

## **Five key Steps to Understanding Negotiations Between Buyers, Sellers, and Agents**

Whether you are buying a home, selling a home or are a professional real estate agent, negotiation skills play a big role in your success. By understanding the fundamentals, you can increase your negotiation confidence. There are five key steps every real estate negotiator, whether buyer, seller or agent, can use to prepare for real estate negotiation success.

**#1 – Be PATIENCE.** Real estate negotiations sometimes take as little as an hour while some may take a month or longer, to successfully conclude. SO, the first key to real estate negotiation success is "be patient." Don't be in a hurry. But be pleasantly surprised if negotiations are concluded quickly.

There is an old negotiation motto, "He who cares least wins." Pretend you don't really care if you buy or sell the property. However, if you absolutely must buy the property, or if you absolutely must make a quick sale, you won't achieve your best negotiation result.

**#2 - FIND OUT THE OTHER PARTY'S TRUE MOTIVATION.** The second key to a successful negotiation is to learn the other party's true motivation for buying or selling. On a scale of one to five, with five being the highest, how would you rate your negotiation opponent's motivation? If the motivation level of the other party is three or less, chances of a successful negotiation for you are not good

**#3 - ASK IF THE OTHER NEGOTIATION PARTY HAS A DEADLINE.** Successful negotiators attempt to learn the deadline, if any, of the other party but without revealing their own deadline, if any. The seller and the Realtor should openly disclose some deadlines®.

**#4 - LEARN AS MUCH INFORMATION AS POSSIBLE.** Negotiation knowledge is power. To enjoy a profitable negotiation, successful negotiators learn as much as possible about the specific property and any local situations that affect its desirability.

**#5 - USE A PROFESSIONAL INSPECTION REPORT TO YOUR NEGOTIATION ADVANTAGE.** Today's smart home buyers include in their residential purchase offers a contingency clause for the buyer's approval of a professional inspection report. After the home sale price and terms are negotiated, including an inspection contingency, then the buyer should hire a professional home inspector to be certain the seller disclosed all known defects.

The best professional home inspectors are members of the American Society of Home Inspectors. ASHI members must have completed at least 200 inspections, pass a tough exam and keep updated with continuing education courses. It's not easy to become an ASHI inspector. Local ASHI members can be located at [www.ashi.com](http://www.ashi.com) or by phoning 1-800-743-2744.

Homebuyers should be sure to accompany their home inspector to discuss any defects discovered. What looks like a serious defect often turns out to be insignificant, and vice versa.