



**CODE OF ETHICS
AND
STANDARDS OF PROFESSIONALISM
FOR
THE NATIONAL ASSOCIATION OF RESIDENTIAL PROPERTY MANAGERS**
Updated February 2024

INTRODUCTION: The National Association of Residential Property Managers (“NARPM®”) promotes a high standard of business ethics, professionalism, and fair housing practices. All property managers who are members of NARPM® must abide by the following Code of Ethics and Standards of Professionalism (the “Code”).

DEFINITIONS: Capitalized terms throughout the Code shall have the following meanings:

“Client” means any person (typically owner of a property) with whom the Property Manager has a disclosed working relationship.

“Firm” refers to a Property Manager’s employer or broker.

“Property Manager” means a property manager who is a member of NARPM®.

“Tenant” means an individual or entity that rents and/or occupies property managed by the Property Manager.

“Written” or “in writing” means communication in the form of a record and includes both hard copy and electronic forms.

Article 1: RESPONSIBILITY TO PROTECT THE PUBLIC

The Property Manager shall protect the public against fraud, misrepresentation, and unethical practices in property management.

STANDARDS OF PROFESSIONALISM

1-1 The Property Manager shall endeavor to eliminate, 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 Manager shall cooperate with any governmental agency charged with regulating the practices of Property Managers.

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

1-4 The Property Manager shall comply with all federal and state antitrust laws and shall follow the NARPM® Antitrust Policy and any related procedures.

1-5 The Property Manager shall not reveal confidential information of Clients, Tenants or others except as required in the course of performing the Property Manager’s duties or as otherwise required by law. The Property Manager shall take all reasonable precautions to protect confidential information.

1-6 The Property Manager shall use reasonable efforts to ensure that information on the Property Manager's website, or that of the Property Manager's Firm, is current and accurate. If it becomes apparent that information on the website is not current or accurate, then the Property Manager shall promptly take corrective action.

1-7 Websites of the Property Manager shall not contain any deceptive metatags or other devices/methods to direct, drive, or divert Internet traffic in a deceptive manner or to otherwise mislead users. The websites shall also not manipulate listing content in any deceptive or misleading way.

1-8 The Property Manager shall disclose information on the availability of rental properties to prospective parties on a regular and timely basis.

1-9 The Property Manager shall not exaggerate, misrepresent, misinform, or conceal pertinent facts in the advertising, leasing, and management of property.

1-10 The Property Manager shall make reasonable attempts to remove from the Internet listings for rentals that are no longer available.

Article 2: DISCRIMINATION

The Property Manager shall not discriminate in the management, rental, lease, or negotiation for real property, shall operate consistent with fair housing laws and regulations and shall comply with all federal, state, and local laws and regulations concerning fair housing and any form of discrimination within the jurisdiction(s) where the Property Manager practices.

STANDARDS OF PROFESSIONALISM

2-1 It is the duty of the Property Manager to educate those with whom the Property Manager is affiliated to comply with all *applicable* fair housing laws and *regulations and also any laws regarding discrimination*.

2-2 The Property Manager shall not deny service to any person based on any federal, state or local law or regulation defining that person as a protected class *within the jurisdiction(s) where the Property Manager practices*. .

Article 3: RESPONSIBILITY TO CLIENT

The Property Manager shall serve the Client and act in the best interests of the Client.

STANDARDS OF PROFESSIONALISM

3-1 The Property Manager shall use written agreements, and written extensions, if required, outlining all responsibilities and fees, if any. The Client will be provided a copy of all signed agreements and extensions, and the Property Manager will retain a copy.

3-2 The Property Manager shall communicate regularly with the Client, either orally or in writing, and shall provide the Client with written reports as needed and as agreed between all parties. In

the event of any dispute, the Property Manager shall provide a written accounting as soon as practical.

3-3 On behalf of the Client, the Property Manager shall review and verify all Tenant applications to determine the applicant's ability to pay rental fees and to assess 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 have not been fully disclosed to and approved by the Client.

