

# 6 Rules to Boost Your Negotiating Skills

As billionaire entrepreneur Karl Albrecht once put it, negotiation is about starting out with an ideal and ending up with a deal. Learn what you need to do to get buyers and sellers moving towards closing.

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Negotiating skills are often minimized or overlooked completely in training and coaching programs for real estate professionals. Yet negotiating is a dominant facet of a successful practitioner's business.

In a recent article, I offered the [top 10 rules for successful negotiations](#) aimed specifically at real estate pros who might have difficulty for [five reasons](#):

1. Practitioners are in a difficult position as third-party negotiators.
2. They frequently have little or no formal training in negotiating.
3. Buyers and sellers are usually inexperienced at negotiation and often fearful and jaded toward it.
4. Buyers and sellers are usually negotiating over their largest and most important asset and investment.
5. Buyers and sellers are going through a life experience that can make them feel insecure.

I have some rules that will help you add confidence and strength to your negotiating skills in thorny situations. They will make your business and your life less stressful, more satisfying and more productive.

## **Rule 1: At your presentations, prepare the seller or buyer for how the negotiations are going to go.**

You might say something like:

*"May I go over what happens when a buyer is interested in purchasing your home? The buyer and agent write an offer that they deliver to me that I then present to you. Here's a copy of an offer and the additional paperwork that goes with it. There are more items than just price that have to be negotiated. I like to prepare you for all of it so that you can be more comfortable and confident when we're actually negotiating with the buyer. May I take a moment and go over it with you?"*

Then, as you review it, explain all the items that might be negotiated in your market. The language is similar for a buyer.

## **Rule 2: Prepare the seller or buyer for the worst case.**

Describe the best-case and the worst-case scenarios. Suggest that their experience will be somewhere in the middle but probably closer to the best case because you have worked hard to help all parties feel like they have won while you're getting the most for them.

When you prepare your client this way, you create their expectation for how it will go. This gives them tremendous peace of mind and confidence in you. It makes them much calmer during what is probably a very stressful time for them.

Understand that if you don't prepare them, once the negotiations begin they may try to control how it will go. They become tense, stressed, less cooperative, and distrustful of you.

Rehearse the words you'll use to prepare them for the negotiation. You'll find your business runs more smoothly, and you'll bring far less stress into your own home.

### **Rule 3: Research, Prepare, and Plan.**

Gain information from everyone and anyone you can, including your client, the other agent, the other party, tax records, and past multiple listing records.

Specifically, you want to get answers to the following questions:

- Who's moving? Why? Where? When do they have to be there?
- Have sellers had any offers?
- Have buyers seen many properties?
- How long have they been looking or on the market?

When getting this information, be sure to respect ethics and laws. Also, instruct your sellers and buyers to be careful of what they say about where they're moving and why to ensure that they don't put themselves at a negotiating disadvantage.

### **Rule 4: Gain the respect of all the parties with simple courtesy and integrity.**

When people realize you keep your word, it gives you additional influence in the negotiation. This entails:

- Showing up when you say you will.
- Calling when you say you will.
- Doing what you say you will.

Pretty straightforward, right? Yet this level of integrity is uncommon. If you can follow through on your promises, it will set you apart in the marketplace.

### **Rule 5: Maintain objectivity.**

Do not talk about one party to the other except to say they're interested in the property or that they're obviously interested in selling. Very often when negotiations break down or get difficult, it's because the practitioner has shared his or her own opinion or inappropriate information about the other party.

This can also happen if the buyer talks directly to the seller. Don't bring the buyer and seller together at inappropriate times. They may say something that's misinterpreted and offend one another somehow.

**Rule 6: Write an offer that you believe will be accepted.**

Going back and forth more than twice makes the buyer and seller crazy. Include everything you think is important to get the deal together. Prepare buyers and sellers for this in your initial presentation.

These rules are a basis on which you can work to boost your skills to become a master negotiator.

Good luck with your future negotiations!

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