AI and the REALTOR Code of Ethics

11 RISKS EVERY REALTOR SHOULD KNOW
AI can assist with the work. It cannot assume your ethical responsibility.

Artificial Intelligence can increase speed and productivity, but it can also multiply a mistake, misrepresentation, or ethical lapse. The REALTOR remains responsible for how AI is used and for the resulting conduct.

1. AI HALLUCINATIONS

CODE: Articles 1, 2 & 12
RISK: AI can confidently generate facts that are inaccurate or completely fabricated.
EXAMPLE: AI writes that a property has a new roof, certain school assignment, or 2,800 square feet without a reliable source.
SAFEGUARD: Verify material facts before publishing or communicating them.

2. THE FAKE "TRUE PICTURE"

CODE: Articles 2 & 12; SOP 12-10
RISK: AI can alter property photographs or videos so realistically that consumers cannot distinguish enhancement from reality.
EXAMPLE: AI removes power lines, improves a view, changes flooring, repairs damage, or adds landscaping that does not exist.
SAFEGUARD: Never allow AI to create a materially misleading impression. Disclose material alterations.

3. ALGORITHMIC DISCRIMINATION

CODE: Article 10
RISK: AI advertising, prospecting, recommendation, or screening systems may produce discriminatory results—even without discriminatory intent.
EXAMPLE: An algorithm excludes certain consumers from property advertising or recommends neighborhoods differently based on protected characteristics.
SAFEGUARD: Do not do through an algorithm what you could not ethically do yourself.

4. CONFIDENTIAL INFORMATION

CODE: Article 1; SOP 1-9
RISK: Information entered into an AI platform may be stored, processed, disclosed, or used beyond the REALTOR's intended purpose.
EXAMPLE: A REALTOR uploads confidential client motivations, financial circumstances, negotiation strategy, or terms of an offer into a public AI tool.
SAFEGUARD: Treat information entered into AI as information shared with a third party. Protect client confidentiality.

5. AI-GENERATED CONTRACT LANGUAGE

CODE: Articles 9, 11 & 13
RISK: AI can produce convincing contract language that is incorrect, inappropriate, or beyond the REALTOR's expertise.
EXAMPLE: A REALTOR asks AI to draft a legal clause addressing an inspection dispute and inserts it into a contract without appropriate review.
SAFEGUARD: AI does not expand your license, competence, or authority to practice law.

6. AUTOMATED SOLICITATION

CODE: Article 16; SOPs 16-9 & 16-13
RISK: AI prospecting systems can contact hundreds or thousands of consumers—including consumers already exclusively represented.
EXAMPLE: An AI lead-nurturing system automatically solicits a buyer who is subject to an exclusive buyer representation agreement.
SAFEGUARD: Automation does not excuse conduct that would violate Article 16 if you did it personally.

7. FAKE REVIEWS & TESTIMONIALS

CODE: Article 12
RISK: Generative AI makes it extraordinarily easy to manufacture convincing reviews, testimonials, endorsements, and consumer stories.
EXAMPLE: AI creates a testimonial attributed to a fictional past client and it is published as genuine.
SAFEGUARD: Never use fictional social proof in a way that creates a false impression.

8. AI ATTACKS ON COMPETITORS

CODE: Article 15; SOPs 15-2 & 15-3
RISK: AI can generate or repeat false information about another real estate professional.
EXAMPLE: AI summarizes online information and incorrectly states that another REALTOR was disciplined, sued, or engaged in improper conduct.
SAFEGUARD: Verify before you publish, repeat, repost, or distribute claims about another professional.

9. THE AI "EXPERT"

CODE: Articles 2, 11 & 13
RISK: AI can provide authoritative-sounding opinions on matters outside a REALTOR's professional competence.
EXAMPLE: AI diagnoses structural damage, interprets environmental hazards, provides tax advice, or gives a legal interpretation—and the REALTOR passes it along as reliable advice.
SAFEGUARD: AI does not turn a REALTOR into an attorney, engineer, inspector, accountant, appraiser, or other specialist.

10. AI IMPERSONATION

CODE: Articles 1 & 12
RISK: Consumers may believe they are communicating personally with a REALTOR when they are actually interacting with an autonomous AI system.
EXAMPLE: An AI assistant conducts substantive conversations with prospects while intentionally presenting itself as the REALTOR.
SAFEGUARD: Do not use AI in a way that materially misleads consumers about who—or what—they are communicating with.

11. AI WEBSITE CLONING & TRAFFIC DIVERSION

CODE: Article 12; SOP 12-10
RISK: AI website-building tools can imitate a competitor's site configuration, content, or metadata in ways that mislead consumers or divert online traffic.
EXAMPLE: AI clones elements of another REALTOR's website and creates deceptive metadata or search-engine signals designed to redirect consumers to a different agent's website.
SAFEGUARD: Review AI-created websites, metadata, redirects, and SEO settings. Never manipulate online content or search results deceptively.

Things to Remember:
The ethical issue is rarely that AI was used. The ethical issue is what the REALTOR did with it.

Is it accurate?
Is it truthful?
Is it within the REALTOR's competence?
Does it protect the client's interests and confidential information?

AI can perform the task. The REALTOR retains the responsibility.