

Make the Deal Sustainable

Often, perhaps half the time, residential real estate contracts run into trouble on the way to the settlement table. Either the buyer or seller or even both find a reason or way to endanger the settlement, after they have signed a contract for a sale.

In commercial vending situations, vendors sometimes find difficulty getting product from the manufacturer on time to deliver when the contract calls for it. Buyers claim the check is in the mail when it is still sitting on someone's desk.

A house buyer will claim he is having trouble getting financing—FHA went low—or the inspector found some tiny point. Or the seller will claim his own purchase has problems because that owner refuses to give possession by settlement day. It's like listening in traffic court to the excuses for speeding (ever done that, or made up a whopper yourself?).

The truth is one or the other just does not like the house-sale deal they made. They were pressured into signing by a spouse or by their real estate agent or the other agent. The price is just too high or too low. Now they come up with excuses.

Similarly with commercial supply deals, one or the other feels they were pressured—into doing giveaway pricing or having been price-gouged when supplies are short.

Why all this subterfuge? Psychologists sometimes call this being passive aggressive. (A real aggressive just says, "I don't give a damn what I signed—I am just not going through with it.")

How do you avoid this? It is easy, but scary. Make sure the party on the other side really believes the deal is fair before you both sign. And make sure you also think it is fair. Don't use pressure to close a deal unless you are OK with it coming apart later. If you are the agent for a house buyer or seller, realize that eventually, even in a big city, you are likely to meet the same agent on the other side again. Behave like a gentleman or a lady.

If you are doing commercial business, don't squeeze the last bit of money from the other side. There will be a tomorrow, when supplies are looser or tighter, and the customer you screw today will screw you tomorrow, or will choose not to work with you. It depends on how you behave today.