

Atomic Realty, LLC

PO Box 1393 Los Alamos, NM 87544

Phone 505-208-0480

Email – Dave@AtomicRealty.net

Buyer's

How to be successful in your offer and
choose a Buyer's Broker. 071125

- ✓ While an offer is never certain this checklist shares some ideas how we feel to best be successful in your offer. In our market it is not only about whether a Buyer has offered enough money, it is as often about whether the Buyer's broker has the education and experience to suggest items making sure your offer is the best offer you can make in totality, meaning the offer is the "best money, and the best terms you feel comfortable making."
- ✓ Use Full time Realtors. While many part time brokers are good people, would you want a part time financial planner to give you advice on your 401k? With a house likely one of your biggest investments it warrants a full-time professional working for you. At Atomic Realty we take your investment seriously, we sell homes full-time for a living, not as a hobby or some "mad money" for the next vacation.
- ✓ Education/ experience: Just as an employer will ask about experience and education before they engage a employee you too should ask: What experience does this broker have? How long has the broker worked in the industry? What relevant education does the broker have in real estate? How many transactions have they personally completed this year?
- ✓ With the new rules ALL Buyer's working with a realtor must sign a "Buyer's Brokerage agreement" before a broker can show you a home, see ours at AtomicRealty.net under the "buyers" dropdown menu. UNLIKE SOME BIG BOXES, ATOMIC'S BUYER'S BROKERAGE AGREEMENT ALLOWS YOU TO TERMINATE AT ANY TIME.

FULL SERVICE – FULL TIME – SENSIBLE COMMISSIONS

- ✓ Prequal: Prior to making an offer, get a prequalification or preapproval letter from your bank. Usually, Generally, Sellers will not accept an offer without a “prequal” letter.
- ✓ Inspections – Some brokers believe they are clever to use an inspection as a second negotiation period regardless of its results. If the issue is real, ask enough to have it repaired or credit enough for the repair but not in excess. As a buyer you have likely already paid for the inspections and likely other lender fees so terminating will be an expense. Sellers are more and more walking away from unscrupulous buyer broker demands or refusing to pay the buyers broker commission to cover those unrealistic inspection concessions.
- ✓ Waive inspections? Many Sellers are doing pre-listing inspections, and usually they share these with prospective Buyers. This is good for both the Buyer and Seller, The Seller can address any issues, and the Buyer has a better idea as to what they are getting into and make their offer accordingly. As a Buyer, If all the inspections you want done have been completed, and if you are satisfied you may want to consider waving additional inspections to make your offer more appealing.
- ✓ Appraisal gap: In our market some Buyers also pay the “appraisal gap” . What this means is that while an appraisal is still being done for the Buyer’s bank, if the home does not appraise at the loan amount or higher the Buyer will pay the excess up to a maximum. Cash buyers are not required to do an appraisal and may choose to waive an appraisal completely.
- ✓ Cash vs loan. Often a Seller will find a cash offer “stronger” than an offer with a loan. They find more certainty in the cash offer and have less concern that fluctuating interest rates will make the house unaffordable to a Buyer.
- ✓ Deadlines: If the seller has asked for a 48 hour response time for your offer don’t try to pressure them with a short response time. Often, they are on travel or in the process or moving and they will let your offer expire.

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- ✓ Strongarming: Don't make threats to the Seller you don't intend to follow through with. For example: "If you don't accept my offer by my offer's short deadline, I will not buy the house". Strongarming Sellers generally only alienates the Seller and they select someone else.
- ✓ Lowballing: Offering a very low offer rarely is successful. If the house is too rough just don't make an offer on it, if you do make a "lowball" offer don't have high expectations of success.
- ✓ Work with your broker to decide on an offer amount – Have your broker show you data based on condition and location that your offer is a reasonable \$/ sq ft offer. If it's too high it may not appraise for your bank, too low it won't get accepted.
- ✓ Offer concessions that help the Seller. Often Sellers are getting themselves set up at the other end and flexibility in closing dates or leasing back to the Seller for a short period may make your offer more desirable than others. Conversely a Seller may desire a shorter time to close. If possible, accommodate their needs.
- ✓ No Broker is more likely to get your offer accepted than any other broker. All brokers submit all offers then the Seller reviews the terms and price of all offers and decides what works best for them. If a Broker says they can more likely get your offer accepted than another offer, perhaps something shady is going on.
- ✓ Work with your broker as a team: Be honest and forthright as to your goals and limitations, your Broker wants you to be successful. Feel comfortable that your Broker cannot share any confidential information. You need to trust your broker, If you don't, find another broker.