

Pick Paula's

SELLER'S GUIDE

READY TO MAKE A MOVE? **972-816-3578**



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MTX REALTY

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Questions You May Have When Selling

If you're considering selling your home, you might be wondering how current mortgage rates could affect your decision. Below are two key questions you might be asking - along with the data to help you decide.

1. Should I Hold Off on Selling?

If you're thinking about waiting to sell until mortgage rates decrease further, you're not alone. Many people are hoping rates will drop to the 5% range or lower. However, most experts predict rates will stay in the 6% range this year.

While there is some expectation that rates could decrease slightly if inflation and the economy stabilize, waiting could lead to increased competition. As Bright MLS points out:

"Even a modest drop in rates will bring both more buyers and more sellers into the market."

This means if you wait, you might face rising prices and more bidding wars when it comes time to buy your next home.



2. Can I Afford to Buy My Next Home?

If you're concerned about how you'll manage the cost of your next home, it's worth noting that you likely have more equity in your current property than you realize.

Over the past few years, homeowners have seen significant equity gains, and this can play a major role when you're ready to purchase again. In fact, your equity may be enough to allow you to buy your next home with cash, eliminating the need for a mortgage altogether. As Jessica Lautz, Deputy Chief Economist at the National Association of Realtors (NAR), explains:

“...those who have built equity through rising home prices are the big winners in today's housing market. For these buyers, interest rates may not play as large of a role in their decision-making.”

If these concerns have been stopping you from selling, hopefully, this information helps put your mind at ease. A recent survey by Realtor.com found that over 85% of potential sellers have been contemplating a move for more than a year. Many, like you, are still uncertain.

Interestingly, 79% of those who recently chose to sell wished they had done so sooner.



Ultimately

If you'd like to explore these topics in more depth or require further information, don't hesitate to get in touch. I'm here to help!

Current Housing Supply is Ideal for Sellers

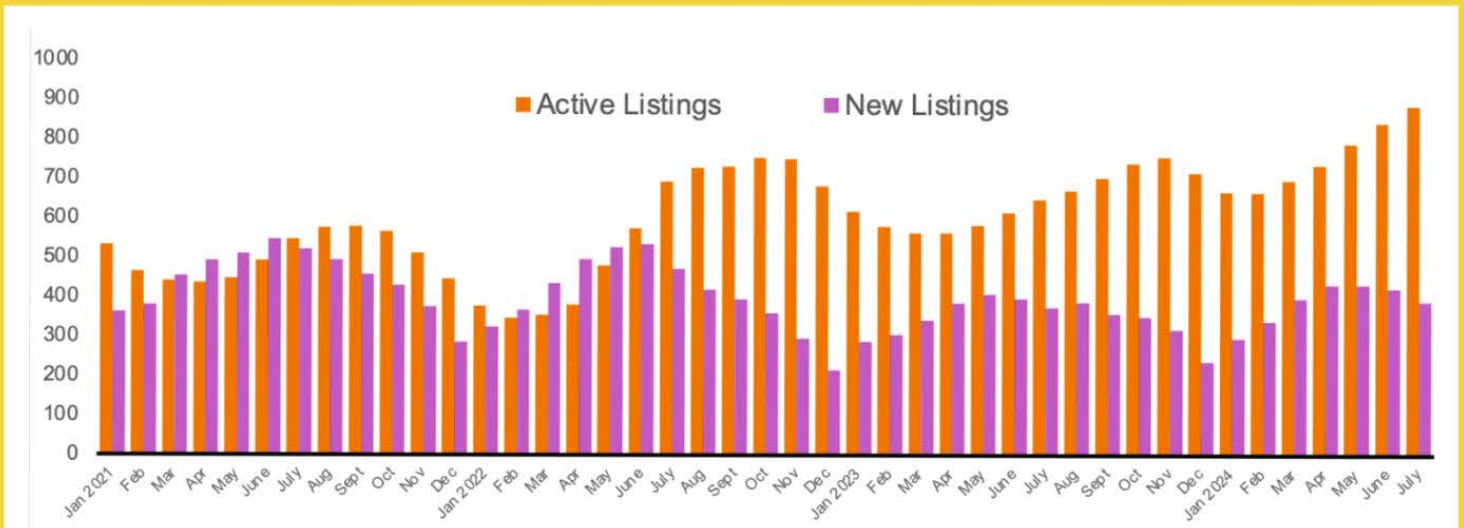
Increasing Supply of Homes for Sale

In recent months, the number of homes available on the market has grown. While inventory levels are still lower than pre-pandemic times, they're currently the highest they've been in a while. This is beneficial for your next move, as it offers you more options when searching for your new home. However, it also means buyers now have more choices, so if your home doesn't stand out, it might take longer to sell.

The current inventory consists of new listings (homes just put on the market) and active listings (homes that have been available for some time but remain unsold). Realtor.com data shows that much of the recent increase in inventory comes from active listings staying on the market longer (as shown by the blue bars in the chart below).

