



## **Can a broker list a home that is three hours away from where they live?**

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**QUESTION:** I am the BIC of my firm, and one of my brokers has some friends who want our firm to list and sell their beach house. The beach house is located about three hours away, and while this broker occasionally visits to the beach, they have never conducted a transaction there. The broker really wants to represent the sellers, but I am not sure we should. Can we list property that is so far away from where we ordinarily conduct business?

**ANSWER:** Yes, so long as you comply with the License Law and the Code of Ethics.

Among other duties, a broker must disclose all material facts in a transaction. The term “material fact” includes facts about the property itself, however, it also includes items of common knowledge in the community where the property is located. The Commission considers “common knowledge” in this context to be any knowledge that is widely or commonly known by nearly everyone in the community, for example, a significant DOT project or a city’s plan to annex land. You can read more on common knowledge and the Commission’s position [here](#).

Article 11 of the Code imposes a similar expectation on REALTORS® and states that the “services which REALTORS® provide to their clients and customers shall conform to the standards of practice and competence which are reasonably expected in the specific real estate disciplines in which they engage[.]” Standard of Practice 11-4 elaborates further stating that the “competency required by Article 11 relates to services contracted for between REALTORS® and their clients or customers; the duties expressly imposed by the Code of Ethics; and the duties imposed by law or regulation.”

The License Law and the Code do not make an exception to these requirements just because the property listed is far away. Your broker must, among other duties, be fully capable of disclosing all material facts and be ready to demonstrate a level of competency which is reasonably expected of a broker practicing near the property’s location. These are high bars that will require your broker to spend a significant amount of time at the property itself in addition to researching local issues.

If you are not certain your broker can meet these burdens, then you might consider making a referral or associating with a local firm to co-list the property. If you are certain, and you feel competent to oversee this transaction as the BIC, then it is permissible to list the beach house, even though it is three hours away from you.

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