
MOGLI's PARADISE NEGOTIATION

Confidential Information for T.J. Mogli

You are T.J. Mogli, one of the four siblings who inherited 300 acres of prime lakeside land in South Carolina. The land extends inshore for more than two miles, where it contains magnificent forests and streams. Approximately six months ago, you and the other siblings authorized your brother, Chris, to enter negotiations with Indigogreen, Inc., which expressed interest in buying the property and developing a retirement resort community on-site.

You find it difficult to understand why Chris hasn't managed to finalize a deal yet. Chris told you that his strategy was to reach an agreement on various terms but to leave the price for last. You suspect that Chris has avoided finalizing a price because he has intrinsically always been a doormat when money is involved. Yes, he's done well at the law firm- but he handles their more esoteric, appellate matters. Chris likes abstraction. He's not comfortable with down-to-earth money problems. Besides, Chris hasn't had to worry much about money. His law firm salary is undoubtedly generous, and his wife is a highly paid orthopedic surgeon.

When Chris called to say that they had finally reached the price issue, you agreed with your other siblings that you should step in. You do not want to blow this deal. You and your siblings could use some money now, not years from now. Your children from your first marriage are entering college next year, and your house is too small for your three small children from your second marriage. Your spouse's salary is modest. Your other siblings are also a bit pressed financially and agree that they'd like to enjoy their inheritance while they are young (or at least middle-aged).

You want to sell now because you are not confident that the mini boom in this area of South Carolina will last long. You doubt whether rich Northeasterners will want to retire to this heat and humidity in great numbers. You are concerned about a possible financial crisis and recent instability in the stock market. Optimism is nice but you can't bank on it. You and your other siblings agree that you don't want to hold onto the land over a few extra dollars only to find the big developers have folded or moved on to another state. Indeed, two years ago, another developer offered you \$1.5 million for the land. By the time the siblings finished arguing about how to respond, the developer told you he was no longer interested, he was involved in a different project. This time, you are determined not to blow it. All of the siblings agreed that the family will sell if you can get \$1,500,000 from the developer Indigogreen, perhaps less if you can each get each sibling a house in the planned community. Of course, you'd like to get more.