



The Playbook



**How to Refocus Buyers Who
Insist on Having It All**



Debbie Lang has a unique perspective as an agent with Berkshire Hathaway HomeServices (BHHS) Fox & Roach, REALTORS® in Princeton, New Jersey, as well as BHHS Florida Realty in Boca Raton, Florida. She acknowledges the differences compromising plays for buyers in each location.

“In New Jersey, it remains a supply-and-demand-driven market, with lower inventory in the most desirable areas,” she says. “Competitive bidding wars are still common, so buyers may need to adjust their expectations regarding the type of home they can afford. This could mean expanding their search to areas with a longer commute to work or public transportation, or considering properties further from the downtown area. Additionally, buyers might need to explore options such as older homes, attached townhomes, or properties with smaller lots than they initially preferred.

“In Southeast Florida, however, there are currently more options available, with an especially abundant supply in the condo market. This is largely due to rising HOA fees and increasing insurance costs, which have impacted buyer demand. Ultimately, there is a home for everyone. It’s all about understanding the market and setting the right expectations. Regardless of interest rates, every home sale depends on three key factors: location, condition and price.”

While accentuating the positive is always the preferred strategy for REALTORS®, regardless of where they ply their trade in the U.S., having the ability to subtly, and sometimes not so subtly, enlighten new buyers about likely having to compromise on their wish lists is a vital skill.

“I think it is important to set proper expectations while staying positive,” says Jeana Schachter, with RE/MAX Excalibur in Tucson, Arizona. “Clients can feel your energy, so it helps to say something like ‘Buying a home is quite exciting, and sometimes challenging, but balancing wants, needs and budget is very important.’ My job is to help them prioritize what matters most so they can find the best home. I always give examples to show how it might play out.”

For Pam Rosser Thistle, an agent with Berkshire Hathaway HomeServices Fox & Roach, REALTORS® in Philadelphia, there’s one dealbreaker no amount of discussion will change.

“Size and location are usually the compromises buyers make when the tally of down payment, closing costs and mortgage payment becomes real,” she says. “What buyers do not give up is condition. Most buyers do not want to renovate or take on significant repairs.”

Schachter finds that most clients are compromising on location because they can get a bigger home with upgrades in a different location. Also upgrades versus price. “Many buyers want the gourmet kitchen but sometimes sacrifice that because of price and hope to renovate later,” she notes. “The last example would be the size of a lot. Some will sacrifice lot size to get a bigger home.”



Suzy Minken, a REALTOR® with Compass in Short Hills, New Jersey, tells new buyer hopefuls that they are on a journey, and to make the process more efficient they should begin with the end in mind.

“If you don’t take the time upfront to identify and clarify what you are looking for, it will be extremely hard to know when you find your right home,” she says. “In fact, it might just pass you by. The more homes you see, the more they can start to all blur together. And identifying what you are looking for is a process unto itself.”

Minken notes that many first-time homebuyers are not readily familiar with the extensive list of questions to ask about the house they want, the lifestyle they envision and the community that resonates with them. Because homes do not come onto the market all at once, prospective buyers will need to evaluate each home with perhaps no immediate comparison. Comparison house shopping can be hard when there are only a handful of homes on the market.

“I often advise my buyer clients that there is almost no ‘perfect’ home on the market,” she says. “The home that is right for them will most likely come with compromises.”

Simplifying the process

“To minimize buyer fatigue, I recommend to clients that they give serious consideration to what they can be flexible about, and what they are willing to compromise on,” says Minken. “If the homebuyer is a couple, each one needs to make their own list.”

