

Recent Article in Sun Sentinel about our seller in Wyndham Lakes!

Multiple offers put South Florida home sellers in control



South Florida home sellers are in the envious position of having to sort through multiple offers. Mike Killi got a cash deal for \$2,000 more than the asking price. The home is expected to close in mid-August. (Jim Rassol, Sun Sentinel / August 2, 2013)

The spiffy five-bedroom house on a quiet cul-de-sac in **Miramar** hit the market for \$379,900 on a Monday. By the close of business, there were two offers, but listing agent Carlos Martin was preaching patience.

Tempting as it may have been to pick one right then, seller Robert Kull waited a week for more offers to materialize.

It was a wise choice. The home ultimately drew five bids. Kull rejected two cash deals in favor of a full-price offer from a buyer willing to pay above appraised value.

"We knew it was a real strong market," Kull said. "Carlos said if we just hold out, we'll get a full-price offer, and sure enough we did."

Multiple offers are the Holy Grail of the housing recovery, but it takes skill and a dash of diplomacy to sort through all the possibilities.

Homes in good condition and priced fairly almost certainly will attract more than one offer, real estate agents say. Demand far exceeds supply in South Florida and across most of the nation, so investors and young families are all circling the same properties hoping to hit paydirt.

"Multiple offers is the last thing buyers want to hear and the first thing sellers want to be able to say," said Michael Corbett, a blogger for the Trulia.com real estate website.

Still, that doesn't mean all sellers are necessarily rejoicing, said Judy Trudel, an agent with Balistreri Realty in **Palm Beach** and Broward counties.

"When you have multiple offers, it sounds like you're in the driver's seat," Trudel said. "But it's a very stressful situation."

Not every multiple-offer situation turns out well. Broward real estate agent Carrie Hazen had a client who received three offers on her **Coral Springs** home.

That's the good news. The bad? When the seller made counteroffers late last month, all three buyers bailed.

One of the buyers told Hazen she was backing out because another seller had accepted her contract — even though it's unethical for a buyer to submit more than one offer at a time.

"Back to the drawing board," Hazen said. "There are no slam dunks."

Florida law doesn't require agents to disclose when their listings get two or more written offers. But a National Association of Realtors code of ethics states that agents must make the disclosure if the buyer asks.

In most cases, the listing agent will collect the offers, announce there are competing bids and have everyone come back with their "highest and best offers" so the seller can pick one.

But some agents and sellers take a different approach.

They'll negotiate individually with the buyers, making different counteroffers to each, even though they ultimately can sign only one contract.

Playing one offer against the other usually pushes the price higher and allows sellers to assess the motivation and financial strength of all the buyers, Corbett said.

That strategy paid off for Mike Killi, who's selling his four-bedroom home in Coral Springs. The half-dozen bids gave him and his agent, Dean Ehrlich, the leverage to go back to each buyer and seek more money and the most favorable terms.

They had an offer for \$5,000 above the \$325,000 list price. But the buyer needed a mortgage, and there was no guarantee the home would appraise. No appraisal is needed in a cash sale.

Killi ultimately took a cash deal for \$2,000 more than the asking price. The closing is expected in mid-August.

"We're really happy with the way it turned out," said Killi, 33, a social marketing manager for an advertising firm. "When you put your house on the market, you're really nervous. When you get multiple offers, it very quickly puts you at ease."

As Killi showed, the highest price isn't necessarily the best offer. Some of the other considerations: the amount of down payment, how soon the buyers want to close and whether they'll agree to pay the difference if the home doesn't appraise.

"Price is important, but it's just one factor," Broward agent Tim Singer said.

Sellers shouldn't drag out multiple offers longer than a week, said Samantha DeBianchi, an agent in **Fort Lauderdale**. "It's just good manners."

But for some buyers, no amount of etiquette will cushion the blow of not getting the home.

"Somebody is going to get hurt or feel like they were treated unfairly," said Randy Bianchi, broker-owner of Paradise Properties of Florida in **West Palm Beach**. "Multiple offers can turn off a lot of people because there's always a winner and a loser."

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