

# The Hagggle: For LES co-op, persistence--and patience--is key, for both buyer and seller

This week, we go behind the negotiations for a co-op on the Lower East Side which sold for \$385k in December. The buyer's agent was [Brad Malow of Rutenberg Realty](#), and the seller's agent was Robin Rothman of Sotheby's.

## THE DETAILS

The apartment, a convertible two-bedroom, was part of a large co-op complex at 575 Grand Street. The bathroom, kitchen and floors had recently been redone. It also had a balcony--a major perk for the buyers.

The owner was transferred to China for work, and had to sell the apartment, which he had bought at the height of the market for somewhere around \$465k, according to Rothman.

After about nine months on the market (the seller turned down some offers, and in one case, a buyer withdrew his offer and bought a less expensive apartment in the building), the owners ended up selling their property to an older couple who planned to use it as a pied-a-terre, and eventually make it their permanent home.

## DATES

*On the market:* October 2010

*Buyer's initial offer made:* June 29, 2011

*Contract signed:* October 5, 2011

*Closing date:* December 13, 2011

## HOW THE DEAL WENT DOWN

Though the apartment was on the market for \$419k, the buyers saw that they had a bit of negotiating power because it had been on the market for nearly nine months. The fact that the seller was moving to Hong Kong and obviously needed to unload the apartment, gave his clients the upper hand, [Malow](#) said.

The buyers offered \$350k at the end of June.

"My client basically wanted to slam the door," said the seller's broker, Rothman, but she convinced him that these were just the kind of buyers he wanted (seriously interested, with strong credit). The fact that the buyers were planning to put 60 percent down would also sweeten the deal for the co-op board.

[Malow](#) said his clients offered \$350k with hopes of spending around \$375k after all offers and counter-offers were done.

About three days later, the owners countered with \$410k and the broker asked for best and final to speed the deal along.

The buyers offered \$380k.

The next day, the owners countered at \$405k. To the buyers, **Malow** said, "that showed that they were still willing to come down." The buyers countered at \$385k.

The owners responded by saying that their absolute final was \$400k. The buyers wouldn't budge.

The owner rejected the bid and actually listed the apartment with another sales agent (at \$419k again).

On August 6, the U.S credit rating was downgraded from AAA to AA+, and during the second week of August, the buyers called **Malow** and asked if they could approach the seller again, expecting that he might be more desperate to sell.

At that point, the owner accepted the \$385k offer.

It took a while for the contract to be signed, because the board insisted the buyers' home be inspected (to ensure they were being honest about not having pets -- the building doesn't allow pets). The buyers objected to that at first, though they eventually went through with it.

## **THE TAKEAWAY**

According to **Malow**, there are a few lessons to be learned from this sale and the discount his buyers won.

"We'd done our homework, so we had seen recent sales from the building, and my buyers were willing to walk away. That gave them the willingness to know that \$385k," says **Malow**. "There's something to be said about knowing what something is worth and keeping on the ball."

"Also," **Malow** adds, "if you know a seller is in a desperate situation, which you often do, patience is key. Keep your eye on the prize. If you've gone through negotiations several times, keep in mind that 'no' doesn't necessarily mean 'no.' If you have patience, and persistence, you may be able to get it in the end.

"Find out as much as you can about a listing, to find out what kind of position the selling broker and the seller is in, and use it to your advantage," he said.

Rothman says that the fact that she and the buyers' broker had such a good relationship helped things end on a positive note.

"The synergy between **Brad** and I was great," she said. "It was one of the most thoughtful, patient, deliberate negotiations you could ever imagine. I had this person who was just angry cause he was losing money, but thank goodness for a great relationship between the two brokers."

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