

# **How to Respond to a Lowball Offer**

After all the hard work it takes to ready a home for sale, it can be so discouraging to find the first offer you get is a lowball offer. Regardless of the market, there are buyers who write offers 10%, 20%, even 30% below list price. While most of these offers are just “throw-aways,” it’s still possible to turn it into a successful sale.

Before you do anything, take a deep breath and stay calm. There are many reasons why a buyer throws out a low offer. It could be they are getting bad advice from a family member or nervous first-time buyers afraid of leaving money on the table. It’s also possible that they are working with a new or poor real estate agent. The one thing you know is that they were interested enough in your home to write an offer, and they expect to negotiate.

The next step is to send a counteroffer. Be respectful and thank them for the offer. If you do have room to negotiate, then offer to reduce your price to a reasonable level. If you have priced the home well to start with, then explain how you arrived at the list price and present any available comps.

Remember to look at the other terms offered and be flexible where you can. For example, they may have asked for a longer escrow period, and you can accommodate their timetable. You may also want to ask that the home inspection is “information only” that removes the option of repairs.

A lowball offer may take the wind out of your sails, but it doesn’t mean that there is no opportunity for moving forward. Working with your agent, send a reasonable counter offer back to the buyer and you may find that there is still a successful sale down the road.