3-5 The Property Manager shall not mislead a potential Client about the rental market value of a property in an attempt to secure a rental listing.

3-6 The Property Manager shall disclose to the Property Manager's Client all pertinent facts relating to any transaction.

Article 4: OBLIGATIONS TO TENANTS

The Property Manager shall treat all Tenants honestly and professionally when they are applying for, living in, and/or vacating a managed residence, including through the deposit refund process.

STANDARDS OF PROFESSIONALISM

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

4-2 The Property Manager shall provide all Tenants with a copy of the signed rental agreement and extensions with all addendums attached.

4-3 The Property Manager shall make all applicable disclosures as required by federal, state and local laws and provide the Tenant an opportunity to complete a written condition report within 7 days of moving in or longer if required by federal, state or local laws.

The Property Manager shall respond promptly to requests for repairs if maintenance responsibilities are required by the Agreement with the Client.

4-5 The Property Manager shall provide a written deposit refund determination to the Tenant within the time prescribed by law after the Tenant has vacated a property. The Property Manager shall not cause any undue delay in refunding or accounting for the security deposit.

Article 5: CARE OF MANAGED PROPERTIES

The Property Manager shall hold a high regard for the safety and health of those lawfully at a managed property and 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.

5-2 The Property Manager shall terminate management of a property if the Client does not comply with habitability requirements.

Article 6: HANDLING OF FUNDS

The Property Manager shall hold all funds received on behalf of others in compliance with applicable laws and regulations and shall not commingle the funds with personal or other business funds or use the funds for other than their intended purposes.

STANDARDS OF PROFESSIONALISM

6-1 The Property Manager shall keep appropriate records and shall prepare and furnish to the Client accurate and timely financial reports relating to the Client's rental and funds in accordance with the terms of the applicable management agreement.

Article 7: AREAS OF EXPERTISE

The Property Manager must provide competent service within the Property Manager's area of expertise, and refrain from the unauthorized practice of any other profession for which the Property Manager is not licensed or qualified.

7-1 The Property Manager shall perform only such services in such locations for which the Property Manager is qualified and can reasonably be expected to perform with professional competence.

7-2 The Property Manager shall not perform and shall not represent that the Property Manager can or will perform services outside of the Property's Manager's area of expertise, particularly services that require a separate license or qualification – such as law, accounting, financial planning, construction, and/or contracting – unless the Property Manager independently possesses such license or qualification.

Article 8: COMMITMENT TO FIRM

The Property Manager shall act in the best interests of the Property Manager's property management Firm.

STANDARDS OF PROFESSIONALISM

8-1 The Property Manager shall not have any undisclosed conflict of interest with the Property Manager's Firm. If a conflict or potential conflict should arise, the Property Manager shall notify the Property Manager's Firm immediately.

8-2 The Property Manager shall not receive any form of compensation, rebates, or any other benefits without full disclosure to the Property Manager's Firm.

8-3 The Property Manager may not take or use any proprietary documentation, including but not limited to Client/Tenant lists, during or after the Property Manager's relationship with a Firm without express written consent from the Firm.

Article 9: RELATIONS WITH OTHER PROPERTY MANAGERS

The Property Manager shall not knowingly or recklessly make false or misleading statements about the competence or professionalism of other property managers or about their business practices, or otherwise attempt to take business from other property managers by deceptive means.

STANDARDS OF PROFESSIONALISM

9-1 The Property Manager shall conduct dealings with other property managers in an honest and professional manner and shall not knowingly engage in any practice or take any action against a property manager in an un-businesslike manner.

9-2 The Property Manager shall not knowingly interfere with other property managers' contract rights with their Clients, including by inducing other property managers' Clients to breach their agreements. This does not preclude the Property Manager from otherwise soliciting potential Clients, such as for services to be provided upon the expiration or termination of agreements with other property managers or making general announcements about the Property Manager's own services. This Code does not restrict fair and reasonable competition among property managers.

