

Some fine points to note when making an offer on a house

You've been shopping for months and now you've finally found the home that will make all your dreams come true. Today's housing market is a buyer's market. The number of sellers far exceeds qualified buyers. Entire neighborhoods are going up for sale. Foreclosures are rampant. So you figure you can slap down a ridiculously low offer and the seller will jump at it. Perhaps so, perhaps not.

When making an offer on a house in such a market, you don't want to have your offer rejected out of hand. If you're serious about buying this home, it's not going to benefit your negotiations when you're the one countering with a higher figure. The ultra low-ball tactic ultimately puts you at a disadvantage.

Once you find the home you want, before making an offer on a house, check the public records at your county to see what price was paid by the current owner, how long the property has been held, what the taxes are and what the values of comparable property in the same neighborhood are. This information should give you a ballpark figure from which to work.

When you're making an offer on a house, you must understand the market from the seller's point of view to really make an offer that will stick. If the homeowner has made improvements to the kitchen and bath, you must grant that such improvements are costly and add significant value to your prospective new home. Be prepared to adjust your offer accordingly.

Aside from the fact that it's now a buyer's market, analyze just what value such a home offers you and your family in the long term. Be willing to pay fair value. Making an offer on a house should not be skewed such that the seller loses his or her shirt just because you can dictate the terms. Let's say the kitchen is a gourmet's dream. Don't scotch the deal by insisting on making an offer on the house that completely disregards the improvements. Be willing to be fair.

On the other hand, perhaps this home has everything you could ever hope for in the way of amenities, but the neighborhood is plagued with foreclosed properties. This fact will drive property values down for some time to come. Making an offer on this house requires that you analyze the impact of this condition. Just as the seller should not lose his proverbial shirt, neither should you make an offer on a house that will take you years to break even.

In the end, when you're prepared to make an offer, you need to assess not only the dollar value of the particular property, but also its intrinsic value to you as your home. Neighborhood values matter too. Take all these factors into

consideration and you'll probably be able to strike a deal.