



How to get the seller to accept your 1st offer

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Negotiating a purchase agreement for a home is almost an art form, considering the emotional element of the situation. A person's home is very personal to them and you need to be respectful of that and proceed in a fashion that doesn't offend them if possible. This is where your real estate professional will be of great value to you; they're trained and experienced in knowing the right questions to ask and how, are able to read the situation and will make recommendations to you.

Much of getting the seller to accept your 1st offer is in putting yourselves in their shoes. If you were them, what would be the most important to you? Price, timing, what's included, etc...

To start; I strongly recommend you have a Pre-Approval letter from your lender. When I say a Pre-Approval letter, I mean one that's subject to appraisal and title work only! Many lenders will say you're pre-approved after your 1st visit and then add a laundry list of contingencies; which really isn't worth the paper it's written on.

Secondly, if you have a home to sell in order to buy, is it listed yet? If not do so! Not having it on the market already sends a big red flag to the seller about your true motivation. Additionally, know whether you can qualify for a "Bridge Loan" or not. This is the ability to buy the new home without having to sell your previous home 1st.

Do your best to work with what they're offering as items included or not included. It never ceases to amaze me how people negotiating over a home worth hundreds of thousands of dollars get hung up over a personal property item that's only worth a few hundred dollars. Keep your eye on the big picture, getting the house.

Don't "Low Ball" the seller, although it may be a buyer's market, the MLS average still shows that sellers are receiving 97% of list price this year, therefore you're only going to succeed at upsetting them and the rest of the negotiations will proceed more difficultly. I often recommend trying to find their "teeter totter point." This is the point at which it's not exactly what they wanted, but they'd hate to lose you over asking for a little more. Generally, this ends up being in the 3-5% off asking price.

Ask lots of questions prior to making an offer; this gives you valuable insight as to what their motivations are. Ask questions like: When would be a good closing date for the sellers? Are they moving across town or out of the area? How long have they lived here? Do they have an offer on a new home? Etc...

Armed with all of this, proceed with writing as clean and simple of an offer as possible. The less you give them to have to make decisions about, the easier it is to lead them to the desired result. Some times I'll even attempt to personalize it some, having the buyer tell the sellers how much they love the home and how much they'd like to raise their family there, etc... This approach plays to their feelings about the home and may help you, since they want it to go to someone who appreciates it as much as they did.



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