

# LOUISIANA REAL ESTATE COMMISSION

## Advertising Guidelines Checklist

**Purpose:** The purpose of this checklist is to prohibit false or misleading advertising that would lead the public to believe that a team or salesperson is the responsible broker.

**Broker Responsibility:** Brokers must use all reasonable means to make sure that the licensees they sponsor comply with the provisions of the Louisiana Real Estate License Law and Commission Rules and Regulations. Brokers must therefore ensure that their own advertising, and any advertising done on their behalf by their sponsored licensees, is consistent with the Louisiana Real Estate Commission (“LREC”) Rules and Regulations.

### Overview

The term “advertisement,” as used in this checklist, shall mean any oral, written or print and media advertisement, including newspaper and magazine advertisements; correspondence; mailings; brochures; business cards; for sale or for lease signs; sign riders; promotional items; newsletters; telephone directory listings; automobile signage; as well as internet, radio and television advertisement.

**In accordance with Chapter 25. 2501(B), all advertisements shall be submitted to a sponsoring broker or qualifying broker for review and approval before being placed.** The checklist provided below will assist in ensuring your advertising practices and all advertisements are in compliance with the rules and recommendations of the LREC.

### A. Advertisement Disclosures and Representations:

1) Is the Advertisement supervised and approved by the sponsoring broker or qualifying broker? Yes \_\_\_\_ No \_\_\_\_

*Note: In accordance with Chapter 25. 2501(B).*

2) Does the advertisement include the name and telephone number of the qualifying or sponsoring broker? Yes \_\_\_\_ No \_\_\_\_

*Note: In accordance with Chapter 25. 2501(F).*

### Examples:



*Advertisement is in compliance because it includes broker name and telephone number.*



*This advertisement is not in compliance with the LREC rules because the broker name and phone number are not included.*

3) Is the name and telephone number of the qualifying or sponsoring broker conspicuous, Yes \_\_\_\_ No \_\_\_\_ discernible and easily identifiable by the public?

*Note: In accordance with Chapter 25. 2501 (F) There is no definitive guideline about what is “conspicuous, discernible and easily identifiable” and what is not. However, the general rule is that the smaller the sponsoring or qualifying broker’s name and company in comparison with the name and company of the licensee, the more likely the LREC will conclude that the sponsoring or qualifying broker’s name and telephone number is not “conspicuous, discernible and easily identifiable” and that the advertisement is misleading.*

**Examples:**



*Advertisement is in compliance because it is clear to the general public who the broker is.*



*This advertisement is not in compliance because the broker name and phone number are not conspicuous, discernible, and easily identifiable.*



*Advertisement is in compliance because it is clear to the general public who the broker is.*



*This advertisement is not in compliance because the broker name and phone number are “ghosted” due to poor color contrast, making them too difficult to read.*

4) Is the name of the broker, individual or entity, included in the advertisement identical to how it is registered with the LREC? Yes \_\_\_\_ No \_\_\_\_

*Note: In accordance with Chapter 25. 2501 (D)*

**Example:**



*Advertisement is in compliance because the agent's name appears as registered with the LREC.*



*This advertisement is not in compliance because the agent used a nickname not registered with the LREC.*

**B. Owner Authorization to Advertise Property.**

1) Have written authorizations been obtained for all owners of the property being advertised for sale or for lease? Yes \_\_\_\_ No \_\_\_\_

*Note: In accordance with Chapter 25. 2503 (A)*

2) Is the property being advertised undivided property owned by two or more co-owners? Yes \_\_\_\_ No \_\_\_\_  
If yes, does the advertisement clearly state that the property is undivided property? Yes \_\_\_\_ No \_\_\_\_

*Note: In accordance with Chapter 25. 2503 (B)*

3) Is the advertisement for an option on real estate? Yes \_\_\_\_ No \_\_\_\_  
If yes, does the advertisement clearly state that the Advertisement is for an option and not for the sale of the property itself? Yes \_\_\_\_ No \_\_\_\_

*Note: In accordance with Chapter 25. 2501*

**C. Agent Owner-Licensed Agent.**

- 1) Is the advertisement for the sale or lease of property being made by a licensee who owns any interest in the property being sold or rented? Yes  No   
If yes, does the Advertisement include a disclosure that the owner of the property has a real estate license? Yes  No

*Note: In accordance with Chapter 25. 2511 (A)*

**Example:**



*Advertisement is in compliance because it represents the agent as the owner of the property.*



*Advertisement is not in compliance because it does not represent the agent as the owner of the property.*

- 2) Is the advertisement or offer to purchase or rent property for a licensee's full or partial interest in the property being purchased or rented? Yes  No   
If yes, does the Advertisement state that the owner is a licensed real estate agent? Yes  No

*Note: In accordance with Chapter 25. 2511 (B).*

**Example:**



*Advertisement is in compliance because it represents the agent as the purchaser of the property.*



*Advertisement is not in compliance because it does not represent the agent as the purchaser of the property.*

