

Step 6 to Buying a Home:

I Want to Make An Offer On A Home I Love



Fabulous! You've found the perfect home and want to put in an offer. In today's market we need to put your offer in asap; ideally within a few hours. Before we can put an offer in on a home, there are a few things we need you to provide for me:

Full legal name: *Please provide the full legal name of anyone who will be on the contract as well as their phone number, email address AND how you'll be taking title to the property. (See document "6 Common Ways to Hold Title")*

Offer price: *What price do you want to offer for the home? Let's have a discussion*

Your walk away price: *Don't expect to pay your initial offer price as it's rare for a seller to accept your initial offer without some negotiating back and forth. That's why it's called an initial offer. In addition to deciding what offer you want to put in to start, we need you to decide now how much you're willing to pay for this property and what your walk away price is before.*

Closing date: *Typically closing takes place 30-45 days from contract acceptance. Sometimes you can ask for a longer closing date depending on the seller's needs, but we wouldn't expect it. Therefore, if you want to move around June 1, plan on putting in offers around mid April or sooner. If you're paying 100% cash you can often close faster than 30 days (around 21 days), but 30 days is usually the required minimum if you're using a mortgage to buy the property.*

Earnest money: *How much earnest money are you comfortable putting down on this property? Typically, contracts ask for 1% of the purchase price as earnest money, although more is better, as your offer will be stronger. This earnest money is due within 2 days of mutual acceptance. The earnest money is part of your down payment.*

Down payment: *For the contract, we need to know how much you're going to put down for your down payment.*

Closing cost credits: *Do you want to ask the seller for concessions for your closing costs which would go towards the amount of closing cost fees you have to pay for on top of your down payment? Remember, in doing that in the seller's eyes that is a reduction in their proceeds. So if your offer is \$500,000 and you are asking the seller to pay 2.5% of the sale price towards your closing cost, that is \$12,500. To the seller it's as if you've offered \$487,500 and not \$500,000. Remember that when negotiating the price and asking for closing costs to be paid.*

Home warranty: *Do you want to ask the seller to provide a home warranty on the property?*

Contingencies: *Are there any other contingencies I need to be aware of? Do you need to sell your current home before we can buy this home? Do you plan on having your attorney review the offer (this should be completed PRIOR to submitting to seller)? Lastly, buyers sometimes want to know what happens if the contract is accepted and they have a change of heart or the inspection reveals a huge problem. [Read about "getting out of a signed contract"](#)*

Once we've talked through the above and you've emailed us your answers, I'll prepare the contract and have you sign it via a program called Authentisign, or meeting with you in person for signatures. [Click here to view instructions on signing documents electronically via Authentisign](#) or [click this link to view video https://vimeo.com/141422987](https://vimeo.com/141422987). I'll submit it to the seller's broker when I receive the signed offer. While negotiations sometimes go quickly, be prepared that it could take 24-72 hours to negotiate the offer if the seller is out of town, wants to sleep on it, if we're dealing with a bank owned property, etc. Every seller is different and some people can make decisions quickly whereas others need time to think things through. Patience is now the name of the game.