

FTC Compliance Checklist for Housing Providers

In partnership with: HUDSON

Objective:

To ensure that all marketing practices involving consumer reviews and testimonials comply with the Federal Trade Commission (FTC) Marketing Reviews and Endorsements rule under <u>16 CFR</u> Part 465.

1. R	eview Management
	□ Collect Authentic Reviews: Ensure reviews describing the reviewer's experience living at a property are from actual residents who have lived there.
	☐ Prohibit Fake Reviews: Communicate that no fake reviews are to be created, purchased, or solicited by employees or third-party vendors.
	■ Monitor Review Sources: Regularly verify the authenticity of reviews and testimonials to ensure they are from genuine sources.
2. Tı	ransparency and Disclosures
	□ Disclose Insider Reviews: Ensure that any reviews or testimonials authored by employees, management, or their relatives include a clear disclosure of the relationship.
	☐ Third-Party Endorsements: Confirm that all third-party endorsements (e.g., from influencers) disclose any material connections, such as compensation or incentives.
	☐ Incentives: Communicate that residents who receive an incentive to write a review, such as a raffle selection or rewards points, should disclose on the review that they received an incentive. Make clear that it is prohibited for any consideration or benefit to be made to a reviewer in expectation of the reviewer expressing a particular view or sentiment.
	☐ Educate Staff on Disclosures: Provide training to staff on the importance of proper disclosure practices for all reviews and endorsements, such as resident reviews resulting from company events, reward programs, raffles, and campaigns.
3. R	eview Display and Manipulation
	☐ Fair Display of Reviews: Make sure that both positive and negative reviews are displayed fairly without suppression or selective filtering.
	☐ Avoid Review Hijacking: Ensure that reviews are not repurposed from one property or service to another unrelated one.
	□ Prohibit Suppression: Confirm that no legal or physical threats are being used to remove or alter negative reviews, and that any reputation management activities do not suppress legitimate reviews.



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4. Social Media Influence

	□ Avoid Fake Social Media Indicators: Ensure that no fake followers, likes, or shares are purchased or used to artificially boost the company's online presence.
	☐ Monitor Social Media Practices: Regularly audit social media activities about company properties by all posters and commenters to ensure compliance with the FTC rule.
5. Tra	ining and Communication
	☐ Employee Training: Provide routine training sessions for employees on FTC guidelines and company policy regarding consumer reviews, testimonials, and social media practices.
	□ Update Marketing Policies: Ensure that internal marketing policies are up-to-date and align with FTC regulations.
	□ Vendor Compliance: Verify that all third-party vendors involved in managing reviews or social media are aware of and comply with FTC rules.
6. Monitoring and Enforcement	
	□ Conduct Regular Audits: Schedule regular audits of review and testimonial practices by residents, employees, and third-party agencies to ensure ongoing compliance.
	□ Enforce Policy Compliance: Flag non-compliance with the FTC rule, including potential disciplinary actions, such as employee re-training and vendor termination.
	□ Document Compliance Efforts: Maintain records of all compliance activities, including audits, training sessions, and any corrective actions taken.

Legal Disclaimer

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The authors of this document are Jay Harris and Mark Metrey of Hudson Cook LLP.