

Bear in mind that properties do not have fixed price tags - you can make huge savings with a little haggling over the price. It is significant to get the opening offer right, as this will play a big part in determining the amount you eventually pay. Normally, the opening offer is about 5-10% lower than the asking price, and the two parties take this as a starting point for further offers and reductions in asking price until an agreement is reached. Be aware that the asking price is often set high in order to encourage a higher opening offer than would be given with a lower asking price, and you are expected to negotiate.

The negotiation will be affected by various factors, and you will do better if you take these into account:

- How many other people are interested in the same property. If you are the only one, you are in a strong negotiating position and the seller is likely to accept a lower price. If there are two or more parties making offers, the seller and their agent will be far tougher during negotiations and you may be sensible to offer the asking price.
- How quickly the seller needs to sell. If they need to sell quickly, they will be more likely to accept a lower sum than the asking price.
- How long the house has been on the market. If the seller is having difficulty selling the house, they are more likely to accept a lower price. Check whether the asking price has dropped since it went on the market.
- What season it is. Demand for houses is higher in spring and summer so prices will be slightly higher at these times of year.

Your own position will also affect the negotiation. A couple of factors could be to your advantage:

- Are you part of a **chain of sales**? If not, the seller can be more certain that everything will be completed on time. First time buyers, people who have already sold or exchanged contracts on their own property and people who have nothing to sell all have this advantage.
- Can you show the seller that you can borrow enough money to buy the property? It is a good idea to get a written **agreement in principle** from a mortgage lender to show the seller that you will have enough money to pay them. This demonstrates that you are serious about buying and that the process will be able to take place quickly once you have both agreed on the sale.

Remember, if you don't think the property is worth as much as is being asked, you can introduce this into negotiations. For example, if some repair work is needed and you think this should bring the price down, you can try to persuade the seller that the property is overpriced.