9-3 In the event of a controversy or dispute with a Property Manager at a different Firm, the Property Manager shall use best efforts to resolve the dispute prior to litigation.

9-4 The Property Manager shall not obtain or use the proprietary materials or work of a competing management Firm without the express written permission of that Firm.

9-5 The Property Manager shall cooperate with other property managers when it is in the best interests of the Client or Tenant to do so.

Note: The Federal Trade Commission (the "FTC") has conducted an investigation concerning certain provisions in the NARPM® Code of Ethics and Standards of Professionalism ("Code of Ethics"). The provisions of the Code of Ethics that were addressed by the FTC are those that stated: "NARPM® Professional Members shall refrain from criticizing other property managers or their business practices" and "The Property Manager shall not knowingly solicit competitor's clients." The FTC has alleged that these provisions in the Code of Ethics restrict members of NARPM® from competing for clients, thereby depriving clients of the benefits of competition among property managers, in violation of the Federal Trade Commission Act. Without admitting a violation of the law, NARPM® has agreed to the entry of a Consent Agreement and a Decision and Order by the FTC in this matter (the "Order"). The Order requires NARPM® to amend the Code of Ethics by deleting these two provisions; please note that such restrictions on solicitation or advertising by NARPM® members no longer apply.

Article 10: TRUTH IN ADVERTISING

The Property Manager shall ensure that all advertising is clear and forthright and includes only accurate and truthful statements about the property or services advertised to the Property Manager's reasonable knowledge.

STANDARDS OF PROFESSIONALISM

10-1 Regardless of the type of media used, advertising content shall be truthful and honest at all times to the best of the Property Manager's reasonable knowledge.

10-2 No property shall be offered as "For Rent" without the actual permission of the Client. If an unlisted property is offered, permission must be obtained from the owner.

10-3 Disclosure must be made to all parties by the Property Manager if information gathered through electronic advertising media may be sold to an outside party and the Property Manager has actual knowledge of the arrangement.

10-4 All marketing materials, whether printed or electronic, shall comply with applicable laws and licensing requirements.

Article 11: RESPONSIBILITY TO NARPM® AND THE PROFESSION

The Property Manager shall comply with all policies of NARPM® and all relevant laws and rules of the jurisdiction in which the Property Manager works, and shall strive to stay informed about relevant matters affecting the property management field.

STANDARDS OF PROFESSIONALISM

11-1 The Property Manager shall strive to be informed about relevant matters affecting the property management field on a local, state, and national level.

11-2 The Property Manager shall maintain the Property Manager's real estate license as required by the jurisdiction in which the Property Manager works.

11-4 The Property Manager shall abide by NARPM®'s bylaws and any other policies and procedures of NARPM®, and shall seek to avoid doing harm to the organization.

11-5 The Property Manager shall ensure that all electronic communication and marketing the Property Manager prepares is professional with respect given to the recipients.

11-6 The Property Manager shall act with integrity, good faith, and professionalism in connection with all NARPM® and NARPM® Chapter activities.

Article 12: COMPLIANCE AND ENFORCEMENT

The Property Manager shall comply with this Code and shall participate in and/or cooperate with any investigation and/or hearing conducted by NARPM® pursuant to this Code and NARPM®'s Policies and Procedures Operating Manual concerning Professional Standards.

STANDARDS OF PROFESSIONALISM

12-1 The Property Manager shall review and shall take all necessary action to understand and to comply with this Code.

12-2 The Property Manager shall not interfere with any NARPM® action to investigate a violation of or to enforce this Code.

12-3 The Property Manager shall promptly supply any information requested by NARPM® during any investigation or enforcement action pursuant to this Code.

12-4 The Property Manager must take and pass an ethics course, which shall include discussion of this Code, every four years as a condition of continued professional membership.