*Note: If the property being sold or purchased by a licensee is listed with a licensed Louisiana broker does not have to include "Owner/Licensed Agent."*

## D. Accuracy

1) Does the advertisement properly represent the property being listed? Yes \_\_\_\_ No \_\_\_\_

*Note: In accordance with Chapter 25. 2505 (A)*

2) Is the advertisement misleading or inaccurate or does the advertisement misrepresent any property, terms, values, policies, or services of the business conducted reviewed for accuracy? Yes \_\_\_\_ No \_\_\_\_

*Note: In accordance with Chapter 25. 2505 (A)*

3) Does the Advertisement include any name or trade name of any organization or association of which the licensee advertising the property is not a member? Yes \_\_\_\_ No \_\_\_\_

*Note: In accordance with Chapter 25. 2505 (A) and Chapter 19. 1909 (B1)*

## E. Residential Property

1) Does the Advertisement indicate the month and year the Advertisement is printed, published or distributed, or is it contained in a publication with such information printed on it? Yes \_\_\_\_ No \_\_\_\_

*Note: In accordance with Chapter 25. 2507 (A). Brochures, flyers, pamphlets, etc. must all include the month and year that they were printed.*

## F. Franchise Organizations

1) Does the Advertisement clearly state that the brokerage firm is independently owned and operated? Yes \_\_\_\_ No \_\_\_\_

*Note In accordance with Chapter 25. 2509 (A)*

### Example:

The advertisement is a rectangular box with a red top section and a white bottom section. The red section contains the text: 'FRANCHISE REALTY SERVICES' in white, 'BATON ROUGE' in white, and '(225) 123-4567' in white. To the right of this text is 'FOR SALE' in white. Below the red section, the name 'JANE JONES' is written in red, followed by the phone number '(225) 987-6543' in red. At the bottom, the phrase 'Independently Owned and Operated' is written in red.

*Advertisement is in compliance because the franchise office is listed as independently owned and operated.*

The advertisement is a rectangular box with a red top section and a white bottom section. The red section contains the text: 'FRANCHISE REALTY SERVICES' in white, and '(225) 123-4567' in white. To the right of this text is 'FOR SALE' in white. Below the red section, the name 'JANE JONES' is written in red, followed by the phone number '(225) 987-6543' in red. The phrase 'Independently Owned and Operated' is missing from the bottom section.

*Advertisement is not in compliance because the franchise office is not listed as independently owned and operated.*

## G. Internet Advertising

1) Does each page of a website of the advertisement that is posted by a broker (as well as on the first or last page of all commercial emails, bulletin board posts, social media posts (Facebook, Craigslist) etc.), contain the following:

- the broker's name or trade name as registered with the commission Yes \_\_\_ No \_\_\_
- the city and state of the broker's main office or branch office. Yes \_\_\_ No \_\_\_
- the regulatory jurisdiction(s) in which the broker holds a real estate brokerage license. Yes \_\_\_ No \_\_\_

*Note: In accordance with Chapter 25. 2515*

2) Does each page of a website of the Advertisement that is posted by an associate broker or salesperson (as well as on the first or last page of all commercial emails, bulletin board posts, social media posts (Facebook, Craigslist) etc.), contain the following:

- the associate broker or salesperson's name Yes \_\_\_ No \_\_\_
- the broker or trade name listed on the license of that associate broker or salesperson Yes \_\_\_ No \_\_\_
- the city and state of the broker's main office or branch office. Yes \_\_\_ No \_\_\_
- the regulatory jurisdiction(s) in which the broker holds a real estate brokerage license. Yes \_\_\_ No \_\_\_

*Note: In accordance with Chapter 25. 2515*

## H. Group or Team Advertising

1) Does the advertisement contain the sponsoring broker's full name or trade name and telephone number? Yes \_\_\_ No \_\_\_

*Note: In accordance with Chapter 19. 1909 and Chapter 25. 2501*

### Example:



*Advertisement is in compliance because it is clear to the general public who the broker is.*



*This advertisement is not in compliance because the broker name and phone number are not included.*

2) Does the advertisement use only team names approved by the sponsoring broker? Yes \_\_\_ No \_\_\_

*Note: In accordance with Chapter 19. 1909 (A)*

3) Does the advertisement only represent members who are licensed?

Yes \_\_\_\_ No \_\_\_\_

*Note: In accordance with Chapter 19. 1909 (C)*

### **I. Promotions and Incentives**

1) Does the Advertisement offer any rebates to clients?

Yes \_\_\_\_ No \_\_\_\_

*Note: In accordance with LSA-R.S. 37:1446*

### **Inaccurate or Misleading Advertising:**

**According to state law R.S. 37:1455 (A35), advertisements cannot be misleading or inaccurate.**

***Disclaimer:*** These guidelines establish a framework for assisting licensees in determining the appropriate methods for advertising. These guidelines provide guidance on acceptable practices for advertising in the real estate industry that are in conformity with the law and rules and regulations. These guidelines do not cover every advertising scenario and do not replace the responsibility of the licensee to be familiar with current LREC laws and rules.