

Writing & Accepting Real Estate Counter Offers

What Constitutes a Counter Offer?

Counter offers are generated by a home seller after a buyer has submitted an offer to purchase. Typically, counter offers will state that the seller has accepted the buyer's offer subject to the following particulars. The following particulars can address such items as:

- Total consideration (generally a higher price)
- Increasing the size of the earnest money deposit
- Refusals to pay for certain reports or fees
- Changing service providers
- Altering closing or possession date
- Excluding personal property from the contract
- Modifying contingency time frames

What's a Normal Number of Counters to Expect?

Just as a seller can submit a counter offer to a buyer, a buyer can counter the seller's counter, which will then become a counter-counter offer or Counter Offer #2.

There is no limit to the number of counter offers that can be submitted back and forth.

How are Counter Offers Rejected?

The seller is not required to respond to an offer. Does that surprise you? Of course, it doesn't mean that the brokers might not have earned a commission if the seller refuses to respond to a full-price-and-terms offer. The brokers would likely still demand payment. A non-response doesn't alleviate the seller's responsibility to the broker. Here are the most common ways to reject an offer:

- Many purchase contracts provide a spot near the bottom for the seller to initial that the offer has been rejected.
- Sellers can also write "rejected" across the face of the contract, initial and date it.
- Most offers specify a date of expiration of offer in the event the seller elects not to respond.

What About Multiple Counter Offers?

Sellers can counter more than one offer and each counter can be different. Even if one of the buyers accepts the seller's counter under these circumstances, the seller does not have to accept the buyer's acceptance. For more specific advice, consult a real estate lawyer.

How are Counter Offers Accepted?

If the counter offer is issued by the seller, the buyer can simply accept the counter and deliver it back to the party designated to receive it. Time is always of the essence. Counter offers contain expirations just like purchase offers, which means the seller can accept another offer while the buyer is deciding whether to sign the counter offer.