

# How to Make an Offer on a House



## ARE YOU READY TO OWN A HOME?

You've found the perfect house — the one that is just the right size and condition for your needs and your family, that's located in the ideal neighborhood and that sits within your price range. The next step: Submitting an offer.

## WHEN SHOULD YOU SUBMIT AN OFFER?



Make sure you're ready: You know what you want and can afford, you have been pre-approved by a mortgage lender and you have sufficient earnest money.

## LET'S LOOK AT A FEW FEATURES THAT CAN MAKE A HOUSE THE RIGHT ONE FOR YOU:



It has the right amount of space.



It is likely to pass an inspection.



Once you feel like a particular house is the right one for you — It's time to make an offer.



The neighborhood is right for you.

## HOW DOES YOUR REAL ESTATE AGENT HELP WITH YOUR OFFER?

As an experienced professional, your agent has seen what helps a good offer get accepted and what to avoid doing.



## WHAT DOES A TYPICAL REAL ESTATE OFFER INCLUDE?



### Contingencies

You'll want to include a contingency that requires a professional inspection with the ability to negotiate or even back out completely if problems are uncovered.



### Escalation Clauses

An escalation clause lets you ensure you'll have the highest bid without going over what you need to.



### Earnest Money / Good Faith Deposit

In most markets, this earnest money is between 1 and 3 percent of the proposed purchase price.

## WHAT IS A COUNTER OFFER?

Once you submit your offer to the seller, he or she will review it and may find some portion that isn't quite agreeable. The seller simply makes a counter offer to negotiate with you about the terms of the sale.



## CAN YOU TAKE BACK AN OFFER?



In most cases, you can take back an offer and back out of any sale as long as you and the seller have not signed a purchase agreement. In the offer documents, your agent can also insert a duration, or period of time that the offer is good for, and if that is exceeded then the offer will automatically end.



In Texas, as well as most states, there is what is called the "option period" where the buyer has a certain number of days to conduct inspections while still having the "option" to terminate the contract.

## WHAT HAPPENS WHEN AN OFFER IS ACCEPTED?

You'll need to pass through the following steps before you can officially take ownership of the property.



**Appraisal**



**Inspection**



**Legal  
Disclosures**



**Title Report**



**Lender  
Documents**



**Proof of  
Insurance**



**Final Walk-Through**



**Closing**

## WHAT IS CLOSING?

Closing is the process of taking ownership of your new property. Closing typically takes place at your title company's office. Once you've completed closing, the property belongs to you.

