



MULTI-OFFER SITUATIONS

Multi-Offer Market continues to be the new norm!

The words “Crazy Market” seems to sum up our profession right now. As we all know, this market is very challenging, whether you are a buyer, seller or a broker. Buyers and buyers’ brokers are frustrated, losing out to all cash offers 100K over asking price. Sellers and listing brokers have to navigate getting 3-20 offers on homes that are competitive...with every buyer and broker who didn’t win being highly disappointed and frustrated.

Here are a few tips from both sides of the fence:

Representing the Seller in multi-offer situations:

1. Know and act like you are in control of the situation.
2. If you or the seller don't like escalator clauses, strike them and counter back on the terms and conditions the seller wants as if the escalator did not exist. Here is a good example: an escalator clause is attached stating buyer will go \$50K over asking price with \$5K bumps over next highest bid. You get another offer that is \$40K over ask with no escalator. You could counter back to the better offer, removing the escalator at \$45K over ask. In this market, most buyers just want to win...so they would be happy with this. Important note: You can only do this if there are other offers in play. If you only have one offer on the table, you cannot escalate the offer past a full price offer with acceptable terms.
3. Use a spread sheet to analyze the different offers, breaking out all the important deal points and present ALL offers to the seller. You don't want to be called out later by some buyer for not presenting ALL offers as WA State Law demands.

CBD has created this spreadsheet to help you and your seller analyze multi-offer listings. This form will allow you to easily input highlights for up to 20 PSA's so you can compare the offers side by side.

▶ [CBD Multi-Offer Seller Spreadsheet](#)

MULTI-OFFER SITUATIONS CONTINUED

4. Over-communicate with all the buyers' brokers. Treat them like you would want to be treated, not like you probably have been treated by some unprofessional listing broker. This means let them know what the rules of engagement are in the NWMLS and follow them, especially if you are going to be reviewing all offers at some date in the future. Call them back when they call you. If the rules change by the Seller's demand, try to let all the buyer's brokers know this before any final decisions are made. The losing bid buyers are very frustrated and they get even more mad when their broker can't give them the answers they need to know so they can move on.

Representing the Buyer:

1. #1 and most important: Be professional, responsive and nice to the listing broker. Try to befriend them and prove that you will work with them and their seller. Listing brokers can have a lot of influence over the seller's ultimate decision on which offer to accept.
2. Preparing the buyer for what is to come is the key. Let them know exactly what to expect and what they will need to do to be competitive.
3. If they have the wherewithal to be a cash buyer (pulling equity out of their home or other assets), this obviously puts them in a superior position.
4. If they don't have all cash, get them fully pre-approved. This will put you ahead of all the pre-qualified buyers you are competing against.
5. It may be tempting to waive all contingencies to be competitive, but we highly discourage waiving or not asking for those contingencies that protect your client. Whatever you can do to keep the contingencies in place while keeping the offer competitive, make sure you do. The best way to do this is to just speed up the time lines.
6. Try to find out the details of the other offers/ counteroffers from the listing broker, and then make your offer or counter the highest price with the cleanest terms. Try to plan and anticipate every single position the seller is going to take. Often speed of communication wins.
7. Try to present your offer in person. Going old school might get you the personal connection you need with the seller. Although most listing brokers won't allow it, it doesn't hurt to ask.

Strategies for a competitive market place

WAR has put together a great series of videos hosted by Annie Fitzsimons regarding how to handle a market like this. We highly recommend you take the time to watch them. You will learn some great strategies and techniques for dealing with this market.

[Part 1: Earnest Money](#)

[Part 2: Seller's Negotiation Strategies](#)

[Part 3: Form 22EF](#)

[Part 4: Buyer Concessions](#)

[Part 5: Non-refundable Earnest Money](#)

[Part 6: Home Inspections](#)

[Part 7: Escalation Addendum Form 35E](#)

[Part 8: Multiple Counter-Offers](#)

▶ [Here are some more tips that were put out by Ris Media](#)