

# 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.

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## 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.
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# **Listing For Multiple Offers Training Video**

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Revision #2

Created 14 April 2025 13:22:28 by Eryn Richardson

Updated 14 April 2025 13:34:31 by Eryn Richardson