



Seller / Buyer's "Unprecedented Offer Scenarios"

This information is NOT specific to a client or property and is not meant to provide any legal counsel. If you have questions, you are encouraged to obtain counsel from a Real Estate Attorney.

As the historical LOW INVENTORY combined with COVID and LOW INTEREST RATES – we have entered unusual times in the real estate market. While we fully want to represent YOU and YOUR BEST INTEREST – it is also our duty to stay focused on the process, un-attached to the emotion or hype and provide you with available options that YOU might decide are best to make your next move in this market. Our office is dedicated to our client satisfaction and assurance that we will follow the professional standards and best practices; but also understand that in the end – it is solely your decision as to how much to offer and what rights you may or may not be willing to waive.

As a Buyer, it is important to SEE a property to know if the house is as you expected. Photography may look different because of perspective or the time in which photos were taken, as to when you personally tour the property. For this reason, we always suggest and encourage you to TOUR each property before deciding to make an offer. IF you feel that the time to schedule a showing will delay your ability to get an offer in time for the seller's review and feel that making a "Sight Unseen" offer – then at the very least we would encourage a home inspection process be followed with perhaps a disclaimer that up to a \$\$ amount of repairs are acceptable, to protect your interests.

- I wish to SUBMIT my offer without first touring the property.

Earnest Money is used to show your intent on making the offer and securing some value to help ensure good faith. I understand that this is normally returned to the Buyer at the closing (either as a check directly or as lender may direct as part of the Buyer funds to close). However, in a perceived attempt to better the Buyer's position, a higher amount of Earnest Money may be offered and / or the Earnest Money MAY be given directly to the Seller as a non-refundable deposit.

- I wish to have Earnest Money paid directly to the Seller as a Non-Refundable Deposit.

An inspection for a property is the right of the buyer (when indicated as part of the purchase contract) BUT CAN BE WAIVED in a perceived attempt to gain favor for your offer's position in the view of the seller. WAIVING the right to an inspection may fast-track the loan process by skipping those days and moving to the next step with your lender. In some cases, skipping an inspection may seem a good option if you are also buying the house "AS IS;" but, understand that "AS IS" refers to accepting the condition for those things known / disclosed – so if the seller does not have anything noted of particular issue, accepting the condition "AS IS" and not doing a home inspection in effect is waiving your right to have any repairs or negotiation for credit to repair AND leave you "blind" to any potential hazards, concerns or maintenance items. IF you feel inclined to WAIVE an inspection – we want to ensure that you understand that it is a NORMAL part of the purchase process and "Buyer Beware" may become applicable.

- I wish to WAIVE my right to a Home Inspection.

The appraisal process is a part of the loan requirement and may be an option even if paying cash, as the purchase contract provides for a neutral third-party determination of the property's value. While a basis for the loan, it is also considered to be helpful in ensuring that a buyer is not paying more than market value or in some way being taken advantage of for the purchase price. While the Buyer determines how much they are comfortable in buying the property – it is often based upon what they qualify for with the direction from their lender, or in the cans of no loan – the Buyer may determine solely on their own merit. WAIVING an inspection is ONLY an option if the lender does not require (in the case of cash purchase) OR a Buyer may decide that if the appraisal is "short" (less than the agreed purchase price) that they are willing to cover the difference to ensure their perceived position for their offer. (ie: Buyer offers \$100,000 but appraisal is short at only \$85,000 – Buyer is willing to come up with the ADDITIONAL \$15,000 plus their normal closing costs and down payment to ensure the contract for the Seller)

