Standard Procedure

Standard Operating Procedure: Managing a Listing in a Seller’s Market

Purpose:

To outline the process for listing, preparing, and negotiating offers in a strong seller’s market, where multiple offers and high competition are expected. This ensures a transparent, strategic, and compliant process that delivers maximum value for the seller.

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1. Understand Market Conditions

In a seller’s market, inventory is low and buyer demand is high. This creates urgency and often results in multiple offers. Be prepared to explain to your clients how market dynamics — including interest rates, immigration, limited new construction, and investor activity — contribute to rising values and competitive conditions.

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2. Define and Communicate Market Value

Educate your clients on true market value — not just based on comparable sales, but also on current demand. Use the definition of market value from the International Valuation Standards: the price a willing buyer and seller agree to under no pressure, after proper exposure to the market.

Remind your clients that fair pricing, even slightly under market, can generate greater competition and a higher final sale price.

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3. Prepare the Listing Strategically

• Consider listing the property exclusively while preparing, to avoid losing it during prep.

• Set up staging, cleaning, and photography early.

• Do not overprice the property — it reduces traffic and buyer confidence.

• Prepare a marketing plan that includes online ads, video tours, and social media exposure.

• Ensure the home is widely available for showings, ideally allowing 30-minute appointments with minimal disruption.

• Pre-arrange to “hold off” offers for 5–7 days to build momentum.

• Communicate clearly and frequently with showing agents.

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4. Managing Offer Instructions & Strategy

When holding offers:

• Do not include language in MLS about “pre-emptive offers” unless directed to do so. Leave flexibility for the seller while keeping buyer agents from gaming the system.

• Use clear offer instructions in BrokerBay, including registration deadlines, offer format, and disclosure policies.

• Reinforce to agents that the seller expects their **best** offer on offer night, and that improvement opportunities may not be given.

• Make it clear that verbal conversations and texts are not binding — all negotiations must be in writing.

5. Handling Bully (Pre-emptive) Offers

A bully offer is one submitted before the scheduled offer date in an attempt to force early review.

*If you intend to accept a bully/pre-emptive offer:

• You **must** notify all agents who have shown or booked the property. BrokerBay can automate this, but phone calls are still recommended.

• You **must** update the MLS with the new offer date.

• Failing to notify all interested parties may result in regulatory penalties (RECO requirement).

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6. Offer Presentation Day

Before Offers Are Received:

• Ensure all agents know the registration process and cutoff time.

• Maintain consistent communication about number of offers and presentation timing.

• Confirm how offers will be presented (in person or via email).

When Offers Are Received:

• Review each offer in the order it was received.

• Record the agent name, brokerage, price, deposit, conditions, and closing date for each.

• Evaluate more than just price — consider conditions, deposit strength, closing flexibility, and overall presentation.

• Ensure your seller understands each offer clearly and is in control of the decision.

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7. Finalizing the Offer & Communicating with Agents

Once a winning offer is selected:

• Notify all participating agents promptly and thank them for their efforts.

• Maintain professionalism and transparency to foster goodwill and future collaboration.

• Ensure all paperwork is completed and any disclosures (such as commission reductions or dual agency) are properly documented.

Listing For Multiple Offers Training Video

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