



Negotiation Tips For a Buyer's Market

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 is 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 the average number of days on the market, list to sell price ratios, home amenities and all the other basics. It also helps to know, for example, the seller's motivations (are they relocating, is it a short sale, is it a divorce situation, etc.).

2. **Don't lower your commissions** - This is a key point, because in a buyer's market, many agents automatically put their commissions on the auctioning block. If you lower your commission to make a deal work, what does that really say to your buyer, as well as the listing agent? It says that you do not believe that your hard work is worth your fee, and if you do it once, they'll always expect you to fold on your commission.

Instead, demonstrate the value of past transactions and show that you are a proven problem solver. You have to prove your value to get the full commission you deserve as a professional.

3. **Handle offers with care** - Never argue with the listing agent. You will sometimes submit offers on homes that are clearly overpriced. But be careful and tactful with how you communicate with the listing agent. Remember an acceptable price is what a seller is willing to sell for and what a buyer is willing to pay. Befriend the listing agent, ask for their help. Let them know that your clients just can't pay more than x when they've seen other homes that are priced better or in better condition. Usually the listing agent knows that their listing is overpriced, and may have an unreasonable seller. Ask the listing agent, what needs to happen in order to get a sale, and help the seller feel it's a win-win situation.



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 like they are 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 website: www.CorcoranCoaching.com/Commitment.php . I highly encourage you to read and take advantage of the information in that document.

Make A Commitment: I will work on my negotiation skills and focus on solutions!

Deadline: _____