

Points of Negotiation

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One of the great things about being a REALTOR is that every transaction is a little different based upon the situation of each buyer and seller. The Morgantown Board of REALTORS has developed a Sales Contract and many different addendums to create consistency within the industry when handling these complex transactions. However, within these documents there are many different aspects that can be negotiated. A common question that REALTORS get asked is what is negotiable? Simply the answer is many things can be negotiated if it works for both the buyer and the seller.

Everyone knows price to be a major point of negotiation and it is, but it is not the only one. According to North Central Multiple Listing Service the average list to sale ratio in Monongalia County is 96%. It is important to remember when negotiating price, the buyer needs to consider recent market data when making offers and working out a price. Your REALTOR can provide you with information regarding recent comparable sales as well as active comparable homes. Providing this information with your offer it helps show the seller where you are coming from. Remember price is not the only thing in the contract you may be negotiating, so if you are asking the SELLER to pay for closing costs, or a home warranty, or repairs it is wise to offer closer to listing price.

In addition to price, there are many other areas the buyer and seller can negotiate. These items are not limited to but may include: length of sales contract, types of financing, inspections to be completed, closing costs to be paid, home warranty included with purchase, and personal property conveying with the home.

Once the inspections are completed, which typically include a home inspection, radon inspection, and pest inspection there no doubt will be some items in need of repair. The key is were these defects identified previously in a seller's disclosure and or are these expected due to general wear and tear of an existing home. There is no perfect home no matter how hard we look. If these defects do become points of negotiation between the buyer and seller it can be negotiated if they need to be fixed, and how they will be fixed. If both parties legitimately want to buy and sell these repairs can be worked out in a manner that is fair to both parties.

There is really nothing within a real estate contract that cannot be negotiated out. However the thing to remember is that it is not about winning or losing the negotiation, it is about working to a fair conclusion for each party. Your REALTOR can prepare you for these negotiations with data on the market and informing you with what is customary practice in the market.