

Buyers guide to the process of negotiation

What is buying by negotiation?

This is when properties are advertised with a price, a price band or by negotiation. People are invited to make an offer on the property. This allows the buyer to negotiate with the seller on price.

Types of offers you can make

- Unconditional - a straightforward offer to buy according to the terms set out in the contract
- Conditional - when your offer to buy has conditions attached, for example, arranging finance or being satisfied with a building report you arrange.

Making an offer

All offers must be made in writing using the correct documentation - your Barfoot & Thompson salesperson will provide these. These documents comply with New Zealand Real Estate contract law.

Your salesperson will guide you through the process of submitting your offer in writing, paying the deposit, settlement/possession dates and the inclusion of any additional conditions.

What happens once an agreement has been made?

- Any conditions need to be satisfied by the due date and it is the buyers responsibility to satisfy those conditions
- Once an agreement is unconditional, neither the buyer or the seller can change their mind, and the buyer must pay the rest of the purchase price on the settlement day
- Deposit payments are made by the buyer to the real estate agency, which is required by law to hold the money in an audited trust account, only releasing it when legally authorised to do so
- The balance of the purchase price is paid on settlement, this is usually the day you take possession of the property.

