

5 WAYS TO WRITE A WINNING OFFER IN TODAY'S REAL ESTATE MARKET

Our nation is in the midst of a serious housing crunch. A lack of inventory, high prices, and climbing mortgage rates have left many would-be homebuyers feeling pinched.¹

But if you've been struggling to buy a home, we have some good news. While it's true that a high offer price gets attention, most sellers consider a variety of factors when evaluating an offer.

With that in mind, here are five tactics you can utilize to sweeten your proposal and outshine your competition. We can help you weigh the risks and benefits of each and craft a compelling offer designed to get you your dream home—without giving away the farm.



1. Demonstrate Solid Financing

Sellers favor offers with a high probability of closing. They particularly love all-cash offers because there's no chance that the financing will fall through. But if you can prove that your financing is solid, buying with a mortgage doesn't have to be a big disadvantage.

The most important step you can take is to get preapproved before you start looking for homes. A preapproval letter shows sellers that you are serious about buying and that you will be able to make good on your offer. We can refer you to a reputable lender who can help.



2. Put Down a Sizeable Deposit

Buyers can show sellers that they have “skin in the game” by putting down a large earnest money deposit. Earnest money is a deposit held in escrow by a title company or the seller’s broker or lawyer.² If the purchase goes through, it is applied to the down payment. However, if the sale falls through, the buyer may lose their deposit, so this strategy can be risky. We can help you determine an appropriate deposit to offer based on your circumstances.

3. Ask for Few (or No) Contingencies

Contingencies enable a buyer to cancel the purchase agreement if certain conditions are not met. Buyers in a competitive market often volunteer to waive certain

contingencies. However, it’s very important to recognize the risks of doing so. For example, a buyer who chooses to waive an inspection contingency may find out too late that the home requires extensive renovations. If you back out of a purchase without the protection of a contingency, you could lose your deposit.³ We can help you assess the risks and benefits involved.

4. Offer a Flexible Closing Date and/or Leaseback Option

Every seller is unique. Some want a quick closing, while others prefer a longer timeline so they can find their next home. And many sellers appreciate a short-term leaseback option, in which the sale is completed but the seller retains the right to rent the home for a specified period of time.⁴ We can reach out to the listing agent to find out the seller’s preferred terms and then collaborate with you on an offer that works for both parties.

5. Work With a Skilled Buyer’s Agent

In this ultra-competitive market, one of the greatest advantages you can give yourself is to work with a skilled real estate professional. We will help you submit an appealing offer without taking on too much risk. Once your offer is accepted, we’ll also handle any further negotiations and coordinate all the paperwork and other details involved in your home purchase. The best part is, you’ll have a knowledgeable, licensed advocate on your side who is watching out for your best interests every step of the way.

HELPING YOU GET TO THE RIGHT OFFER

In many cases, a competitive offer doesn’t need to be all-cash, contingency-free, or significantly above asking price. But if you’re buying a home in today’s market, it’s important to consider what you can do to sweeten the deal. And if you’re a seller, we can help you evaluate offers by taking all the relevant factors into account. Contact us today to schedule a free consultation.

Sources: 1. National Association of Realtors 2. Realtor.com 3. Home Buying Institute 4.Realtor.com

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