



## Negotiation Tips for a Buyer's Market

By Bob Corcoran

*"It is not necessary to change. Survival is not mandatory."* W. Edwards Deming

You should be used to it by now – the buyer's market has settled into his big, cushy, leather, easy chair and he's resting comfortably.

He's like the guest who just won't leave, so you have to learn to live with him for a while longer. And one of the best ways to do that is to sharpen your negotiation skills.

During the last five years of the hot seller's market, negotiation skills weren't quite as important as they are now. All you had to do was put the house on the market with a reasonable price and let the bidding begin.

Now things have changed. Today, we're seeing a more traditional market where buyers have their share of homes to choose from. So the negotiation game among sellers and buyers (and their respective agents) has reached a new level of importance.

Here are four tips to help you negotiate in a buyer's market.

1. **Be informed.** I can tell you without exception who always wins in a negotiation – the one who has the most information and uses it wisely. It's the one tool that's imperative in any negotiation. Information leads to the right price for a property, it puts details in perspective, it lessens tensions and it keeps emotions in check.

There's no excuse for not knowing average days on market, list to sell-price ratios, home amenities and all the other basics, but it also helps to know, for example, a buyer's motivations (are they moving with a job, do they like the school district, etc.).

2. **Don't lower your commissions.** This is a key point, because in a buyer's market, many REALTORS® automatically put their commissions on the auctioning block. But if you lower your commission to get a seller's business, what does that really say to the seller? That you're easily willing to come down on price – not what a seller wants!

Instead, demonstrate your value of past transactions and show that you delivered a better price for the homes you've sold. You may be asking for a higher commission, but the price you get for the seller more than makes up for it. You have to prove your value to get the full commission you deserve as a professional.

And revisit and adjust your listing presentation to illustrate to the potential client that you understand the nuances of a buyer's market.

3. **Handle offers with care.** Never flat out reject an offer. Sure, you'll get offers that you simply will not accept (and that you might even find insulting), but be careful and tactful with how you respond to those offers. You've done your homework to arrive at the asking price, so explain that to those who make offers instead of a flat rejection.



And adopt a sense of urgency with offers. I've seen some REALTORS leave offers on the table for a week or longer before responding. It's not professional and it's not in the best interest of your client.

4. **Keep a positive “this will work” attitude.** Consider how comfortable you'd be on the operating table with a surgeon who's sending out vibes that things might not pan out. Focus on solutions and persist without exception. There really is a solution to every problem.

Effective negotiation requires focus, concentration and skill. When it's done right, everyone feels they're walking away a winner! This is such an important topic that I've posted even more information on how to improve your negotiation skills on my web site: <http://www.CorcoranCoaching.com/BrokerAgent>, I highly encourage you to take advantage of it. Best of luck to you.

*Bob Corcoran is a nationally recognized speaker who is founder and president of Corcoran Consulting & Coaching<sup>SM</sup>, ([CorcoranCoaching.com](http://www.CorcoranCoaching.com)), an international consulting and coaching company that specializes in performance coaching, and the implementation of sound business systems into the broker's or agent's existing practice. You can reach him at 800/957-8353 or [Info@CorcoranCoaching.com](mailto:Info@CorcoranCoaching.com). Sign up for his free “Tip of the Week. at [http://www.CorcoranCoaching.com/tip\\_week.php](http://www.CorcoranCoaching.com/tip_week.php)”*