

How to negotiate when buying or selling a house

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First tip is leave the kids with family or friends... seriously though

Here are 3 steps to successful negotiating

The Next Address Simple Negotiation Plan

A negotiation plan has three clear and simple stages:

1. Preparation
2. Negotiation
3. Agreement

1. Preparation stage

Sellers ask yourselves:

- What do you want to achieve in the negotiation?
- Set your price now - be realistic and fair. What is your lowest possible sale price? Know why you have set this limit.

Buyers ask yourselves:

- Set your price. What's the maximum you're willing and able to pay for this home?
- Are there any special conditions that you need? Short or long settlement, or a clause subject to financing?

What are your objectives?

These could range from a long settlement time, to the price, even a rent back option may be needed. Having answers to these questions will guide you through this stage of the negotiation.

It is really important to have all the required legal documents ready:

Vendor's Statement (Section32), Offer to Purchase document and a sample Contract of Sale.

There are blogs and videos about how to use the documents:

What is a Vendor's Statement or a Section 32?;

How to buy a home using a Offer to Purchase document;

Contract of Sale: What is it?; and

Clauses in a Contract of Sale) explaining exactly what these are on the web site. Check them out!

2. Negotiation stage

Communication is so important!

- Be open and be confident
- Sellers, you know your home. Be persuasive and list all those benefits. You also know its negative points.
- Be friendly and honest in your approach
- Be very clear about what you want: your objectives
- Be flexible
- Stay calm

Watch our video Negotiating a purchase price: it is not difficult for more tips!

3. Agreement stage

When you have an agreed on the price and conditions, put everything in writing. This not only makes that agreement binding but also acts as a future reference for both of you. Use an Offer to Purchase document.

In most cases the buyer's legal representative completes the contract of sale documents, which is attached to the Vendor Statement (Section 32). This is then signed by the buyer, usually with their legal representative. The final step is the seller/vendor's signature which completes the sale process.

Property Sold. Congratulations!

Finally: We can help!

Remember, everything is negotiable. Whether it's the length of the settlement, the amount of deposit, pest inspections etc, both parties have to agree to the terms. If you still feel uncomfortable about this process, we offer access to a skilled negotiator who will manage the negotiations between the parties for a small fee.

Next Address: Together, let's get you moving!

(Updated 19/02/2018)

https://nextaddress.com.au/blog/next-address-negotiating-tips