

‘The Art of the Deal’, This Time, by Trevor Abrahmsohn



Trevor Abrahmsohn

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Let’s face it, estate agents are pretty clueless when it comes to closing a complicated deal.

Fermat’s Last Theorem

Whoever said ‘Home is where the heart is’ has never been an estate agent. Statistically, six out of every 10 potential transactions can be closed, if you speak English (and possibly, if you don’t), as they are usually relatively straight forward. These deals are the equivalent to a football game with just one team and no goalkeeper. A low effort, easy-peasy, ‘slam in the back of the net’, exercise.

The balance of the four out of 10, in order of progressive difficulty, is where the game becomes elevated in complexity, to ‘12-dimensional chess’ or Fermat’s Last Theorem.

‘Duracell Bunny’, digging holes

Most mortgages last longer than marriages these days, so there is a lot at stake. The canny agent therefore needs to slightly alter the ‘software’ of the mind of buyer and seller, to get them out of their own way and like a ‘Duracell Bunny’, stop them digging a hole for themselves.

Unfortunate dose of Ebola

Most generic estate agents will try to negotiate the transaction by email or telephone, which, let’s face it, are 2-dimensional mediums. They steer away from interaction between the parties like an unfortunate dose of Ebola, in-order to avoid confrontation.

At Glentree, however, we do things differently and we offer a unique facility that we call ‘strategic meetings’ which are designed to close the last 10-15% of the journey in-order to strike a deal. We call this ‘no man’s land’, as it is the most difficult terrain to traverse.

It’s not for the faint-hearted – orphans and widows should not apply!

Plagiarists of the industry, please look away, since after 50 years of ‘being in the saddle’, here are a few of my hot tips.

1. All decision makers must be at the meeting, which should take place in the grandest room of the home to be purchased, so that the ‘emotional juices’ of the buyer can be evoked.
2. It is a pre-requisite that the buyer can afford at least 85% of the asking price of the property, since the strategic meeting will hopefully close the rest of the gap with the seller’s acquiescence.
3. The meeting should have no end stop, until terms are finally agreed. Late afternoon is best, particularly if there is a generous helping of alcohol served as refreshments, which certainly helps to ‘numb the pain’ of the process.
4. When all the parties are sat across from each other, the agent should keep quiet and allow a preamble between them during this important moment of ‘getting to know each other’.
5. At the appropriate time, the agent should set out methodically where both parties stand, financially speaking, and then encourage the purchaser to increase their bid and let the natural flow of conversation take place.
6. Usually, the last 10% of the journey is the most troublesome territory, when the parties invariably get stuck on two financial figures with a gap between them. Then the agent should take the buyer out of the room, to talk in private, Agatha Christie-style, in order to do work on their mindset.
7. Then the agent should return to the main room where the property owner is still sat and commence a reality check by setting out the pattern of marketing events and the territory of any offers received to date. The idea being, to try and get them to feel comfortable with the middle ground, between the offer that was submitted by the buyer and what they considered is the minimum to accept, even though they may have rejected this figure in conversations before the meeting.
8. It is important for the agent to encourage both parties not to ‘lose the ship for a ha’p’orth of tar’ and to seize the moment to strike a deal. This drama, created artificially, is one of the most important facets of the process and is a bit like a quasi-auction. ‘Without heat and light, you will never get fusion’, is my mantra.
9. The agent may need to shuffle between both rooms several times, after which the buyer should be re-invited to the main room, in-order to finesse the last increments of the terms.
10. Once the deal is agreed in principle, and before the ceremonial handshake (which should be addressed as a ‘moral contract’) the agent should set out methodically exactly what is to be included in the price of the property and the approximate timing of exchange and completion. This is so important to eliminate any unfortunate presumptions, since once the price has been agreed, it is impossible then to introduce new items to the deal.
11. All parties then shake hands, and this deal, in principle, should

hold together until physical contracts are exchanged between the lawyers.

Although this formula may seem quite straightforward, it is easier said than done. The agent needs ‘big cojones’ in-order to control and direct the meeting, particularly where there are strong characters involved, with well entrenched opinions.

Trump, eat your heart out!

Often there is no substitute to this process and that is probably why Glentree have an unprecedented 80% success rate, on the deals that they regularly put together.

I have personally closed transactions like this from £1million up to £100million (in a few cases). It is a tried and tested formula which works like magic for us, if you know how to administer it.

Am I worried about giving up the secrets of my trade, honed over 50 years?

Not really, and if you will forgive any unintentional self-aggrandisement, metaphorically speaking, would Rembrandt be worried if he were shadowed by an art forger who went to the same art shop and bought similar brushes, colours and palette knives and then used the same muse? Could it possibly end up as a notable masterpiece, or more likely a version of ‘painting by numbers’? Less Rembrandt and more ‘Hertz-van-Rental’ I would argue!

Mr. Trump, eat your heart out! This formula could work as easily for politics as for property, if you follow the rules.