

Game Plan 1

Your Landlord Asks You If YOU Want To Buy the Place

IF you're interested in buying the place,

- You find a good loan officer
- You get pre-qualified for a mortgage loan
- You decide if you can afford the place
- You research other homes for sale in the same price range
- You decide if you would like to try and buy the place
- You pitch idea of using a pre-appraisal to help set the sales price and you bring up some of the other major issues that you'll need to reach agreement on;
 - Seller credit? 3%?
 - What's included in sale? Refrigerator, etc.
 - Buyer inspection contingency? Yes!
 - Handling of your current rental deposits?
 - Home warranty paid by seller?
- IF your landlord agrees to using a pre-appraisal and you think you're close enough on the other issues that you're likely to reach an agreement,**
 - You get pre-approved for a mortgage loan
 - You find a good flat-fee real estate agent or attorney
 - You find 3 good appraisers
 - You send their names to your landlord
 - Your landlord chooses 1 appraiser
 - You schedule the appraisal
 - You pay your half to the appraiser
 - Your landlord pays their half to the appraiser

- ❑ Appraiser visits house
 - ❑ A few days later appraisal is completed
 - ❑ You and landlord talk to the appraiser about the appraisal
 - ❑ **IF** you & your landlord come to an agreement on the sales price or you think you're close enough that you're likely to reach an agreement,
 - ❑ You have your agent or attorney help you draft a written offer for your landlord
 - ❑ Your agent or attorney helps you with counter-offers
 - ❑ **IF** you reach a written agreement with your landlord,
 - ❑ **Congratulations, you have a contract to buy the place!** Now, the closing process begins.
 - ❑ **IF** you can't reach a written agreement with your landlord, you abandon negotiations in a polite way and remain cordial in case your landlord changes their mind on price in the future
 - ❑ **IF** you & your landlord are too far apart on price even after the appraisal, you abandon negotiations in a polite way and remain cordial in case your landlord changes their mind on price in the future
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- ❑ **IF landlord does NOT agree to basing the sales price on a pre-appraisal,**
 - ❑ You find out what your landlord's asking price is
 - ❑ You research the ballpark value of the house online
 - ❑ **IF** you think you're close enough on price and the other issues that you're likely to reach an agreement,
 - ❑ You get pre-approved for a mortgage loan
 - ❑ You find a good flat-fee real estate agent or attorney
 - ❑ You have your agent or attorney help you draft a written offer for your landlord
 - ❑ Your agent or attorney helps you with counter-offers
 - ❑ **IF** you reach a written agreement with your landlord
 - ❑ **Congratulations, you have a contract to buy the place!** Now, the closing process begins.
 - ❑ **IF** you can't reach a written agreement with your landlord, you abandon negotiations in a polite way

and remain cordial in case your landlord changes their mind on price in the future

- ❑ **IF** you think you're too far apart to justify your paying for a real estate agent or attorney to help you draft an offer, you abandon negotiations in a polite way and remain cordial in case your landlord changes their mind on price in the future

IF you're NOT interested in buying the place from your landlord, let your landlord know politely because you may change your mind in the future.

In this scenario, you'll be dealing directly with your landlord at first. After you hire your own real estate agent or attorney, they may take over most or all of the communications with your landlord.

In particular, when the landlord approaches you, the landlord probably has a price in mind. Probably two prices, their asking price and their bottom-line price.

Hiring your own agent or attorney will increase your costs but it might also end up saving you money, overall.

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