

WHO HAS THE POWER

In every business transaction, an element of power is held by both the buyer and the seller. This is true in real estate transactions, also. I'm sure you have heard of a "buyers" or "sellers" market. These phrases merely describe which party has the power during a certain period of time. Here are some things you can do to be in a stronger position as either a buyer or seller:

BUYER POWER

If you have to obtain a mortgage loan in order to purchase your next home, go to your local mortgage lender and ask if you can be pre-approved for the loan amount you can qualify for. When your Realtor presents an offer on your behalf, your offer will receive more serious consideration because you have written verification that you have been approved for a certain loan amount. A large earnest money deposit and sizable down payment are two additional ways to strengthen your offer and its possible acceptance. Many contingency clauses weaken your position. An offer contingent upon the sale of your home greatly weakens your offer and renders it unacceptable to most sellers.

SELLER POWER

A clean well maintained and decorated home prevents the buyer from justifying a low offer based upon the poor condition of your property. Your power will depend upon the law of supply and demand. If a few homes are now for sale that directly compete with your house, you should be able to demand a higher sale price than if the reverse were true. Set an asking price that is very competitive with similar homes now for sale. This strategy should encourage a greater number of showings which could lead to one or more good offers.

ADVICE: These are but a few of the many things you can do to negotiate the best terms. To get help and assistance to guide you through the buying or selling process, depend on a professional. Use the services of a Realtor.