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Buyers: Don't let the heat of the chase burn you

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Buyers usually invest their emotions into any property they pursue with a contract offer. When we like something, we want it. And when we want something, the parts of our brains that govern emotions and rewards kick in. As the purchase moves closer to closing, the buyer's emotional investment increases proportionately.

I've seen buyers fall under the spell of buying repeatedly over four decades. The closer they get to closing, the more they want the property...and the more agreeable they become to either not tying up loose ends or tying them into a knot that later binds them.

Here's one example.

A couple in their mid-30s decided to buy a second-home farm. The house was appealing. It came with several hundred acres. It was secluded. It had views. It would be fun trail-riding the horse that she intended to keep there. They liked the county. The neighbors seemed nice.

The problem was that the farm was about a mile back in from the county road. The "back farm" had been part of a larger holding. When the front part was given to kids, then grandchildren, in several parcels, the front road into the "back farm" was never protected with a recorded access easement. Successive owners of the front parcels just let the owners of the "back farm" use the road that crossed them. Its use was never adverse to them, never against their wishes.

The "back farm" was also accessed by a very rough two-mile jeep trail that came in from the opposite direction, over a mountain. It was mainly used in hunting season. The "back farm" had a recorded easement for the jeep trail.

The young buyers were good negotiators. Their contract provided for a sales price that was very favorable. The sellers would use the cash for their retirement. They were happy to sell quickly, given their health issues and need to buy in Florida during the current market dip.

The buyers talked with the three front landowners about getting a deeded easement. Each agreed. Two signed easements; the third did not, but kept saying he would.

The buyers, who had an easement contingency in their contract on the advice of their lawyer, decided to proceed with the purchase in the absence of the third

easement. They wanted to close the deal before a higher offer came in. They wanted that farm, immediately.

Their wanting was palpable. They reinforced each other's mounting desire.

Their lawyer advised them to not go through with the purchase until the third easement was in hand. Void the contract, he said, if you don't get all three in writing. He said that the third easement might be a hold out, might be a "stick up" for an outrageous price.

The contingency date came. The couple removed the contingency in advance of getting the third easement. They closed. They wanted the farm more than they wanted to wait for the third easement. The farm was pleasure; the easement was pain.

Five months later, negotiations for the third easement continue. The seller's price is now three times more than its starting point prior to the closing. The end is not in sight.

If the new owners of the "back farm" don't pay the extortion price, they will have to spend a fortune fixing the jeep trail to make it four-season accessible. It will never be as convenient as the front road. The third easement principal knows this. My guess is that he will sell the easement for about two-thirds the estimated cost of fixing the jeep trail.

This is an example of a buyer's emotions trumping a buyer's good sense. In the heat of the chase, it's hard to keep emotions contained. But the price of not doing so is often discouragingly high. The buyer's lawyer had no emotion wrapped into the purchase. The buyers should have followed his advice.