

CULTURE MORTGAGE

Is the listed price of real estate negotiable?

Yes, assuming the seller is willing to negotiate. In fact **almost everything is negotiable in real estate**, from what is included with the home when you purchase it, to the cost of closing on a home loan. It is important to understand the listing price is different from an offer. By listing a home at a specific price the seller is not obligated to sell it at that price, simply because someone is willing to pay it. There are times when home sales go into contract well over the initial listing price. On the other hand, often times homes will sell for under the listing price.

You should understand **the power you have as a buyer** when negotiating a home purchase against the listed or asking price. If it is a buyer's market which occurs when there are a lot of sellers but not many buyers; home buyers are thought to have the upper hand when negotiating. In a sellers' market the sellers have the advantage. Regardless, negotiating is something you should expect no matter what market you are operating in.

Know what you can use as leverage to negotiate final sales price. These points can differ between individuals, but an example would be the ability to pay cash and close in 7 days. The appeal to a fast and easy close, in most instances warrant a drop in sale price. Other points of negotiation could be seller credits, financing contingencies, longer or short escrow periods, larger down payments, seller carry financing, transfer of chattel or personal property... the list could be expanded indefinitely, which is why the final contract should demonstrate "a meeting of the minds" and include everything both parties expect. To discuss all of your options find a local real estate agent and a finance broker, the two together will be able to provide you the information needed for your understanding current market negotiating practices.

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