



Losing bidding wars? 10 strategies for victory

With a red-hot seller's market, listings are now getting multiple offers — and agents have to be prepared for bidding wars. Here are a few tried-and-true strategies agents can use to beat out the competition

BY [KSENIYA KORNEVA](#)

Aug. 30, 2020

Finding a house in this current market is like finding toilet paper in April — it's nearly impossible. [This seller's market](#) is *hot*, with listings getting multiple offers. So, how can you stand out? How can you help your buyer's offer shine through?

The highest price isn't always the best offer. There are other ways you can make your buyer's offer more favorable. It's important to be strategic and think outside of the box during these times. So, here are my top 10 strategies for [winning a bidding war](#).

1. Be respectful to the listing agent from the moment you book the showing

Think of every showing as a potential sale. You have to put your best foot forward from the very first interaction.

2. Call the listing agent

As soon as you know your buyer is wanting to submit an offer, [pick up the phone](#) and call the agent. Ask them about any current offers they have, and try to dig as much as possible to see if they'll reveal anything to you.

Engage the listing agent in conversation and ask what terms the seller prefers in an offer (when they would like to close, what financing they prefer and more). Also, go ahead and start making a case for your buyers. Discuss how much they like the home, how easygoing they are and how excited they are to submit an offer.

3. Have the lender call the listing agent

This is a big one that many agents don't do! Have your lender call the listing agent shortly after you submit an offer. Lenders should stress their thorough qualification process and availability, and reassure sellers that the [transaction will be smooth](#).

4. Have the buyers submit a personalized letter

Adding [a personal touch](#) to your offer can significantly impact your success. Have the buyers talk about specific things they love about the house and how much the home will mean to them. The more emotion-evoking the letter, the stronger effect it'll have.

5. Use an escalation clause

This is a great addendum that not many agents use. [An escalation clause](#) helps increase your offer up to a specified limit. Say a home is listed for \$350,000. The way this works is — your buyers will submit an offer of \$350,000 with an escalation of \$500 up to \$360,000.

This means that, for any offer above \$350,000, your buyer's offer will immediately increase by \$500 above said offer, up until the cap amount of \$360,000. So, if another party offers \$355,000, your buyer's offer immediately becomes \$355,500.

These days, there is no time to wait for "highest and best" to be called. You have to go into the offer situation believing it's your only chance. If you use this clause, make sure you explain it to listing agents, as they might not fully understand how it works.

6. Have a shorter inspection period

The shorter an inspection period, the stronger an offer is. Speak to your preferred inspectors to see how quickly they can inspect a home for your buyers. Try to make it less than seven days if possible.

Depending on the condition of the home, you can even [waive the inspection period](#) completely. Before doing this though, I encourage you to explain the risks associated with waiving an inspection contingency. If your buyers choose to waive the inspection contingency, they are still welcome to have an inspection completed. They just can't request for any repairs to be done.

7. Submit a higher escrow deposit

In our market, a common escrow deposit is 1-2 percent. I always advise clients to submit a higher escrow deposit, if they can, in order to prove their interest in the home.

8. Let the listing agent know you're open to collaborating

Let the listing agent know that your buyers are open to collaborating and negotiating anything they submit. The sellers might be hung up on one part of the contract, so knowing that your clients are willing to reach a compromise helps.

9. Write an email about your process

The offer isn't just about the buyers and their qualifications — the buyer's agent plays a huge role as well. Write a detailed email to the listing agent explaining your past successes with transactions, and how your inspector and lenders always ensure a smooth closing. Agents and sellers want to hear that there will be no issues.

10. Be organized

If the listing agent has directions on the MLS and addenda that they request to be signed, make sure you do! It's important to put your best foot forward and submit all of your documents in an organized fashion. Don't send the offer through Dotloop, but instead as attachments [in a professional email](#).

Multiple offer situations are inevitable in this current market, but with these tried-and-true strategies, you will start beating out the competition.