



GUIDELINES ON HANDLING MULTIPLE OFFERS

When multiple offers are received, a listing agent's obligations are as follows:

- √ Unless **specifically instructed by the seller** to not present more than one offer at a time, the listing agent has a duty to submit all offers to the owner **as quickly as possible upon receipt.**
- √ **It is inappropriate** to withhold information from an owner about new offers while the owner is considering a prior offer.
- √ A cooperating agent (whether the cooperating agent is a sub-agent or a buyer's agent) **has the right to be present with the listing agent when an offer is presented to an owner.** The right is guaranteed by the Rules of the MLS and may **only be avoided by specific written instructions given by the owner to the contrary.**
- √ When multiple offers exist, the listing agent must present all offers immediately. Presenting one offer or the "best" offer is improper. Both the REALTOR® Code of Ethics and New York law require that all offers be presented and brokers who indicate that they are "holding a back-up offer" are creating a fiction that is both illegal and unethical.
- √ It is permissible and appropriate for a REALTOR® to communicate to the owner about which offer is best in the broker's professional opinion. Price is often the major factor, but not the only one. Mortgage contingencies, waivers of inspection clauses and similar issues must be evaluated.
- √ Brokers who refuse to communicate the terms of other offers received often do so under the mistaken belief that such communications are impermissible. In fact, there is no legal prohibition against communicating the exact nature of one offer to another potential buyer. It is discouraged because of the potential for bidding wars and hostile feelings. Nevertheless, bidding wars are occurring on a daily basis and therefore, information about other offers can be disclosed as long as **the consent of the owner is obtained.**
- √ Listing agents may not favor in-house transactions over offers made through cooperating brokers. Listing agents have **fiduciary duties to their cooperating brokers as well as to their clients.** **All offers must be considered objectively and promptly.**