



Legal Information Lines: Frequently Asked Questions - Multiple Offers on Multiple Properties

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Q. In the current competitive market, my buyer is tired of getting beat out by other buyers. My buyer wants to put offers on three different properties simultaneously. Is this allowed?

A. This type of practice makes lawyers' heads explode and is strongly discouraged. Remember, underlying every contract is the duty of good faith and fair dealing. Good faith is defined in the Black's Law Dictionary as *honest in purpose, faithfulness to one's obligations and absence of fraud or to seek unconscionable advantage*. Unless the buyer's agent has knowledge that the buyer can enter into all three contracts, the offers do not have good faith!

Furthermore, practicing this way can negatively impact your real estate license because the statutes require *competence, honest dealings and compel the agent to turn over monies deposited right after acceptance*, specifically:

- NRS 645.252(2) requires the exercise of *reasonable skill and care* with respect to **all parties** to the real estate transaction.
- NRS 645.633(1) subsections: (h) Gross negligence or incompetence in performing any act..., and (i) Any other conduct which constitutes *deceitful, fraudulent or dishonest dealings*.
 - NAC 645.605(1). In determining a licensee's guilt under [NRS 645.633](#) the Commission considers whether the licensee has done their *utmost to protect the public against fraud, misrepresentation or unethical practices...*
- NAC 645.630 (1) requires the licensee to deliver to the seller *a complete offer*.
- NRS 645.630(1)(k) upon acceptance *failing to deposit any monies received* as earnest money before the end of the next banking day unless otherwise provided in the purchase agreement, and NAC 645.657, a licensee who receives a deposit from his/her client *must* pay over the deposit to the designated payee within 1 business day after receiving a fully executed contract.



- **Risk Reduction Tip!** This is really a good time to remember it's the buyer's agent's responsibility to ensure offers contain earnest money deposits (EMD)(if one is included) **and** that EMDs are transmitted to the seller's agent, which thereby transfers the responsibility to seller's agent to comply with NRS 645.630(1)(k).

If the buyer really wants to submit multiple offers on multiple properties, point them to hire their own legal counsel who can shoulder the legal liability that comes with the possibility of having to specifically perform on more than one contract. The Nevada State Bar offers a free lawyer referral service and information regarding that can be shared with your clients: [Lawyer Referral Service – State Bar of Nevada \(nvbar.org\)](http://nvbar.org)

Furthermore, on the selling side, check out the informational bulletin from the Real Estate Division which provides guidance on how to fairly handle multiple offers: [Microsoft Word - Bulletin001.doc \(nv.gov\)](http://nv.gov)

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