

Maneuvering the Multiple Offer “Road Trip”

You would probably agree that a summer road trip can be fun, educational and rewarding but not necessarily relaxing. A successful jaunt requires some planning such as mapping out a route, planning where to stop, and formulating an itinerary for when you arrive at the ultimate destination. Work with me here, “how to” articles can be a little dry. Let’s use our imagination a bit shall we. Let’s look at the multiple offer situation as a “road trip” trek. So as listing agent you received several offers simultaneously or you have received an offer or offers while your customer, the Seller, is contemplating a presented offer. Conversely, your customer, the Buyer, wishes to make an offer knowing there are other pending offers which have or will be presented to the Seller for consideration. Having this much activity and these many issues offers to maneuver around is great but must be handled in a professional manner to avoid claims of ethical violations and other possible missteps in the process. In this article we will explore suggestions for communications, ethical considerations and a process for evaluating offers which may provide you with a prudent “road map” for the multiple offer journey “road trip.”

Before embarking on any journey, it is imperative to be prepared for maintaining proper communications with your fellow travelers. As a real estate professional, you are the quintessential communicator. You know how to read a room, put customers at ease and keep a transaction on track with tact and diplomacy. Don’t underestimate this skill for its usefulness in the multiple offer situation. Keeping your customer informed and up to date and relaying accurate and timely information to your agent counterparts is crucial to keeping things together.

Treat other travelers and those on the “road” with fairness and honesty. Growing up and learning how to drive in the Boston area I have to confess on occasion I may have been discourteous to other drivers. Shocking right? Don’t be that person. Treat the other agents in a multiple offer situation with the utmost fairness and honesty. Frankly, in my humble opinion courtesy goes a long way as well (I apologize to profusely to those to whom I may not have been so courtesy in my travels.). Be sure to try to give each offering agent and their customer equal opportunity in the process of analyzing offers.

Just as you must obey the rules of the road on a vehicular expedition “road trip,” so too must you obey the rules within which you have to deal with multiple offers. You must check the listing agreement to ascertain if the Seller has provided you with permission to communicate the existence of other offers. If such permission has not been granted you should seek it from the Seller. If Seller does not consent to your communicating that other offers exist you must not do so. The seller is “the driver” of the vehicle and is in charge. Who is going in the driver’s seat? It is the customer (the seller if you are on the listing side and buyer if you are on the buyer side) who is driving. You certainly can provide your input and discuss options with your customer but the ultimate decision is for the Seller to accept an offer and a Buyer to submit an offer of their choosing. Finally, you must timely present offers and counter offers objectively and as quickly as possible.

Just like a “road trips” planned pitstops make for create an organized journey, setting a time to present and review all offers to your Seller or to present offers on behalf of a Buyer makes the process orderly and manageable. It also allows for and creates an atmosphere for a fair and neutral comparison of the offers received. Coming up with an orderly plan with your seller to orderly compare and contrast the offers in terms of price, deposits, cash versus financing, closing date, and other additional terms and considerations important to your Seller will help your customer to thoroughly evaluate all offers.

This article was meant to provide some reasonable suggestions for your “road trip” on how to approach and work through a multiple offer situation. It is imperative that you talk with your managing broker to understand your company’s best practices and protocols for handling the multiple offer situation and work collaboratively within your team to serve the best interests of your customers at all times. But remember, planning a process creates success for everyone involved. Enjoy the trip!