



How to make an offer on a property

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When making an offer on a property, it is crucial to position yourself in the best possible way to increase the chances of the offer being accepted. This means presenting yourself as a serious and reliable buyer by having a pre-approved mortgage in place, being prepared to move quickly, and being flexible with the terms of the offer. It is also important to understand the seller's motivations and any issues they may have with the property, such as a chain or the need to sell quickly, to tailor the offer accordingly.

Following up in writing after making an offer is essential because it provides a formal record of the terms and conditions of the offer, which can be referred to by both parties throughout the buying process. It also demonstrates to the seller that you are committed to the purchase. By presenting a strong offer and following up in writing, buyers can increase their chances of having their offer accepted and moving forward with the purchase of their dream home.

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How to make an offer which gives you the best chance of success

So, you've seen the house of your dreams, you've checked your finances, you've checked your chain (if you have one) and you're ready to make an offer. The question is how can you position yourself to stand out from the crowd and give yourself the best chance of having your offer accepted?

Many people telephone the estate agent, super excited and give far too much information away. They may make their offer and then say that's our first offer or there's a little bit more in the pot or we don't want to miss out on this, so if the vendor doesn't accept make sure you come back to us. If you want to negotiate you really can't afford to do that.

To be successful in negotiating you've got to be prepared to walk away. If you're not prepared to miss out, offer the guide price or even a little more.

I always suggest setting the scene. What do I mean by setting the scene? Well, firstly you introduce yourself, and then you clarify your buying position making it extremely clear that your buying position is the very best it can be. Explain your financial position. If you're cash make it clear that it is actually cash in the bank and you don't need to wait 30, 60, or 90 days to get the money out of the bank or that the shares or the money is coming from a family member.

If you are obtaining a mortgage explain that you have spoken to a mortgage advisor and you have an AIP (Agreement In Principle) and the agent is more than welcome to speak to your financial advisor.

The next thing you need to talk about is your timescale. If you have flexibility on timings when you exchange and complete make this clear to the agent. If you've got a buyer that's pushing, you would need to make this clear to the agent too. If it is a competitive bidding situation and the interested parties are in a similar position, quite often it will come down to the flexibility of the buyers and the timescale.

It's imperative that you are 100% honest with your buying position, finances and timescale. If you are not, it will leave a rather bitter taste in the mouth of all involved and often backfires.

To recap you've discussed your buying position and why they should go with you, you've mentioned your financial position and how positive that sounds and you've mentioned your timescale. Now is the time to make your offer. If you want to negotiate on the property or offer below the guide price you can explain why and the evidence you have to back-up your thoughts. If the property needs work, you can explain how much money you feel you're going to have to spend on the property and the inconvenience it will involve.

When you make your first offer, say the numbers and then be quiet and leave it for the estate agent to speak next.

Estate agents expect buyers to negotiate and offer several times. Be bold or cheeky with your first offer, you just never know. Legally all offers need to be submitted to the vendor and written confirmation from the estate agent needs to be sent to both parties.

Top tip: Many vendors (sellers) make it clear to the estate agent that they would accept an offer but they're not keen on changing the guide price. Test the water with your first offer.

I'm not a big believer of threats or ultimatums. Only ever say this is my final offer if it really is. If you say it, but then return with a better offer, any further threats during the transaction won't be taken seriously.

Once any offer is accepted you will need to provide solicitors details, proof of funds, ID (photos and proof of address). The sooner this is provided the sooner the property will be taken off the market and a sales memorandum will be sent out, starting the legal transaction.

Offer script

Buyer: Hello Mr Estate Agent, it's Mr Jones, I viewed 5 Russell Square yesterday and I'm interested in making an offer.

Estate Agent: Great! What's your offer?

Set the scene

Buyer: Firstly let me clarify my buying position.

A. I'm a 100% cash buyer and I have evidence of the money in my bank account. Due to being a cash buyer, with nothing to sell, I can be flexible on the timescale to fit in with the vendors but ideally would like to complete in {Month}

Or

B. I'm under offer through my estate agent in {town} their contact details are {Name and telephone number} it's a short chain. My buyers are looking to complete in XXXXX

I have spoken with Jim Cracken from The Mortgage Centre and he has carried out a Decision in Principle with Natwest. Jim's details are XXXXX

Or

C. I'm in rented until {month}. Due to being in rented accommodation I can be flexible on the timescale to fit in with the vendors, but ideally would like to complete XXXXX.

I have spoken with Jim Cracken from The Mortgage Centre and he has carried out a Decision in Principle with Natwest. Jim's details are {telephone & email}

Solicitors

My solicitors, XXXXXXXXXX are aware of my interest in the property and are ready to start the legal work

Price condition and offer

A. I'm very interested in 5 Russell Sq and would like to offer the guide price, on the understanding all future viewings are cancelled and the property is marked as under offer and removed from the property portals immediately.

B. I'm very interested in 5 Russell Sq but, I do feel there is a substantial amount of work to be carried out. Having spoken with my builder I'm expecting the renovation work to be in excess of XXX ... With this in mind, my offer is {offer figure} which is to include all curtains and carpets.

C. I'm very interested in 5 Russell Sq but I have looked at the comparable properties and feel the guide price is on the strong side. Most comparable property/properties on the road have been selling for £XXX per sqft and 5 Russell Sq is over £XXXX per sqft With this in mind my offer is £XXXXXXXX

D. I'm very interested in 5 Russell Sq but having read the negative media reports about the property market and noticed the number of price reductions on the property portals I would like to offer {offer figure}

Add any conditions: to include curtains/carpets/white goods/garden machinery etc

Estate Agent: Ok, thank you for your offer. It is a little lower than I was expecting. I will speak with my vendor and come back to you.

Buyer: I will email written confirmation of my offer across to you (use the template provided).

Written offer confirmation email

Subject: Buyers name/property offer i.e Mr and Mrs Smith/38 Walnut Road

Dear XXXXX

Thank you for your time earlier today. I wanted to send this email to ensure the details were clear and to formalise our offer.

Property

{full address of the property}

Offer price

{Offer price}

Timings

Exchange: As soon as possible/ xx days from receipt of draft contracts and all supporting documentation from the vendors solicitor.

Completion: {Month} or no later than {Month}

Conditions

The offer is subject to contract and survey.

Tenure and Possession

The offer is made on the basis of vacant possession of the whole property on completion.

Fixtures and Fittings

This offer is made on the basis that all of the standard fixtures and fittings are included. This includes but is not limited to fitted carpets, curtains, blinds, wood burners, integral appliances, white goods including AGA's etc.

We would appreciate your early notice on any items above that the vendors would like to retain.

Finance

We are Cash/Rented/First time buyers/Under offer {add estate agents details if selling}. A bank statement and a mortgage Decision in Principle (DIP) is available.

Thank you and I look forward to hearing from you.

Kind regards

XXXXXXXXXX

Mobile:

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