



Negotiation is fishing for success

By Tom Brown, Real Estate Columnist

Its a few stressful moments filled with anxious anticipation. To a fisherman, bringing the catch safely from the water into the boat is a difficult and delicate task. In the same way, fretful moments are suffered by a person who is negotiating the purchase or sale of a home. To both angler and negotiator, the prospect for success is favored by those who are prepared.

A prospective buyer is looking for an appealing home that is priced within their means, as a seller is searching for a credit-worthy buyer who will pay a fair price. Once an offer is created the parties approach one another from completely opposite directions. Each party, with their rationale and motivation in place, sees a fish on the line near their boat.

How do you prepare for a negotiation? What can be arranged in advance to become ready for these anxious moments?

Know your marketplace; as the angler knows which fish are biting and the amount of boats nearby, you ought to know the amount of homes or buyers that are active in your segment of the market. Your local Realtor has the experience and the tools available to guide you.

Establish a key number. This is a number in dollars that reasonably values the home you own or wish to buy. Make sure you have a good understanding of the various costs to close the sale. This key number is the amount of money which allows you peace of mind. Here's the kicker: it's the number that will make you equally content when your Realtor calls to deliver one of these two statements: 1)"Congratulations, you've bought (sold) your home!" or, 2)" Sorry to report the other party did not accept your counter offer." Your key number allows you to be equally happy, yet with no regrets. It's a tough number to find but essential to hold.

Prepare to be clear and prompt in your communication. Whenever someone does not have pertinent information they will naturally begin to make assumptions. Like the fish that darts away from the boat, these assumptions interfere with the dialogue. If left unanswered, assumptions will leave both parties with nothing. The fish flees out of their hands back into the water.

Summary: The hours during a negotiation can be nerve-racking. Prepare in advance by learning the realities of the marketplace and establish a key number. Then be ready to give clear and prompt communication. If you do your homework, the negotiation experience will become a business-like navigation through the waters of uncertainty. You may not have to regret the one that got away.

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