

Multiple Offers: What you need to know

We have received questions from our Members as to how to deal with Multiple Offer situations in our active market.

Fairness to all parties while ensuring you fulfill your fiduciary duties to your clients will protect the professional integrity of the Real Estate Industry. It is important to always discuss the marketplace with your client, the potential for more than one offer and the pros and cons of disclosure which will enable your clients to make an informed decision.

Tools and Resources available to you include:

- ✓ RAE's Rules and Regulations
- ✓ The REALTOR® Code
- ✓ Your Brokerage Policies

RAE's Harmonized Practice Rules and the REALTOR® Code are there to help Members when working with Sellers and Buyers in these situations.

[RAE's Harmonized Rules & Regulations: Multiple Offers](#)

11.03 Notification of Multiple Offers

Except when otherwise instructed in writing by the Seller, the Seller's Representative must notify all Buyers' Representatives if there are multiple offers.

11.04 Presentation of Multiple Offers that Include Offer(s) by Seller's Representative

In instances where the Seller's Representative receives multiple offers that include an offer or offers written by the Seller's Representative, the following apply unless otherwise instructed by the Seller:

- a. All offers shall be presented by another Seller's Brokerage Representative delegated by the Brokerage; and
- b. The Seller's Representative must direct all offers to purchase to be submitted to the delegated representative.

11.05 Multiple Offer Communication Requirements

Where two or more written offers to purchase are received by the Seller's Representative, the Seller's Representative shall, prior to presentation to the Seller, undertake the following unless otherwise instructed in writing by the Seller:

- a. Inform all competing Brokerages of the existence of all written offers and/or counteroffers as soon as the Seller's Representative becomes aware of any other written offers;
- b. Provide the names of the competing Buyer's Representatives and their Brokerages to all competing Buyer's Representatives upon request.
- c. Inform all competing Brokerages as soon as the Seller's Representative becomes aware of any competing offers that been withdrawn while negotiations are still ongoing with other Buyers.

REALTOR® Code

RAE's rules work in conjunction with existing legislation including the following articles from the REALTOR® Code:

Article 3 Interpretation 3.5

In a competing offer situation, a listing REALTOR® acting as a dual agent shall not use the information contained in another offer to put either client at a competitive advantage.

Article 3 Interpretation 3.8

An individual REALTOR® representing more than one Buyer on the same property shall disclose this fact to each Buyer and shall not use the information contained in another offer to put either client at a competitive advantage.

Remember to keep the lines of communication open before and after presentation. Members need to know when they are in a multiple offer situation, when presentation of offers will occur, and whether their offer has been successful.

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