

COME INTO MY PARLOR...

*Be wiser than other people if you can,
but do not tell them so.*

— G. K. CHESTERTON

Buying and selling real estate is a game, pure and simple. A game in which professionals and amateurs compete side by side. Nothing wrong with that, you might think, except for one thing. Typically, only the side that is selling is fully protected and represented from start to finish by a trained professional, the real estate agent or salesperson.

Alone, on the other side, stands you, the average homebuyer, professionally unrepresented, naively unprepared and uninformed (or misinformed) about the game rules, the smokescreens and the traps that exist only to separate you from your money—often in huge chunks. And often with swift and convincing efficiency.

The result is that you run a high risk of being outmaneuvered, outwitted, and outgunned. Ironically, although almost always completely unaware of the fact, the vast majority of homebuyers end up paying thousands of dollars more than is necessary for their homes.

Based on my own experience of buying and selling property, both privately and in a professional capacity, I believe that in about 95 percent of home purchases, a lack of basic negotiation skills causes the buyer to pay far more than what the seller would have accepted. I have no reason to believe the homebuyer fares any better when buying directly from a private seller (where no agent is involved in the transaction).

With just a handful of self-defense tactics you can avoid such disasters.

Knowing What You Are Up Against

Now and again a novice buyer will forge a good deal almost inadvertently. Having a naturally assertive personality or, interestingly, an inability to make decisions, is often the cause. Both characteristics, when employed deliberately, can be very profitable in the negotiation process. More on that later.

Occasionally, a high degree of seller desperation can give rise to an unexpected price concession in favor of the homebuyer. Even so, the average homebuyer very seldom gets within a couple of thousand dollars of the seller's lowest acceptable price. Almost always buyers hand over substantially more than is necessary to make the purchase. Frequently, they miss the boat altogether and grossly overpay.

In a later chapter I'll explain in detail how I witnessed an unprepared and probably misinformed buyer pay *one hundred thousand dollars* more than the seller was willing to accept for his home. And, contrary to what might have just crossed your mind that very expensive mistake didn't happen on a \$1 million or \$2 million property. Nothing even close to that. The unfortunate buyer paid \$280,000 when he could certainly have bought the same property, on the same day, at the same time for \$180,000. Certainly this is an exceptional situation, but it illustrates clearly how terribly wrong things can go when buyers have neither the knowledge nor the power to protect their own interests, wealth, and standard of living—in short, when they lack the basic know-how to negotiate.

So far, I've assumed that you, like the majority of home seekers, plan to buy through a real estate broker or agent. Nonetheless, most of what I say applies in any property transaction in which you are expected to hand over money or to make a commitment to purchase. Later, you'll learn in detail how to handle and buy from a private seller.

Whether you intend buying privately or through an agent, this week or at some time in the future, I can offer you no better advice than to learn and use the basic skills and methods I've included in this book. They are not difficult.

One point to keep in mind is this: These skills and methods are not *anti* any organization. And, certainly, they're not anti the real estate profession. In fact, once you know what you are doing, a good agent or salesperson can be your most valuable helper, providing you with a gold mine of assistance you can use in buying at the lowest price.

Everything I've written here is simply and unashamedly pro buyer.

The quantity of real estate books you'll see in your local bookstore or library can be somewhat deceiving. Most have been written for professional investors, brokers, speculators, renovators, or salespeople. A handful provide good financial advice on mortgages, trust deeds, and the like. Others explain your legal rights, responsibilities and options, and in doing so many do serve to inform homebuyers.

But, so far, the layperson needing to know how best to protect his or her money by negotiating the lowest price has been left out in the cold—if you'll pardon the pun. By applying even a couple of the tactics and recommendations you'll learn from *Not One Dollar More!* you can redress that imbalance and, at the same time, reap the rewards they produce—usually in cold cash.

What this book won't do is eliminate the need for sound legal advice. I will assume you already appreciate the need to talk with your mortgage lender and your attorney before committing yourself to a purchase.

So, now that you are a little more aware of the task ahead of you, how do you discover and buy at the seller's lowest acceptable price? That's what we'll cover in detail as we move through the following chapters. But first, let's take a look at money from valid but often overlooked perspectives.