



### **Home purchase negotiation means much more than offering a dollar figure on a property**

There is much give and take involved in negotiating a property purchase. It is important to have a checklist of what you want out of the deal as a buyer. Bear in mind, the home must be appraised and the lender will be looking at the fair market value on a given property. Property values fluctuate, and your Real Estate Agent should do a comparative market analysis so you are aware of what the trends are for the area you are shopping in. This will give you an idea as to whether the price the seller is asking for is realistic. You will also want to know how long the property has been on the market, and if any price reductions have occurred during that time.

Make sure your Real Estate Agent is on the same page with you so he or she is able to represent you properly. You also want to know that you are working with an agent that is experienced in representing buyers. Very few agents have the ability to provide strong representation for both a buyer and a seller. If you have not yet selected a Real Estate Agent to represent you, my team and I can provide you with contacts that have a proven track record of success with our clientele.

#### *A good deal has to work for both parties.*

The sellers will also have a wish list of what they want out of the negotiation. Listen attentively to the sellers to determine what their hot buttons are. By knowing what the sellers' priorities are, you can use this as leverage to negotiate what you want out of the deal at some point along the way.

Find out if the sellers have a deadline. Perhaps they have already purchased a new home, or have to relocate because of a commitment to a new employer. Find out what the sellers' current mortgage balance is and use this to your advantage.

On the other hand, if the sellers want to move because they can't manage upkeep on the home, or don't want to invest in repairs, these problems will be passed on to you. If you are prepared to go into a deal that involves a fixer-upper, there is an FHA financing program that is designed to provide funds for both purchase and repair. My team and I can provide you with more information on FHA loan programs or secondary financing.



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You would want to know if the sellers are planning this move because there are problems in the neighborhood. Take a walking tour of the area and ask the residents what the neighborhood is like. You can also ask the local police department about crime rate, or check the local newspaper for crime listings. Don't be afraid to ask questions.

When the sellers insist on getting their way at a certain point, make sure you are getting something in return. Typically built-in amenities, such as dishwasher and garbage disposal, will stay with the home. You can negotiate other items in exchange for something that ranks high on the sellers' wish list. Be prepared to split the difference so everyone involved is satisfied with the negotiation. A win-win situation for both the buyer and the seller is critical to a smooth close.

Keep it simple and be direct, but above all, know that I am here to assist you.

Sincerely,

*Catherine Sun*