



## Secrets to Making a Lowball Offer

As the property market cools down, it becomes a good time for property buyers. If you don't have that much money to spend on a house, but you're absolutely convinced that it's the right time for you to move (or if you've found an intriguing investment property) then you need to learn how to make a lowball offer - and get it accepted. Generally, a lowball offer is 10% or more below list price.

First and foremost, learn what types of properties you're looking for in terms of both the house and the seller.

### The House

The properties you're interested in have been on the market more than a month. There's not necessarily anything seriously wrong with them, but they're just not generating much attention. Maybe they're unattractive, in a busy street, or in disrepair. The key is to find properties that maybe need a little repair work, but nothing major. Your lowball offer isn't worth much if you have to spend all the money you saved on structural or wiring work.

### The Seller

The seller you're looking for needs to move ASAP. Perhaps they're relocating to a job in another city, or they've already bought another house but want to sell the old one before leaving town. Maybe they're selling the home of a recently-deceased relative, and they just want to get the whole thing over with. Maybe they've defaulted on their mortgage payments and the house is foreclosing. These are motivated sellers and they're more willing to accept a low offer on their property.

### The Secrets

- Get pre-approved for a mortgage before you start shopping. It'll make you more attractive to sellers.
- Shop at the right time - one of the best times to look is during the week between Christmas and New Year's, simply because very few people are looking then. If you find the right house or the right seller at this time, it's a great opportunity for getting a low-ball offer accepted.
- Make an initial offer that's below what you want to pay, and prepare to be rejected. Let the seller feel that they're negotiating a better deal with you and they're more likely to accept your second or third offer. Note: in a competitive market this strategy isn't advisable, but in a slow market it's worth trying.
- Make offers on several properties. The more opportunities you create, the more likely you are to have a seller accept your offer.
- Hire a buyer's agent. The seller's agent is trying to get the best possible deal for their client and they're not going to help you get a low-ball offer accepted. A dedicated buyer's agent will, and they'll most likely have more in-depth knowledge of the neighborhood and current market prices, too.

- Don't use the list price as an indication of a property's true market value. List prices are often inflated, so do your own research. Get a Current Market Analysis for the area and find out how accurate that list price really is.
- Give the seller a good reason to accept your price. Offer to close quickly, offer to pay in cash, and be flexible on inspection dates. Accommodate the seller in every way possible, and if they're motivated to sell they'll be more amenable to your offer

If you have any questions, please contact:

Pat Butler, Broker  
Clear Vision Brokerage  
Cell: 979-777-3948  
<http://www.patbutler.info>