

real estate report



YOUR GUIDE TO BUYING REAL ESTATE

Buyer Beware - Of Other Buyers!

You've found your dream house, so you'll make an acceptable offer and live happily ever after... unless another buyer beats you to the punch!

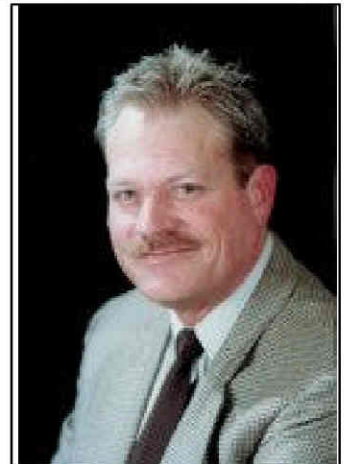
In a competitive marketplace, this can not only happen, but can potentially have a far greater impact than any negotiating gambit the seller would hurl your way. Yet, more buyers erroneously fear the seller more than they do other competing buyers! That's why it's important to make sure your offer strategy includes a strong stance against other potential buyers and their offers.

There are several factors that make buyer competition a threat in today's real estate market. First, in a competitive market with relatively few quality properties available, "dream home" category homes will become hot properties--- often as soon as the for-sale is planted in the yard. Most buyers want to purchase a home that requires very little fix-up. They comment, "I want to bring in my toothbrush and immediately set up housekeeping." And to obtain these turnkey benefits, buyers are willing to pay a premium. That can translate into not only a full-price offer, but one that exceeds the seller's listed price.

Second, in an active market, timing is everything. In the good old days, you might have the luxury of viewing a home several times---even dragging your relatives to see it... before you actually made an offer. "He/she who hesitates is lost" aptly explains buyers who dally to make a buying decision today.

And don't forget that being pre-approved for a loan has leveled the playing field for a majority of buyers. If they're all equally qualified financially, the best offer (as interpreted by the seller) gets the property.

So what can you do to arm yourself to the teeth with added value to capture a seller and counteract offers from other buyers? First, make sure you are financially pre-approved by a lender for the loan you'll need and be prepared to document this fact to a seller if requested. In fact, many lenders provide pre-approval certificates to buyers, a copy of which could be presented to the seller.



Rick Snyder
208-631-2754

Be honest with the seller about your interest in purchasing the property. This doesn't necessarily mean that you won't negotiate a fair purchase; but it also doesn't mean that you'll act nonchalant and non-committal either. Sellers often choose one buyer's offer over another based on the level of personal interest and commitment the buyer appears to have to the seller's home.

Lastly, make sure you fully communicate the desired outcome to the real estate agent you're working with. If he/she is a buyer's agent, negotiating on your behalf, outline to the agent just how much you want this house and what you're willing to do to get it. The agent will then evaluate the best tack to take in terms of price, purchase terms and negotiating tactics to help you realize that goal.

The next time you're inclined to wonder what evil trick the seller might be up to, better look behind you first... to see if other buyers are trying to pull the rug out from under your dream home!

