



## **Ask the important questions when attending an inspection.**

### **1. How long has the property been on the market?**

This could be an indication of a higher price than the market is paying, if it has been on the market for a longer period of time.

### **2. Why are the owners selling?**

The agents may not tell you this and they should not, however if they give you an answer that you feel is the truth, you can get a feel for the sense of urgency, if there is one. This information coupled with the last one, could give you a strong standing place in negotiations eg. A divorcing couple that had been on the market for 6 months with only a few low offers, might be willing to accept a lower offer to get the property sold.

### **3. What is the lowest offer the owners will consider?**

The agent should not tell you this but if they do, they have handed you a perfect starting price (look at the difference between the list price and the supposed sale price and gauge the agents' honesty off that)

### **4. Have any offers been received and how?**

Gives you an idea of market interest, fewer offers could mean the price is too high. If the property has received only a few offers, this could indicate the property has been priced too high

### **5. Have any offers been refused?**

They can tell you this and at how much because it is no longer a contract. If the offer was some time ago and refused, an offer at the same price might still be accepted



## **6. Have the owners bought another property?**

The motivation to sell will be higher than someone who is looking to move to the coast but yet to find their new home. If they have purchased a property and the contract is pending on the sale of their property, they may be willing to look at lower offers.

## **7. How long do the owners need for settlement**

If you have been preapproved for finance and have everything ready to go, you could make the contract more appealing with fewer days settlement.

- **The first Offer**

Negotiating the price of a home you have fallen in love with is never easy, the more you like a property the more tempted you will be to offer list price. Choosing the property with your heart but negotiating with your head is very hard to do.

Remember there will always be another home.

With this in mind, start negotiations based on the information you have collected over the inspection and questions you have asked the agent.

The lower the price, the smaller the difference between list price and first offer.

E.g. \$200,000 list price, first offer could be \$190,000. In a higher priced Market the difference is much bigger \$200,000,000 list price, the offer could be \$1,700,000.

You wouldn't offer \$50,000 less on a property worth only \$60,000.

In the case of multiple offers, where you have no idea on what the list price is, there is no advice or suggestions I can make, except to follow your head and not your heart.



- **Make your offer in writing**

No matter how silly the offer might look, the agent **MUST** present the offer to the seller. If you do it verbally, you might be told the offer has been accepted but the seller can still turn around and take the offer back. If this happens, you have no legal ground to stand on. If however, you write it on a piece of paper and not a legal document, you still have no legal ground to work with but maybe getting more commitment from the seller to a price.

If you are confident that your offer will not be rejected and want the property, make the offer on the contract and start the process from there.

- **The 3 big buying DON'TS**

1. Never talk about money with an agent or seller, keep the direction focused on their money
2. Never become the “target” of the questioning; focus on your information bank not theirs.
3. Never tell them what you can afford, even if it is well below what you can afford.

- **Contracts**

1. Full names must be spelt correctly. All middle names included
2. The Contract is dated when the last person signs it. Usually the seller.
3. Subject to Finance approval suitable to purchaser.
4. Subject to building and Pest inspection
5. Finance approval – 21 days
6. Settlement – 45 days
7. Insurance to be the responsibility of the vendor until settlement (optional)
8. Remainder of deposit to be paid at settlement (optional)
9. Signed by all parties



**Please contact us on:**  
**1300 499 880**  
**Diamondmine Home Loans**  
**info@diamondmine.com.au**

**Referrals are the highest form of compliment, I can receive.**

**If you know of anyone I can help, please don't hesitate to pass on my information.**