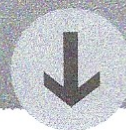


# Formulating an offer



## You've found a home you'd like to buy. How much should you offer to pay?

To help answer this important question, your buyer's representative will prepare a detailed Comparative Market Analysis (CMA) that examines recently-sold properties, active listings, pending sales and expired listings. Through their Multiple Listing Service (MLS), your agent has access to the most current information on properties in your area.

From the CMA and your agent's personal knowledge, you'll gain insights on the market in general and the specific property you're considering—important details that should be factored into your offer. These include:

Market Facts	Property Facts
<b>Price of similar properties</b> - both list and sales prices for similar properties in the area	<b>Property condition</b> - is it in good condition or will you need to make substantial investments in repairs?
<b>Price trends</b> - current percentages of list price compared to sales price	<b>Length of time on the market</b> - a long time on the market may indicate a slow market, inappropriate pricing or some inherent problem with the property
<b>Supply and demand</b> - in a high-demand, low-supply market your offer may be competing with others	<b>Seller's motivation</b> - a seller under pressure to close a deal may be more receptive than one who can wait until the "right offer comes along."
<b>Absorption rate</b> - number of month's supply of inventory. Smaller numbers (shorter time frames) indicate a more competitive market for buyers.	<b>Terms</b> - what terms and contingencies must be written into the offer? Terms that make your offer more attractive include an all-cash transaction, pre-approval for financing, quick closing, and few contingencies or seller concessions.
<b>Average time on market</b> - because listings expire or homes may be re-listed to appear "new" cumulative market time is critical	<b>Property history</b> - previous sales and financing history

*Count on your Accredited Buyer's Representative to answer your questions and guide you through these and other important decisions when buying a home.*

The Accredited Buyer's Representative (ABR®) designation is awarded by the Real Estate Buyer's Agent Council (REBAC), a subsidiary of the National Association of REALTORS® (NAR).

To learn more about REBAC and access various home buyer resources, please visit [www.REBAC.net](http://www.REBAC.net).

