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South Florida home sellers driving hard bargains

By [Paul Owers](#), Sun Sentinel

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It wasn't so long ago that homebuyers had all the power. Now it's advantage, sellers.

Strong demand and a lack of inventory have created intense competition for the best properties. Bidding wars are as common as two-car garages, giving sellers plenty of leverage – and not just when it comes to price.

"I ask for blood," said Michael Citron, a listing agent in Broward and Palm Beach counties.

When properties draw multiple offers of equal value, here's what many sellers are insisting on before they agree to a deal:

Proof of funds. Bank statements or letters from lenders show sellers whether buyers are qualified.

More money in escrow. Sellers are demanding down payments of 10 to 20 percent of the purchase price rather than the typical 3 to 5 percent. With more skin in the game, a buyer is less likely to back out of the deal, agents say.

Short inspection periods and quick closings. It's standard for buyers to inspect the home within 15 days, but some will do it in seven to 10 days. That helps closings occur in 30 to 45 days.

"I had one offer from a guy, and the price was amazing," said Samantha DeBianchi, a real estate agent in Fort Lauderdale. "But he put nothing in escrow and insisted on a full, 15-day inspection period. This, to me, was not a real offer. He wasn't taking any risk, so why should we take a risk by taking the home off the market?"

Upgraded financing. If paying cash isn't an option, some buyers will agree to switch from a Federal Housing Administration mortgage to a conventional loan. FHA mortgages may have plenty of advantages, especially for first-time buyers short on cash, but FHA's stringent requirements can pose problems for sellers.

Peeling paint or a piece of rotten wood often delay FHA deals, said Douglas Rill, broker at Century 21 America's Choice in West Palm Beach. "A conventional (loan) doesn't go that deeply into the microscopic details of the house," Rill said.

Waiver of the appraisal contingency. Buyers can get out of most sales contracts if the home doesn't appraise for the agreed-upon price.

But to stand out from a crowd, some buyers will waive that clause and pay out of pocket any difference

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between the appraisal and sale price.

That's a major concession, considering that many appraisals aren't keeping up with fast-rising prices.

One of Citron's clients, Clayton Banks, listed his four-bedroom home on a Coral Springs cul-de-sac for \$329,900. Within a day, he had a handful of bids.

Citron contacted the other agents and told them what it would take for their clients to get the house. Banks ultimately selected a buyer who offered above asking price, agreed to a seven-day inspection period and waived the appraisal contingency.

"It was great," said Banks, 54, a retired air traffic controller. "Having something that everybody wants and pricing it reasonably is huge."

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