

PROPERTY OFFER WORKSHEET

- Note this is used for properties making all-cash offers and *NOT* properties with underlying mortgages.

1) **Retail repaired value(RRV)**_____

2) **% of retail repaired value your buyers will pay for property in inclusive of repairs**_____

3) **Closing Costs Your Buyer Will Pay**_____ I usually I estimate 1% of RRV which covers attorney fee, title search, recording fees and miscellaneous costs. Points paid from your buyer on their financing may be as much as 3-5% but is not accounted for here. That is one cost that my buyers either pay for out of pocket or some can roll on over into their loan if they have high enough LTV loan to budget in. Rare for your buyer not to have to come up with no money out of pocket on a deal. If they can, then you're probably selling too cheap. Your buyer needs to come to the closing table with something monetarily.

4) **Minus the repair estimate**_____

5) **Minus "Murphy's Law"**_____ This will be be 3% of the retail repaired value. Basically this is a catch-all for maybe something on the repairs you missed or "fudge" factor on comps, closing costs, etc...

6) **Minus Your Profit!**_____ I usually try to get 5-10% of the RRV

7) **Wholesale Offer**_____ RRV times % of repaired retail value your buyer will pay minus:

- a) Closing Costs----1% of RRV
- b) Repair Estimate----straight amount and no percentage
- c) "Murphy's Law" factor---3% of RRV
- d) Your Profit----factor in 10% of RRV as your profit to begin with but *least* amount you should accept is 5% of RRV. Making offers this way leaves your room for negotiation. Always start with 10% because if you don't, then you really have no room to concede in negotiations.