

Offers



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You can't buy houses without making offers. It's the first stage in the buying process, but it can often be the most daunting particularly if you are new to property investing.

The way that we go about making an offer on a property, depends on where the property is located in the country. In England and Wales, you will make your offer through the agent that is selling the property. If the property is located in Scotland, then you will need to make your offer through a solicitor.

So how do we know how much to offer on a property?

The most important thing here is that as a professional investor, we make offers with our heads and not our hearts. We make offers based on a price that works for us from an investor's perspective. That will depend on a number of factors including comparable properties in a similar condition that have sold within the local area recently; the cost of any work that you intend to do the property; and the likely value of that property once any refurbishment has been completed.

But, what if you don't know the first thing about construction and refurbishment of houses?

That's OK, your offer will always be made subject to survey, and you can always take a builder around to see the property once you've had an offer accepted. If either of these things throw up any nasty surprises, then you can always revisit that initial offer.

When making an offer on a property, it will also be useful to understand something about the seller's position and any problems that you might be able to solve for them. For example, has the property been on the market for a long time; or are they looking for a quick sale?

Always remember that a good offer is about more than just money. You will also want to stress your preferential position as a buyer. For example, presenting yourself as a cash buyer with quick access to the required funds, will make you a much more attractive proposition to the seller. It's even possible to have an offer accepted, when you weren't the highest bidder, if you're able to solve a particular problem for that seller.



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To build and scale a property portfolio, will often involve having multiple offers out at any one time. It will also inevitably involve having to deal with a number of those offers being rejected and that's where it's important to remember that making that initial offer, is just part of a negotiation process. But, it's important to know your limits, and to be prepared to walk away when it no longer represents a sound investment.

It is also really important that you track any offers that you are making, and you get into the habit of regularly revisiting those offers. If a seller has accepted an offer from another buyer, it's perfectly possible that the sale could fall through for a number of different reasons and you want to be the first in line to be able to renew your offer. So often the best deals are in the follow up.



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