

Important change to preemptive (“bully”) offer process

To help clarify the steps you must take if your Sellers change their minds about “no offers until”, the Board of Directors approved several changes to Section 2 of the MLS® Rules and Regulations.

The chart below shows the original wording of Section 2, Subsection 2.15 of the MLS® Rules and Regulations in the left column, and the new wording in the right.

Note the changes to the first parts (2.15 and 2.15 (a)) have been amended by the **addition** of the words in **bold**, and section 2.15 (b), shown in all **bold** text,

has been **re-worded** from the original to provide more clarity.

The complete rewriting of Section 2.15 (b) is based on the *Registrar’s Bulletin* from February 21, 2017, titled *Written direction for multiple offers*. The Bulletin provided an excellent overview of how to convey offers to your clients in a preemptive offer situation and stressed the importance of using a fair and transparent process.

These changes are now in effect.

Previous Section 2 – 2.15	New Section 2 – 2.15
<p>2.15 If an MLS® Listing indicates that Offers are not to be presented for a period of time, the Listing Brokerage shall complete, as part of the Listing, the Seller’s written direction on the OREA form “Seller’s Direction re: Property/Offers and disclose all particulars of such direction in the “Remarks” field of the MLS® Listing. Should the Seller rescind a restriction pertaining to the presentation of Offers, the Listing Brokerage shall immediately, and with reasonable notice to all parties:</p>	<p>2.15 If an MLS® Listing indicates that Offers are not to be presented for a period of time, the Listing Brokerage shall complete, as part of the Listing, the Seller’s written direction on the OREA form “Seller’s Direction re: Property/Offers,” Form #244 and disclose all particulars of such direction in the “Remarks” field of the MLS® Listing. Should the Seller rescind a restriction pertaining to the presentation of Offers and/or, consider any pre-emptive offers, the Listing Brokerage shall immediately, and with reasonable notice to all parties complete both of the following:</p>
<p>(a) complete, as part of the MLS® Listing, the Seller’s written direction on the Association’s form entitled “Amendment to Listing Agreement” and make the necessary changes to the “Remarks” field for such MLS® Listing; and</p>	<p>(a) complete, as part of the MLS® Listing, the Seller’s written direction on the Association’s form entitled “Amendment to Listing Agreement” and make the necessary changes to the “Remarks” field for such MLS® Listing; AND</p>
<p>(b) if the Listing Brokerage is representing the Seller in the negotiation of Offers, notify by telephone, all Co-operating Brokerages, who requested and/or registered Offer presentations, that such restriction is removed and arrange for the presentation of all Offers to the Seller, without delay.</p>	<p>(b) Notify, in writing, anyone who has expressed an interest in the property of the change to the offer process. An expression of interest includes parties that have booked viewing appointments, have viewed the property, have informed the brokerage or the listing representative that they may be submitting an offer on the property, or have submitted an offer or an offer summary sheet on the property. In addition to traditional forms of written notice, text message and email are also acceptable.</p>

Useful links

- Read the *Registrar's Bulletin* (February 21, 2017) titled *Written direction for multiple offers* at <http://www.reco.on.ca/registrars-bulletin/written-directions-multiple-offers/>. Not only does it talk about how to deal with preemptive offers, but also discusses multiple offer situations generally.
- View a video tutorial for OREA's *Seller's Direction re: Property/Offers Form #244* at <https://player.vimeo.com/video/172948427>.

As always, if you have any questions, please contact our MLS[®] Department at 905.667.4650 or mls@rahb.ca. Our staff will be happy to assist you.