

Today's home sales are all about negotiation. Negotiating the purchase price is the first step. A second round of negotiations can occur after the buyers complete their inspections. For sellers who negotiated to their rock-bottom price, this can be disappointing and a possible deal-breaker.

Buyers who are willing and able to buy in this market need to feel they are getting a good value. Property condition is a big consideration. Correcting defects adds to the cost. If the buyers still want to buy after completing inspections, and the sellers need or want to sell, an attempt should be made to reach an agreement on inspection-related issues.

First, sellers should carefully review the buyers' reports and their request for repairs, price concessions or credits. Keep in mind that there is a certain amount of subjectivity in inspectors' opinions. For example, one roofer might think a roof needs to be replaced. Another may feel that the roof is serviceable with routine maintenance and is not at the end of its life.

**HOUSE HUNTING TIPS:** Sellers have the right to get another opinion for repairs. A second opinion could result in a lower estimate, or it could be higher. Seller disclosure requirements vary from one state to the next. Even if it's not required, it's a good idea for sellers to give all reports and estimates to the buyers. In California, sellers who concealed reports they didn't like have been successfully sued by buyers.

Sometimes sellers have work done before they put their home on the market. Occasionally, a buyer's inspector finds damage that was to have been repaired but was not. In this case, the sellers should have the original inspector visit the property to make sure the work was completed.

Recently, an Oakland Hills, Calif., homeowner had a wood-destroying -- commonly called "termite" -- pest inspection done and had the damage corrected before marketing the property. When a second pest company inspected the house, damage was found at some areas where the previous pest company had done work.

The first pest company agreed that the job hadn't been completed. The company agreed to finish the job at no additional cost. This eliminated an inspection issue at no cost to the sellers or buyers. Defects in items that are under warranty may be corrected at the company's expense.

Sellers can get bogged down on principle, particularly if the buyers make an "as is" offer, had reviewed presale inspection reports before making an offer and then asked the seller to repair defects included in those reports. Some sellers feel this is not playing fair.

The buyers may not have intended to make repair requests when they initially negotiated the purchase agreement. But, after researching costs to repair defects, they may find themselves outside their financial comfort zone.

Buyers should focus on health and safety issues when they approach sellers for help repairing defects. Sellers will often take care of these. However, buyers shouldn't expect sellers to pay to upgrade the property.

It's hard for some sellers to repair items they have lived with for years with no adverse consequence. At some point, defects need to be corrected to prevent further damage to the property.

Buyers should prioritize their request for repairs. Then buyers should ask for help with the most pressing issues, unless they already factored the cost into their initial offer price.

Before walking away from a sale due to inspection-related defects, sellers should seriously consider if they will do better price-wise if they put their home back on the market, particularly if prices in the area are declining.

**THE CLOSING:** Before giving up, buyers should consider how easy or difficult it will be to find another home they like as much.

*Dian Hymer is a nationally syndicated real estate columnist and author.*