

LOW INVENTORY AND MULTIPLE OFFERS

DON'T FORGET TO NEGOTIATE HOME PLATE (THE CLOSING!)

Are your agents' contracts falling apart even when sellers are in a power position? Here's how to avoid it.

by Larry Kendall, Author of Ninja Selling

Are you in a strong sellers' market with low inventory and multiple offers? If your sellers are in the power position, why are they experiencing such a high level of contract cancellations? Have you heard the frustration of an associate lamenting how their listing had 10 offers but the contract has now fallen through, and the home is back on the market? What an unfortunate experience for their seller—and the associate. Now they have to start over.

What happened? The listing real estate professional and the seller failed to negotiate home plate. They just negotiated first base (usually price and closing dates). Later, they had to negotiate the inspection (second base). Then, they negotiated the appraisal (third base). There are often other elements to negotiate before they finally get to closing (home plate).

Associates skilled in the art and science of negotiating know that when the seller is in the power position with multiple offers on the table, you negotiate for home plate. You tidy up the contract by removing as many contingencies as you can up front. A seller can demand this when they are in the power position. The minute the seller signs one of the contracts, the power position shifts to the buyer.

Knowing the five negotiating points of a contract is the key. Here are the five points, and the questions a skilled negotiator would ask of the 10 buyers who have offers on the table.

1. Price. "Who is willing to pay the highest price?"

2. Terms.

- **Earnest Money.** "Is anyone willing to release all or a

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