

What Is Negotiated When You Purchase a Home? More Than You Might Think!

It's easy to assume that the main (or only) negotiation in the sale or purchase of a home is the contract price, but it turns out that there's a lot more negotiation — both before and after going under contract.

Most contracts are or should be countered, and not accepted as written. For example, there are 39 different deadlines in the standard contract — everything from when the earnest money check is delivered to when the buyer gets to take possession.

If the seller is given extended possession after closing, will it be free, and who pays the utilities? It's all negotiated.

If a contract falls, it's usually because of inspection issues, so the seller will want that inspection deadline to be as early as possible — preferably within 5 to 7 days. And there are other deadlines which allow a buyer to terminate and get his earnest money back, so a good listing agent will make sure they are reasonable. For example, I have seen contracts in which the deadline for terminating based on the acceptability of insurance costs is a week prior to closing. That's ridiculous, because it takes only a couple days to get that quote.

The second big negotiation in any transaction is over inspection issues. Some buyers will want to have the seller fix every single

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By **JIM SMITH,**
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problem identified by their inspector. (Once my seller received an inspection objection notice that didn't even itemize the problems but said, "Seller shall fix everything listed in the attached inspection report.")

Negotiating what the seller will and will not fix and what the seller might give as a credit in lieu of certain repairs is different in every transaction, and your agent's experience in handling that process can be critical in obtaining a favorable outcome, whether you're the buyer or the seller.

As I have written before, I advise my sellers *not* to fix many of the known problems prior to putting their house on the market, but to save some of them as bargaining chips during the negotiation over inspection issues. Getting a back-up contract in place also helps with negotiating inspection issues. If the buyer is asking for an unreasonable number of repairs, I'll provide those demands and the buyer's inspection report to the back-up buyer. Often that back-up buyer will agree not to ask for any of those repairs, giving the seller the ability to tell buyer #1 that he won't fix anything. This can be an effective technique.

Having multiple offers presents a great opportunity for negotiating matters that are important to the

seller. For example, a downsizing seller may have lots of furniture he'd like to sell. Rather than have an estate sale, I recommend making a list, with prices, of the items "for sale outside of closing," and leaving it on the kitchen counter for every visiting buyer to see. Many times I have been able to have the winning bidder include in their contract that they will purchase everything on that list at the prices shown. In a recent case, the buyer asked that all the purchased furniture be moved to the garage prior to closing — a sure sign that

they bought the furniture only so they would win the winning war for the house!

If the home doesn't appraise for the contract price, the buyer can demand a price reduction on threat of terminating the contract. Since the appraisal deadline is usually very close to the closing date, the seller may feel compelled to accept the price reduction rather than lose the contract. But a good listing agent knows that the same reluctance exists for the buyer, so often-times the seller can negotiate little or no price reduction.

Just Listed: A Veritable Mansion in Alkire Estates

No expense was spared in the construction of this 4,937-square-foot home at **12996 W. 81st Place**. The roof, for example, is Italian Ludowici tile. The 18'x20' kitchen has two Corian double sinks and two dishwashers, a Sub Zero refrigerator and a 2-drawer Sub Zero wine refrigerator. The master bedroom features two master bathrooms (each with a deep whirlpool tub and a bidet) and his-and-her master closets. There are also his-and-her offices. There's a wall fresco water fountain in the foyer and three domed ceiling frescoes that were hand-painted by a local artist. Ceiling heights are 10 feet in the basement and 12 to 14 feet on the main level. There are two oversized garages, each with epoxy floors, radiant floor heat, floor drains, bright fluorescent lighting, and abundant electrical power. The basement garage alone measures over 2,000 square feet and could accom-



modate at least 5 or 6 cars, but is designed to include a large workshop and man cave. Three boilers provide radiant floor heating not only to the house but to both driveways, patios and decks for snow melting. At left is a picture of the basement patio. The basement and garage concrete slabs are 8" thick, poured over 5 feet of imported compacted fill dirt. The structure itself is built on approximately 48 concrete caissons. An elevator suitable for a large wheelchair connects the two levels. A 10-camera security system is monitored from the master bedroom where there are two wall-safes, one suitable for long guns. A 22-zone sprinkler system serves the home's grounds, including an herb garden and two vegetable gardens, as well as the well-manicured greenbelt below the property. My narrated video tour at www.ArvidaMansion.info covers all this and much more! All in all, this is one amazing home that is unmatched in the number of luxury features and quality construction details. Call your agent or Jim Smith at **303-525-1851** for a private showing! There will be no open house.

Gated Daniels Gardens Home Listed by Jim Swanson

Buyers looking for a private turn-key house will love the top quality features in this move in ready 3-bedroom, 3-bath home at **1205 Vivian Street**. The entire home was gutted by the previous owner and further improved by the current owners. Features a long paved driveway leading to a detached 2-car garage with 220V service and an upstairs finished exercise room. There is covered RV parking area with 50 amp service and sewer access. The Daniels Gardens area is quiet with great access to 6th Avenue and I-70. There are 32 pine trees in the 0.29-acre fenced lot. Everything in this home has been meticulously upgraded or replaced with great care and quality -- new roof, new boiler, gas stove, new paint, new granite kitchen counter and backsplash. The large master bedroom has wood floors and a walk-in closet. All appliances and the newer washer and dryer are included. Visit www.LakewoodHome.info for more details and photographs as well as a narrated video tour. Call your agent or Jim Swanson at 303-929-2727 for a private showing.



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