



10 Steps to Leading Sellers to Accept your Offer

Imagine you found the home of your dreams. It has everything you always wanted - in fact it's so perfect you had to squeeze yourself a couple of times to make sure you weren't dreaming. The next step is to write up an offer and have the sellers accept it.

Getting sellers to accept *your* offer though, isn't always that easy, particularly if you're dealing with unmotivated sellers, or competing with other buyers. Here are 10 tips you can implement to make sure sellers won't turn up their noses at your offer.

1. Be pre-approved for a mortgage

Don't confuse being "pre-qualified" for a mortgage with being "pre-approved." Pre-qualified means you filled out a loan application and you told the lender everything they wanted to hear. Based on this preliminary information you are "pre-qualified."

"Pre-approved" means the lenders' underwriter has double checked your story. Whether he's asked more questions or for additional documentation he's determined that everything checks out. At this point you are "pre-approved" "subject to" property related issues such as the appraisal or something similar. Being pre-approved shows the sellers that you are a solid candidate. This makes it possible for you to close within 10 days.

2. Make a clean offer

Don't request help with closing costs or other contingencies, such as extended inspection periods, or anything that could be interpreted to mean that you're looking for an easy way out.

3. Offer a big escrow deposit

In Arizona it's customary to offer 1 percent of the offer price as an escrow deposit. To show your commitment, consider offering 10 percent or more. I've had buyers offer the entire purchase price as an escrow deposit - that always makes a powerful statement.

4. Make your escrow deposit non-refundable

If you want to be really aggressive, offer a non-refundable escrow deposit, or have it become non-refundable after the inspection period.

5. Waive the appraisal

Sellers dread appraisals. You can make a huge impact by waiving the appraisal contingency. Remember though that you'll have to pay the difference between your offer price and what the bank is willing to lend you.

6. Waive the inspection

Although it's generally not recommended to purchase a house without doing an inspection, it might be a viable strategy if the circumstances are right for you. And, of course, you can always cover yourself by having an inspection done before you put in your offer.

7. Offer the full list price, preferably in cash

Consider offering the full asking price or more. If you have cash, make a cash offer. Sellers love cash offers because there is no loan contingency.

8. Include an automatic escalation clause

Go a step beyond tip number seven and include an automatic escalation clause in your offer – guarantee to pay say \$500 or \$1000 over the highest competing bid. If you do this, insist that the sellers show you the other offers in writing.

9. Sweeten the offer with a bonus if the deal gets done quickly.

Show the sellers you are ready to move. Offer them a bonus of 1 to 3 percent of the purchase price in addition to your offer price if they'll close within 10 or 15 days. Don't do this though if you're not sure you can make the deadline.

10. Write a love letter to sellers

No I'm not kidding. Imagine you have a favorite pet. If you were to move and had to leave her behind, wouldn't you do everything possible to make sure you left her in good hands? This is much the same. Tell the sellers all the things you love about their home, it might just do the trick.

Good luck!

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As an investor himself, as well as a licensed Realtor®, Dimitri has over a decade of real estate experience. Dimitri's specialties include primary residences, second homes, investment properties, commercial properties and land. He has been recognized for being a Multi-million Dollar Producer, and is an accomplished Realtor® committed to superior results for his clients.

"Strive not to be a success but rather to be of value" Albert Einstein