Here is her list of potential compromises homebuyers might want to consider:

- Garage. Instead of a two-car garage, a one-car garage might work. Those seeking an attached garage may be okay with a detached garage.
- Fenced-in backyard. If the home doesn’t come with one, there are many types of fences that could be added to the property.
- An open floor plan. If the home someone can afford is not a new construction or gut-renovated space, it may be challenging to find a home with an open floor plan layout. Many existing homes across the country are older, perhaps decades older. If they find a house with a wall that can be removed to create a more open flow, that might be an option worth exploring. It is best to bring in an architect or contractor for their professional advice.
- An en-suite bedroom. For those with their hearts set on a primary bedroom with an attached bathroom, this might be a dealbreaker and non-negotiable. But what if the bathroom is small or dated? Perhaps there is a way to add a private bathroom in the future, enabling them to customize the design to a style they like.
- Number of bedrooms. With the rise in remote work, many buyers are looking for an additional bedroom to use as an office. But the list price of most homes increases substantially with the addition of each bedroom. One buyer wanted four bedrooms but found a three-bedroom home with a great den space that worked for an office.



- Kitchen center island. Many buyers are seeking a kitchen that is spacious enough for two foodies. This often translates to having a center island where food preparation is easier. But perhaps there is enough counter space, or possibly an eat-in kitchen table can double as a food-prep area.
- Style of home. When it comes to compromises, the style of home is something many buyers become increasingly flexible about as the search process progresses. It is not uncommon for buyers who initially decide they want to live in a colonial-style home to end up open to various styles of homes. I recall one client being very clear that they did not want to live in a ranch-style (one-floor living) home only to find out that they loved it.
- In-town location. When buyers were fleeing urban areas during the pandemic, many were looking for an in-town location in the suburbs. For these buyers, the ability to stroll into town was a way to maintain the urban vibe they were giving up. With the current undersupply of homes for sale, some buyers are rethinking the importance of a walk-to-everything location.
- The town. At the start of the house-hunting journey, most buyers tend to have a general idea of where they want to live. But if they widen their search, they might find their dream home just a little further away.
- Price. For some buyers, the initial price range is just a starting point. For example, a three-bedroom home listed at \$700,000 might not deliver the value expected by a potential buyer if there is too much updating needed. The result is a disconnect in the mind of the buyer. It is not uncommon for buyers to begin with an initial price range and later in the process increase their range.

“I advise clients that instead of seeking the elusive perfect home, to consider a property that fulfills about 80% of their criteria,” says Minken. “The next step is to explore potential changes or improvements that could elevate the home to 90%, whether immediately or in the future. And the other 10%? This represents the aspects of the home that cannot be altered. If they can embrace these unchangeable features, such as a busy road or corner location, then that home may indeed become their dream home.”

Jeffrey Decatur, a broker associate with RE/MAX Capital in Upstate New York, explains his strategy for keeping new clients grounded.

“I bring up expectations, wants and needs right up front in my buyer consultation,” he says. “My job is to help a buyer make an educated and comfortable decision while managing their expectations. I will go through the multiple listing service with a buyer right away. I start with every listing, then narrow down to their criteria. As the number of listings shrink from hundreds down to single digits, you can see their expectations change.

“This is typically where the compromises begin. When they end up with three to five listings to view, they lose the wants quickly. Then it just becomes the necessities like number of beds and baths. Sometimes they will even up their price range when they see what they can buy in today’s market, and the amount of inventory available.”



Decatur says the top compromise he experiences with most buyers is price, that most start out with an unrealistic expectation of what they can buy and for how much.

“I tell them that the most important things are the ones you can’t change—location, school district or size. I have had people come to a consultation with a list of 30 needs and must-haves, and 25 wants. After showing them the current inventory and stats, they quickly recalibrate to just needing three bedrooms and one bath. In this market, I tell clients to stick to the very basics and branch out from there.”

Schachter emphasizes that defusing outsized expectations is one of the crucial aspects to guiding new homebuyers.

“I find that making first-time homebuyers feel supported and heard is very important, but showing them that you are there to give them insight so they can make an informed decision is equally important,” she says. “They are looking to you for guidance, so be the expert. But also have fun! I love making my clients laugh and enjoy the home-buying experience.”