WRITING AN OFFER – Things to know…

1. How much do they want to offer?

Is it about the deal or about the house?

Have you pulled comps to see what you think it is worth?

1. How are they paying?

CASH? Appraisal or no appraisal? Funds are liquid? Proof of funds available?   
CASH from HELOC? Taking a new HELOC or already have one?

Financing? HOW MUCH DOWN? LTV (Loan to value) 5% is 95% LTV

Kind of financing FHA, VA, Conventional? (Know your LTVs on these)

VA 100%, FHA 96.5%, Conventional varies

1. Have you discussed earnest money? Typically 1% but can be any amount.

Gets cashed immediately. Due in 3 days.

1. Closing date? LOOK at a calendar! Does it fall on a weekend?

Typical 45 day minimum but possibly sooner. 60 days would possibly work. Anything longer might be hard to get seller to accept. Call and talk with list agent to see what is best for sellers situation too. Sometimes the date is more important than the price.

1. STS – Subject to sale STC – Subject to closing

TBD for date of closing

Inspection period starts at removal of STS

Tell buyers house is still for sale and marketed while STS, can get bumped if their house isn’t sold unless they remove their STS contingency.

STS notification time – any time 12-72 hours

1. STC – Subject to closing – Buyers home is sold but not closed

You have a closing date

Much stronger than STS

Don’t be surprised if they want documentation of the buyers transaction on what they sold.

1. Do they need closing costs?

How much do they need?

Having seller pay may help the buyers cash flow issue

$3500… more may be too much

Tax proration and closing costs

No tax pro on new construction

1. Home inspection

5 to 10 business days

General house $350

Radon $100

Sewer scope $150

1. Home warranty?

Know the price

Amend wrong prices

1. What do they want included with sale?

Do you need a bill of sale?

1. Answer back date and time

Give enough time but not too much  
not concrete but must be ratified by buyer if accepted after deadline

1. Addendums

General  
Septic  
Condo T/H