

Top negotiating mistakes EVERYONE makes (that means buyers, sellers and their respective brokers)

We've already explored some common missteps that sellers and buyers (and their brokers) make. Now, here are some universal mistakes that everyone makes; in other words, here's what no one should be doing.

1. Don't underestimate the opposition—or assume they think like you do

Bankers and lawyers negotiate very differently than artists and writers, notes Deanna Kory of Corcoran. Find out everything possible about whom you're dealing with—not only their personality and profession and background, but how they think.

"Understand where they're coming from, their experience on the market, why they're priced where they are," says Kory.

Having this information not only makes it easier to plan your strategy, but also to interpret statements like, "There's a lot of interest in this apartment."

"Often they are just bluffing and they don't want to lie. It depends whom you're talking to," says Kory. "If they're a lawyer, they may be talking factually—they may have a lot of interest but no offers. With a marketer, it may be a different story."

2. Don't be a jerk

Being nice will generally get you a lot further in negotiations than being a jerk, according to several brokers we spoke with.

"There's a lot of value in being nice because residential transactions are more emotional," says **Wei Min Tan of Rutenberg Realty**. "The seller has pride and ego and so does the buyer."

Being heavyhanded or bullying is the worst thing you or your broker can do when presenting an offer, they say.

"Let's say the seller wants \$2.5m and the buyer offers \$2.3 million," says Tan. "A nice broker would say 'This is an all cash deal, my buyer is a very nice person and can close in two weeks which will benefit your seller who is in the process of moving to California.' A not-nice broker would play hardball and say, 'I know your seller is moving to California. My buyer is offering cash and no one else will. Do you want your property to sit here? Do we have a deal or what?'"

Deadlines are also usually considered a hostile move and should be avoided, says Deanna Kory.

3. Don't forget to negotiate key terms besides the price

Closing attorney Cheryl Dresner says buyers and sellers sometimes think they have a deal when in fact they haven't fleshed out some important elements.

"Most buyers think the deal is contingent on financing, and most sellers hope it's not," says Dresner. "Or the buyer paying top dollar thinks they're getting all the chandeliers and fixtures in a gorgeous apartment, and then the seller says he's taking everything including the doorknobs."

Another big forget-me-not is the closing costs.

"Typically there are mistakes on all sorts of assumptions like who is paying transfer taxes, who pays the flip tax in a co-op," says closing attorney Sandor Krauss, noting that the responsibility for flip taxes in co-ops and non-new-development transfer taxes in condos generally falls on the seller, but not everyone realizes that.

4. Don't blow small things into deal breakers

With real estate so expensive in New York, it's easy to feel like you're being gouged no matter which side of the table you're sitting on.

"A lot of times buyers and sellers will argue tooth and nail over things that aren't really that important, and sometimes it blows deals," says Krauss. "When you're buying an \$800,000 apartment, should you really be that concerned over spending an extra few hundred dollars on the a/c that the seller wants to take?"

5. Don't push ahead when you're butting heads

At some point in many deals, buyers and sellers "start splitting hairs and no one is winning," says Holly Sose of City Connections. "You get into a little bit of a stalemate and everyone wants an answer now and the emails are flying."

At that point, she says, take a 24 to 48 hour break from communication.

"Give everyone a chance to disconnect and reset and take their egos out of it," she says. A pause can also introduce some healthy anxiety, "like if you're dating someone and they suddenly stop talking to you."

6. Don't take it personally

Probably the biggest mistake buyers, sellers and their brokers make is getting their egos involved and taking things personally. (See "Don't be a jerk," above.) Do your best to relax, detach, and keep your eye on the big picture. It's not about you.

Ultimately, it's just business.