

## *Choosing the best offer for your home*

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Here's a plan for reviewing purchase offers so you don't let the best one slip through your fingers.

### ***1. Understand the process***

All offers are negotiable, as your agent will tell you. When you receive an offer, you can accept it, reject it, or respond by asking that terms be modified, which is called making a *counteroffer*.

### ***2. Decide what is most important***

Decide in advance what terms are most important to you. For instance, if price is most important, you may need to be flexible on your closing date. Or, if you want certainty that the transaction won't fall apart because the buyer can't get a mortgage, require a pre-qualified or cash buyer.

### ***3. Create an offer review process***

If you think your home will receive *multiple offers*, work with your agent to establish a time frame during which buyers must submit offers. That gives your agent time to market your home to as many potential buyers as possible, and you the time to review all the offers.

### ***4. Don't take offers personally***

Selling your home can be emotional. But it's simply a business transaction, and you should treat it that way. If your agent tells you a buyer complained that your kitchen is outdated, justifying a lowball offer, don't be offended. Consider it a sign the buyer is interested and understand that those comments are a negotiating tactic.

### ***5. Review all the terms of the offer***

Carefully evaluate all the terms of each offer with your agent. Price is important, but so are other terms. Is the buyer asking for property or fixtures—such as appliances, furniture, or window treatments—to be included in the sale that you had planned to take with you?

Is the amount of *earnest money* the buyer proposes to deposit toward the down payment sufficient? The lower the earnest money, the less painful it will be for the buyer to forfeit those funds by walking away from the purchase if problems arise later.

Have the buyers attached a prequalification or *pre-approval letter*, which means they have

already been approved for financing? Or does the offer include a financing or other contingency? If so, the buyers can walk away from the deal if they can't get a mortgage, and they'll take their earnest money back, too. Are you comfortable with that uncertainty?

Is the buyer asking you to make *concessions*, like covering some closing costs? Are you willing, and can you afford to do that? Does the buyer's proposed closing date mesh with your timeline?

With each factor, ask yourself: *Is this a deal breaker, or can I compromise to achieve my ultimate goal of closing the sale?*

## **6. Aim to be creative**

What if you've received an unacceptable offer? Ask questions through your agent to determine what issue is most important to the buyer and see if you can meet that need. You may learn the buyer has to move quickly, which may allow you to stand firm on price, but offer to close quickly. The key to successfully *negotiating* the sale is to remain flexible and ask questions.

*Information drawn from an article by G.M. Filisko, an attorney and award-winning writer.*