

5 IMPORTANT THINGS -OTHER THAN PRICE- SELLERS SHOULD CONSIDER WHEN EVALUATING AN OFFER

Want to fetch top dollar for your home and walk away with as much money in your pocket as possible? Of course you do. Your first instinct may be to just pick the highest bid on the table. But the offer price isn't the only thing worth considering. Here are five areas to evaluate in addition to price.

THE EARNEST MONEY DEPOSIT



One important consideration when weighing an offer is the size of the earnest money deposit. A standard EMD is 1% to 3% of the cost of the home. If a buyer tries to back out of an offer for no good reason, the seller typically keeps the EMD. Therefore, the higher the earnest money, the stronger the offer.

THE CONTINGENCIES



Most offers have contingencies — provisions that must be met for the transaction to go through, or the buyer is entitled to walk away from the deal with their earnest money. Contingencies include financing, title, sale of current home, appraisal, and inspection. Contracts with fewer contingencies are more likely to reach closing, and in a timely fashion.

THE DOWN PAYMENT



Depending on the type of mortgage, the buyer must make a down payment on the house — and the size of that down payment can affect the strength of the offer. Generally, a larger down payment signals the buyer's financial wherewithal to complete the sale.

THE ALL-CASH OFFER



The more cash the buyer plunks down, the more likely the lender is to approve their loan. All-cash offers eliminate the need for an appraisal contingency or a financing contingency and allows the transaction to proceed more quickly.

THE CLOSING DATE



Settlement, or “closing,” is the day when both parties sign the final paperwork and make the sale official. Whether you want a slow or quick settlement will depend on your circumstances. If you've already purchased your next home, for instance, you probably want to close as soon as possible. On the other hand, you may want a longer closing period — say, 60 days — if you need the proceeds from the sale to purchase your new home.



If you have other questions about offers on your home or want to discuss these aspects of an offer more in-depth,

Ask a REALTOR®!

Source: HouseLogic.com



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