifts or discounts, and if the legislature had intended to prohibit rebates, gifts or discounts, it would have so provided. In addition, NRS 645.280 only prohibits payments to an unlicensed person in consideration of services performed or to be performed by the unlicensed person and does not apply to a buyer who does not perform any services or activities that only licensed real estate agents may legally perform.

If you are planning on a new marketing strategy that may offer such inducements, please be sure to review your marketing carefully. If you think there has been an ethics violation or wish to file an anonymous ethics complaint, – [click here](#).