FOR SELLERS EXPLORING CASH OFFERS

# Cash offers: *what to know* before you decide

A cash offer can be a great way to sell. It can also cost you more than you expect if you only look at the first number. My job is to help you see the full picture, so whatever you choose, you know exactly what you will walk away with.

### WHAT A CASH OFFER DOES WELL

- **Speed.** Clever cites an average closing of 7 to 30 days for cash offers.
- **No showings or open houses.** No keeping the house photo-ready for weeks.
- **No financing risk.** No lender, no appraisal, no loan falling through at the last minute.
- **Sold as-is.** No make-ready spending before the sale.

### WHAT I WANT YOU TO KNOW FIRST

- **A preliminary number is not a contract price.** The final offer is set after the buyer inspects. In my experience, these offers often come down significantly at that stage.
- **Fees can come out of the headline number.** Some programs charge a service fee. We confirm it before comparing.
- **One offer is not a market.** When only one buyer is at the table, no one is competing to keep the price where it started.

> *A cash offer is only certain once the inspection period is over. Until then, it is a starting point for negotiation.*

## The questions worth asking

- Is there a service or program fee, and how much?
- What can change the price after inspection?
- How many days do I have before I am committed?
- Who pays closing costs and title?
- What do I actually net after my mortgage payoff?
- How does this compare to listing the home?

You do not have to find these answers alone. I will go through each one with you.

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THE REAL MATH

# How an investor builds a cash offer

Most investors who buy houses to fix and resell start from one rule of thumb:

> Cash offer ≈ *(after-repair value × 70%)* – repairs

**After-repair value** is what your home would sell for once it is fully fixed up, not what it is worth today, as-is. **Repairs** are their estimate of everything it takes to get there, often with extra padding.

**The 70%** is their cushion. The other 30% covers buying, holding and reselling the house, plus their profit. Some investors use 65%. In a hot market some stretch to 75%. The lower the percentage, the lower your offer.

## EVERY DOLLAR, ON ONE EXAMPLE HOUSE

A made-up but realistic DFW example: a house that would sell for **$350,000** fully updated needs about **$45,000** of work. $350,000 × 70% = $245,000, minus $45,000 = **a $200,000 cash offer**. Here is where the other $150,000 goes:

| PIECE OF THE DEAL | EXAMPLE |
|---|---|
| **What the investor pays you**<br>The cash offer | **$200,000** |
| Their closing costs to buy<br>Escrow, recording, lender fees if they borrow | $3,500 |
| Repairs and updates<br>Materials, labor, permits | $45,000 |
| Contingency for surprises<br>About 10% of repairs | $4,500 |
| Holding costs, about 5 months<br>Loan interest and points, taxes, insurance, utilities, lawn care | $21,500 |
| Their costs to resell<br>Commissions, title, buyer concessions, about 8% | $28,000 |
| Investor's profit<br>Pay for the risk, their time and the money they tied up | $47,500 |
| **Total: the finished home's sale price** | **$350,000** |

Example only. Every house, investor and market is different. This is not an offer, appraisal or estimate of your home's value.

> *That gap is not a trick. It is the investor's repairs, costs and profit. Knowing it lets you decide with your eyes open.*

Run the math on your own home at **consideritsoldtx.com/cash-offer**


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YOUR OPTIONS

# Three ways to sell. One clear comparison.

You are not locked into a cash offer because you asked for one. Here is how the three paths compare.

## 01

### CASH OFFER

Sell directly to a buyer, as-is, on a short timeline. No showings and no financing risk.

**Best fit:** speed and simplicity matter most.

## 02

### 7 DAY SOLD

A shortened listing through Clever with aggressive pricing, so multiple buyers see the home at once and compete for it.

**Best fit:** you want to test the market without a long commitment.

## 03

### TRADITIONAL LISTING

Full market exposure with pricing based on closed sales, professional marketing, and a plan built around your goals.

**Best fit:** getting top dollar matters most.

## My one recommendation

If you lean toward cash, consider having the home inspected first. Then you know what the buyer will find, and we can hold them to their number instead of finding out what changed after you have planned your move.

### HOW I HELP

- Review every cash offer you receive with you, line by line.
- Confirm any fees before we compare numbers.
- Show what each option actually puts in your pocket.
- Run comps so you know what the open market supports.

### HAVE THESE HANDY FOR OUR CALL

- Your approximate mortgage payoff
- Any updates or known repairs (roof, HVAC, foundation)
- Your ideal timeline and where you are headed next
- Any offer details you have already received

> *There is no pressure in any direction. I will give you my honest opinion, and the final decision will always be yours.*

*— Rebecca*

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