

Negotiation of Purchase Price Is Only the Beginning — There's More to Follow

A common misconception, especially among those who choose the For-Sale-By-Owner (FSBO) process, is that all real estate agents do is get the property under contract and collect their commission checks at closing.

The thinking goes that all a seller really needs to do is get the home on the internet, put a sign in the yard, and wait for the right buyer to find the home.

Then you simply negotiate a price and proceed to closing.

In most transactions, however, there's a whole lot more that happens requiring the input of an experienced agent.

Negotiating the purchase price is itself a matter requiring good information and skills. Sellers and buyers don't have ready access to sold data, especially regarding seller concessions that reduce the net purchase price.

A good buyer's agent will not merely suggest offering "x" dollars less than asking price, but will do a

market analysis to see whether the house is priced right in the first place. A good listing agent has his own data to support the asking price when an offer comes in. While the unrepresented buyer or seller has only Zillow.com's "zestimate" for guidance, a Realtor has access to NAR's

new Realtor Property Resource, which provides a far more sophisticated basis for determining value.

The next hurdle in virtually every contract is inspection, when the buyer hires a professional inspector to test all the systems in the home from cellar to roof and uncover hidden or unknown defects. In older homes, it even involves doing a sewer scope, in which a miniature video camera is sent from the home's sewer clean-out

all the way to where the home's sewer line taps into the public sewer line. An unrepresented buyer may not know of a good home inspector, and may not know to order the sewer scope, but if he fails to uncover a collapsed sewer line, he is failing to avoid a multi-thousand dollar repair which will invariably be paid for by the seller — if it is identified as a problem.

Negotiating inspections issues and reaching resolution between the parties definitely benefits from having an agent on your side who does this all the time. Not everything the buyer demands will or should be granted by the seller, but if you don't reach agreement, the contract terminates.

The last hurdle is appraisal. If the home doesn't appraise for the contract's price, it does not automatically mean the price must be reduced. It is still something that can be negotiated to both parties' satisfaction.

This Week's Featured New Listing:

Fine Patio Home in 55+ Community

Parkview Villas is an age restricted neighborhood built in 2007-2008 just two miles north of Golden near the intersection of Highway 93 and 58th Avenue. While many of the homes back to the highway, this home is on the far edge of the subdivision, and it is also on a corner lot, giving a feeling of greater openness. Enjoy views of both North Table Mountain and the foothills. Inside, you'll find the most popular upgrades — slab granite countertops, hardwood flooring and stainless steel appliances, all included. Now that the subdivision is complete, the landscaping is maturing nicely and there's no construction going on. Take a video tour at the website, then call me or your agent to see it!



REAL ESTATE TODAY



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