

Buyer's Guide: How to Buy a Home for Under Asking Price

Smart strategies to save money and buy your dream home without overpaying in today's competitive U.S. housing market.



How to Buy a Home for **Under Asking Price**

Your step-by-step guide to buying smart in today's market

In this presentation, we'll explore proven strategies that can help you save thousands when purchasing your dream home. These tactics have helped our clients successfully negotiate below asking price even in competitive markets.

We'll cover everything from preparation and targeting the right properties to making strategic offers and leveraging professional negotiation expertise.



First Things First — Get Pre-Approved

A mortgage pre-approval is your financial foundation for successful negotiations. Here's why it's critical:

Serious Buyer Status

Shows sellers you're financially qualified and ready to proceed, giving your offers more credibility.

Budget Clarity

Helps you understand exactly what you can afford before falling in love with properties outside your range.

Negotiation Power

Strengthens your position when making offers, especially when asking for below asking price.

💡 **Pro Tip:** Get pre-approved *before* touring homes so you can act fast when you find the right one.



Key Buyer Steps Before You Start Shopping

Proper preparation prevents poor purchasing decisions. Follow these essential steps before you begin your home search:

1 Define Your Priorities

Create two lists: non-negotiable "must-haves" (location, minimum bedrooms) and flexible "nice-to-haves" (granite countertops, walk-in closets). This clarity prevents emotional overspending.

2 Review Your Finances


Beyond your mortgage payment, account for down payment (typically 3-20%), closing costs (2-5% of purchase price), moving expenses, and immediate repairs or updates.

3 Select an Expert Realtor

Choose an agent with proven negotiation skills and local market expertise who can identify opportunities for below-asking purchases (that's Chad & Aalia).

4 Develop Quick Response Capability

Arrange your schedule to view promising properties and submit offers quickly when good opportunities arise.

 **Pro Tip:** A clear plan helps you stay confident and avoid overpaying due to emotional decisions.

Target Homes That Have Been on the Market for 30+ Days

One of the most effective strategies for buying below asking price is focusing on properties that aren't selling quickly. These "stale listings" create negotiation opportunities:

- Sellers become increasingly anxious as carrying costs continue
- Each day on market reduces seller leverage
- Price reductions signal flexibility and willingness to negotiate
- Fewer competing buyers means more attention to your offers

💡 **Pro Tip:** Ask your Realtor to set up automatic alerts for "price reduced" or "back on market" properties in your target neighborhoods.



- ✓ **Market Intelligence:** In today's market, homes that don't sell within the first 14-21 days typically sell for 3-7% below their original asking price.

Consider Homes That Need a Little TLC

Cosmetic Deterrents

Outdated wallpaper, worn carpet, and ugly paint colors scare away many buyers but are relatively inexpensive to fix. These aesthetic issues can lead to 5-10% price reductions.

Sweat Equity

If you're willing to invest some DIY effort, you can transform these properties while building immediate equity. Simple updates like paint, fixtures, and landscaping deliver high ROI.

Long-Term Value

Strategic renovations add value beyond their cost. Kitchen and bathroom updates typically return 70-80% of their cost immediately in home value.

💡 **Pro Tip:** Don't ignore the "ugly ducklings" in your search. With vision and some elbow grease, they often become the best deals in any neighborhood.



Start the Conversation with a Smart Offer

The art of making an initial offer that's under asking price but still taken seriously:

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Research-Based Approach

Always have comparable sales data ("comps") to justify your offer. Reference similar properties that sold for less than your target home.




Strategic Undercut

Typical successful under-asking offers are 3-7% below list price (market dependent). Going too low (>10%) can offend sellers and end negotiations.




Include Justification

Have your agent include a brief explanation of your offer price, referencing market conditions, property condition, or days on market.

 **Pro Tip:** Sellers respect data-driven offers more than arbitrary numbers, even when those offers are below asking price.



 In Q2 2023, homes in the U.S. sold for an average of 2.4% below asking price - the highest discount since 2020.

Look Beyond the **Shiny Listings**

Some of the best opportunities are hiding in plain sight. Properties with subpar marketing often represent extraordinary value:

62%

Fewer Views

Listings with poor-quality photos receive up to 62% fewer online views than those with professional photography.

47%

Less Competition

Properties with incomplete descriptions or poor presentation receive 47% fewer inquiries from potential buyers.

5–8%

Price Advantage

Homes with suboptimal marketing typically sell for 5-8% less than comparable well-marketed properties.

💡 **Pro Tip:** Don't scroll past listings with bad photos—they might be diamonds in the rough. Ask for a showing and you might discover a gem that everyone else overlooked.



Work With an Agent Who Knows How to **Negotiate**



Your agent's negotiation skills can potentially save you thousands beyond the purchase price:

Price Negotiations

Skilled agents leverage market knowledge, property issues, and seller motivation to negotiate lower prices.

Closing Cost Credits

Beyond price, agents can often secure 2-3% in seller concessions for closing costs, especially after inspections reveal issues.

Repair Credits

Expert negotiators can secure additional credits for repairs, updates, or replacements of aging systems or appliances.

Contingency Protection

Strong agents protect your earnest money by negotiating robust inspection, financing, and appraisal contingencies.

💡 **Pro Tip:** That's where we come in. We have negotiated an average of 4.7% below asking price for our buyers in the past 12 months. 😊



Your Path to Buying **Under Asking Price**

Buying below asking price isn't luck—it's strategy. With the right approach, preparation, and professional guidance, you can:



Save Money

Every percentage point below asking price on a \$400,000 home saves you \$4,000—money that can fund renovations, build your emergency fund, or reduce your mortgage.



Build Equity

Buying below market value means immediate equity, improving your financial position from day one of homeownership.



Get Your Dream Home

Strategic buying doesn't mean settling—it means getting the home you love at a price that makes financial sense.

Ready to start your journey toward homeownership at below asking price?

Contact us today to schedule your free buyer consultation and strategy session.