

TO DIVULGE OR NOT DIVULGE-----THAT IS THE QUESTION

Here is your Ethics question of the day. Please circle the proper answer.

In one day you receive offers on your listing from two different buyers each working with a different broker. You should:

- A. Tell both brokers they are competing.
- B. Tell both brokers the offering price of the other offer.
- C. Don't disclose to any broker the existence of the other offer.
- D. Do whatever your seller tells you to do.

Which answer did you choose? The correct answer is D.

Standard of Practice 1-15 states: "REALTORS in response to inquiries from buyers or cooperating brokers shall, with the sellers' approval, divulge the existence of offers on the property". Notice the words "with the approval of the seller" Therefore it is our obligation to ask the seller how the seller wants us to handle multiple offers. The seller may want you to tell competing brokers of the existence of other offers. The seller may feel this will result in higher offers. Or the seller may say "No don't tell. We put in an offer on a house three years ago .The next day the listing broker told us there was another offer on the property. We withdrew our offer. I think potential buyers of our house would withdraw their offer, just as we did, if they knew they were competing. Don't disclose."

Isn't this a decision the PRINCIPAL, not the agent should make. The listing broker can certainly share with the seller the brokers' thoughts on what to do. However it is the seller's ultimate decision.

If you have any ethical questions you can contact Steve at stazels@msn.com

