

## The Pre-Listing Offer

You might consider it a dream scenario:

Your home is marketed as “coming soon” ahead of the official listing and the first open house, and you get a showing — and an offer.

Real estate agents sometimes advertise upcoming listings — also known as “pocket listings” or “exclusive listings” — with a sign in the yard, and even targeted online advertising. The goal is to create buzz before the home hits the MLS.

If you get an offer before the official listing date — a scenario that is entirely possible in hot neighborhoods or a seller’s market — it can seem almost too good to be true. While it could work out to be a win-win for buyer and seller, there’s reason for pause.

### **HOLD OUT FOR MORE OFFERS**

Depending on the market you’re in, you might prefer to hold out until after the first open house. After all, getting more eyes on the house increases the chances you will get multiple offers and come



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out better in the end. Work closely with your agent on a strategy.

### **THE BENEFITS OF A QUICK SALE**

Pre-listing offers typically are strong offers. They often come in at asking price, and

buyers might even be willing to make concessions, such as accepting a later closing date or paying some of the seller’s closing costs.

Getting an offer so early in the process also will mean fewer showings, which can be disruptive to sellers’ sched-

ules. It also can allow sellers who have already purchased a new home or have an urgent need to move to transition quickly to the next phase.

### **THE DRAWBACKS**

Pre-listing offers can come with drawbacks. According to

TheBalance.com, buyers who are looking to have their offer accepted before listing might give the seller a short deadline by which to respond, with the goal of having a deal inked before the first open house can occur.

The Washington Post warns that marketing a home before it has officially been listed can short-change sellers, who in many cases could benefit from their home getting more exposure. It all depends on your situation and whether or not you need to make a quick sale — and are willing to potentially sacrifice profit to do so.

### **COMMUNICATE**

Be up front with your agent about whether you want your home marketed before listing, and be sure you and your agent agree about a marketing strategy that will help accomplish your goals. If you receive a pre-listing offer, trust your real estate agent for advice on how to proceed. Her expertise in the local market can be invaluable in this situation.

TheBalance.com urges sellers to keep buyers in the loop. If you plan to hold out until after the open house in hopes of getting more offers, you should let the buyers who wrote the early offer know about your plans.



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#### REAL ESTATE 101



### Offer Price Expertise

The purchase price you should offer on a home can be a moving target. Too high and you could be overpaying. Too low and you could offend the sellers or lose their interest altogether. Realtor.com offers some advice on how to choose an offer price. (Hint: Much of it involves your real estate agent’s expertise on the local market.) Read more at <https://bit.ly/36owo5w>.

#### HOMEWISSE GLOSSARY

**Government recording charges:** fees assessed by state and local government agencies for legally recording your deed, mortgage and documents related to your home loan.

SOURCE: Consumer Financial Protection Bureau

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