

Case #5:

On Thursday, REALTOR® Micheal is listing a beautifully maintained single-family home in a popular section of town at an attractive price. He knows that there will be multiple offers as soon as it comes on the market. Anticipating this, he has entered the following notation in the MLS listing:

"All contract offers submitted to listing agent by 9:00 pm Sunday to be reviewed by the seller on Monday."

By Sunday evening, there are eight offers on the table. Following REALTOR® Michael's advice, the sellers reject three of the offers where the buyers do not appear to be well qualified. Of the remaining five, the first one to be submitted offers full price with no contingencies; three offer full price with minor contingencies, and one has offered \$10,000 above asking price, but the offer is contingent on the buyers' selling their current home. The sellers decided to reject this one. Michael now plans to contact the agents on the first four contracts to see if they want to up the ante to match the highest offer made.

- 1. Withholding all offers of purchase until a designated time is a violation of:**
 - a. the NAR Code of Ethics
 - b. state license law
 - c. common business practice in the area
 - d. none of these
- 2. What Articles of the Code could REALTOR® Michael be in possible violation of?**
 - a. Article 1
 - b. Article 16
 - c. Article 3
 - d. Both a and c
- 3. A seller would be obligated to accept:**
 - a. full price offer with contingencies
 - b. a full price offer without contingencies
 - c. no offer that is not satisfactory to the seller
 - d. any offer that includes the asking price as listed in the MLS

Case Study #5 ANSWERS:

1. D. none of these. Establishing a set time for presentation of all contracts is fine as long as it is the expressed wish of the seller.
2. D. Both A and C
3. C. no offer that is not satisfactory to the seller. No seller is obligated to accept any contract.

