

# WeExplain: Multiple Offer Scenarios

You have worked side by side with your WeVett real estate agent to get your home ready for sale - planting bright flowers in the front yard, touching up worn paint on the staircase and getting your carpet cleaned. The first weekend finally came and the potential buyers and their agents streamed through. As the weekend drew to a close, your agent gave you a call.

Deep breath, you answered and . . . “We have multiple offers!”

You could hardly believe the good news! After the initial euphoria recedes, it's time to get down to business. What in the world do you do with multiple offers? This is where your real estate agent comes in. Believe it or not, **responding to a multiple offer situation can be tricky and must be handled carefully.** While you have offers to choose from, buyers also know that they are competing with other buyers and might continue to shop around just in case. Some buyers could fall away simply because they do not want to be involved with a bidding war. With a little bit of tact and an experienced team, however, having more than one offer can provide you the opportunity to get very close to your asking price and terms.

To start off, the first thing your agent will do is communicate with the buyers' agents to let them know the situation and give them a realistic timeline for response. It's important to let the buyers know that you appreciate their offers and value them. Next you will meet with your agent and discuss each offer in detail. Look at not only the offer price, but also the terms: when can they close, how large is the deposit and down payment, what does their lending situation look like, what contingencies are they asking for, etc.

**The best buyer offer might not be offering the highest price.** It could be someone who has offered to remove the appraisal contingency and is paying in cash. The point is to determine who is serious and able to close the deal. Once reviewed, you will then respond to one or more of the offers.

In many areas of the country, agents use a multiple counter offer form; your real estate agent will help you understand the rules in your local area. This form does two things; it allows you to counter the offer at hand and it allows you to counter an offer without the obligation to sell to that buyer if they agree. In fact, if you send a traditional counter offer to a buyer and they sign it before its expiration, you would have a valid contract. You certainly don't want that situation with more than one buyer!

**You are not obligated to counter each buyer with the same price or terms either.** You might like the terms of one offer but the price is too low while the other offer has a great price but won't close for 2 months. These counters might look very different from each other.

Finally, you and your agent will determine how many counter offers to send out. You might want to counter all of them or just a few of them. That will also be strategic. If your agent has been able to reach the buyers' agents, they may be able to better gauge the buyers' interest and this can help you determine which buyers you really would like to work with. The agent communication is also critical to make sure the buyers know that they are valued and to keep them from losing hope or interest while the countering process continues.

Multiple offers are exciting! **They offer you a great opportunity to sell for the maximum price with the best terms.** If handled properly, you will find a buyer that offers the best possible terms. If mishandled, you might lose them all. Fortunately, an experienced agent who understands the unique challenges of multiple offers in your local area can guide you through this situation and ensure you end up in the best possible position to close on your home.