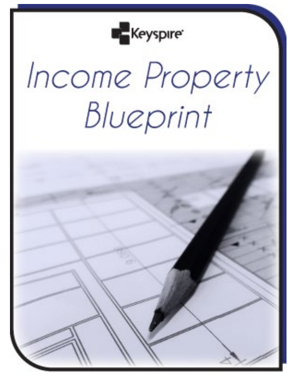
Module 3 – Lesson 14

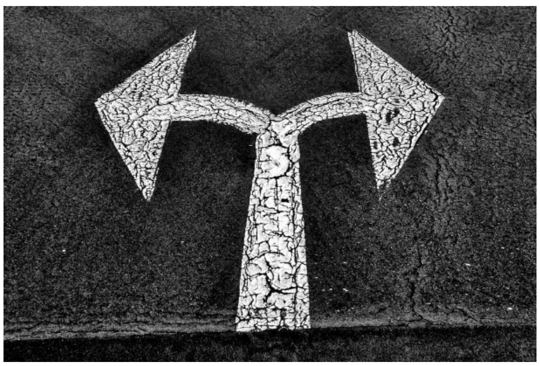
Buying Undervalue – Double Offer



OPTIMIZE

Week 40

A Double Offer occurs when an investor submits two offers on the same date with the same irrevocable date to the same seller on same property. This strategy disrupts the seller's natural inclination because instead of comparing one offer to their original goal, the seller is now inclined to compare your two offers to decide which of the two is better.



Before submitting a double offer, it's important to review local regulations to ensure offers are completed correctly.

So, when submitting a double offer, what are the negotiation dials?

Double Offer Negotiation Dials

- **Price**
  - *Offering $450,000 vs $500,000*

- **Closing date**
  - *30-day, 60-day, vs 90-day closing date*

- **Deposit**
  - *$5,000 deposit vs $50,000 deposit*

- **Various conditions (financing, home inspection, insurance, etc.)**
  - *Unconditional offer vs conditional on financing and home inspection*

- **Assuming rental equipment**
  - *Refuse to assume rental equipment vs assuming all rental equipment*

- **Vacant possession vs tenant assumption**
  - *Refusing to assume tenants vs agreeing to assume existing tenants*

- **Correcting deficiencies (as is vs list of corrections)**
  - *Accept property as is or require a list of corrections to be completed before closing day*

Double Offer Example

Here's an example of a double offer contrasting conditions with offer price.

Property list price: $300,000

Negotiation Dials	Offer 1	Offer 2
Price	***$295,000***	***$275,000***
Closing Date	July 15	July 15
Deposit	$20,000	$20,000
Conditions	***Includes all clauses*** ***15-business day conditional period***	***Clean offer with one condition*** ***3-business day conditional period***
Rental Equipment	Assume all rentals	Assume all rentals
Vacant vs tenant assumption	Tenant assumption	Tenant assumption
Correcting deficiencies	n/a	n/a

1. Double Offer Activity

What are some other ways you can use the double offer strategy?

Activity 1

Negotiation Dials	Offer 1	Offer 2
Price		
Closing Date		
Deposit		
Conditions		
Rental Equipment		
Vacant vs tenant assumption		
Correcting deficiencies		

Activity 2

Negotiation Dials	Offer 1	Offer 2
Price		
Closing Date		
Deposit		
Conditions		
Rental Equipment		
Vacant vs tenant assumption		
Correcting deficiencies		

2. **Share with the community!**

Ask your community:

- Have you ever used the Double Offer Strategy?
- What negotiation dials worked best?