Active Listing Greater Than New Listings

Active and New Listings Each Month, in Thousands



Source: Realtor.com

How the Increase in Listings Affects the Market Today

Think of homes on the market like fresh loaves of bread in a bakery. When a new batch comes out, everyone wants the freshest one. But if a loaf sits too long, it starts to lose its appeal, and fewer people are interested in buying it.

The same principle applies to homes for sale. New listings are the most attractive to buyers. However, if a home is overpriced, poorly presented, or lacks an effective marketing strategy, it can sit on the market and become less desirable over time.

A Real Estate Agent Can Help Your Home Stand Out and Sell Fast

Timing is crucial, and you want to sell quickly. A professional agent ensures your listing stays fresh and doesn't linger long enough to lose interest.

According to the National Association of Realtors (NAR):

"Home sellers without an agent are nearly twice as likely to take three months or more to receive an offer, while 53% of sellers who use an agent accept an offer within the first month of listing."

Your agent will account for the recent increase in listings and develop a personalized selling strategy. Since the availability of homes varies by location, your agent will provide insights specific to your market, help you set the right price, and create a marketing plan that ensures your home gets noticed.

Ultimately

If you want to sell your home quickly, partnering with a professional is key. Let's connect to ensure you have an expert who understands the latest market trends and can craft a strategy tailored to get your home sold fast.

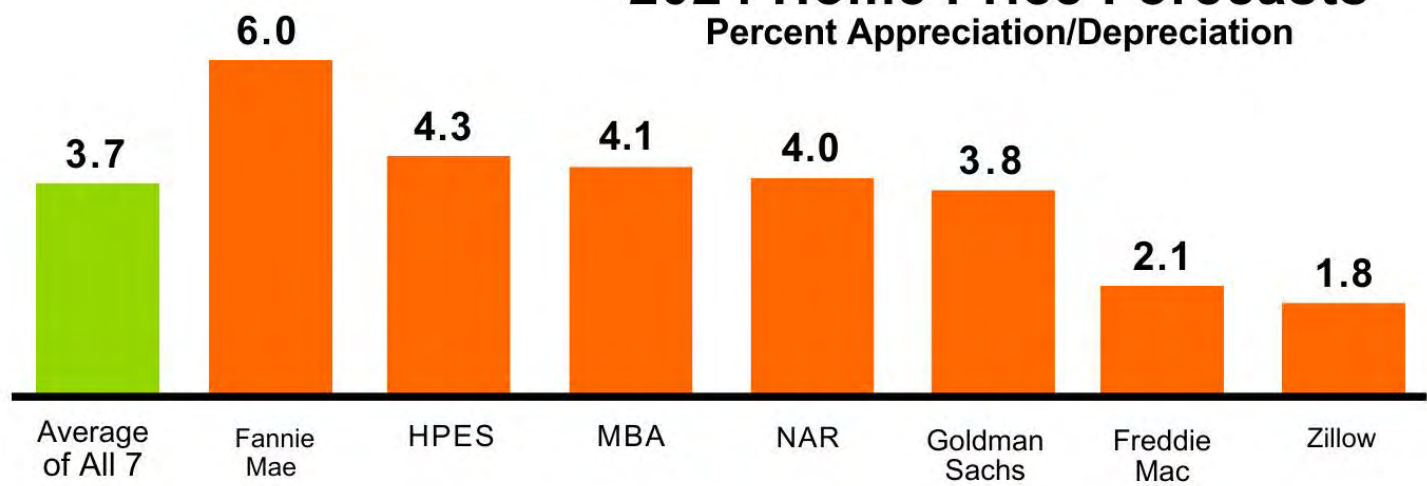


Housing Market Outlook: What to Expect for the Rest of the Year

Home Prices Are Anticipated to Increase Gradually

Experts predict that home prices will continue to grow at a more typical rate. The chart below highlights the latest forecasts from seven of the most reliable industry sources:

2024 Home Price Forecasts
Percent Appreciation/Depreciation



Why Home Prices Will Continue to Appreciate

The main factor behind the continued rise in home prices is the low supply of homes for sale. While inventory has increased compared to the last few years, it's still low overall. This shortage of homes keeps upward pressure on prices, meaning they aren't expected to drop nationally. Instead, prices will continue to rise, but at a slower, more typical rate.

This is crucial when setting the price for your home. A real estate agent monitors national pricing forecasts and local trends to help you price your home accurately based on current market conditions.

It's also important to consider if you're buying a home. Experts predict that home values will keep appreciating after your purchase, giving you confidence in your investment.

Mortgage Rates Expected to Decline Slightly

Good news for both buyers and sellers: mortgage rates are forecast to decrease slightly. According to **The Mortgage Reports**:

“With inflation cooling and anticipated Fed cuts, most industry experts expect mortgage rates to drop throughout 2024 and 2025. However, the decline may be gradual rather than swift.”

Lower rates could bring more buyers into the market, which may help your home sell faster and potentially at a higher price. Additionally, if you've been reluctant to move because of current rates, this forecast might be the push you need.



Homeowners Saw a \$28K Increase in Equity Over the Last Year

If You Own a Home, Your Net Worth Has Likely Increased

Over the past year, home prices have been rising, and that means you're likely building equity faster than you might realize. Here's why:

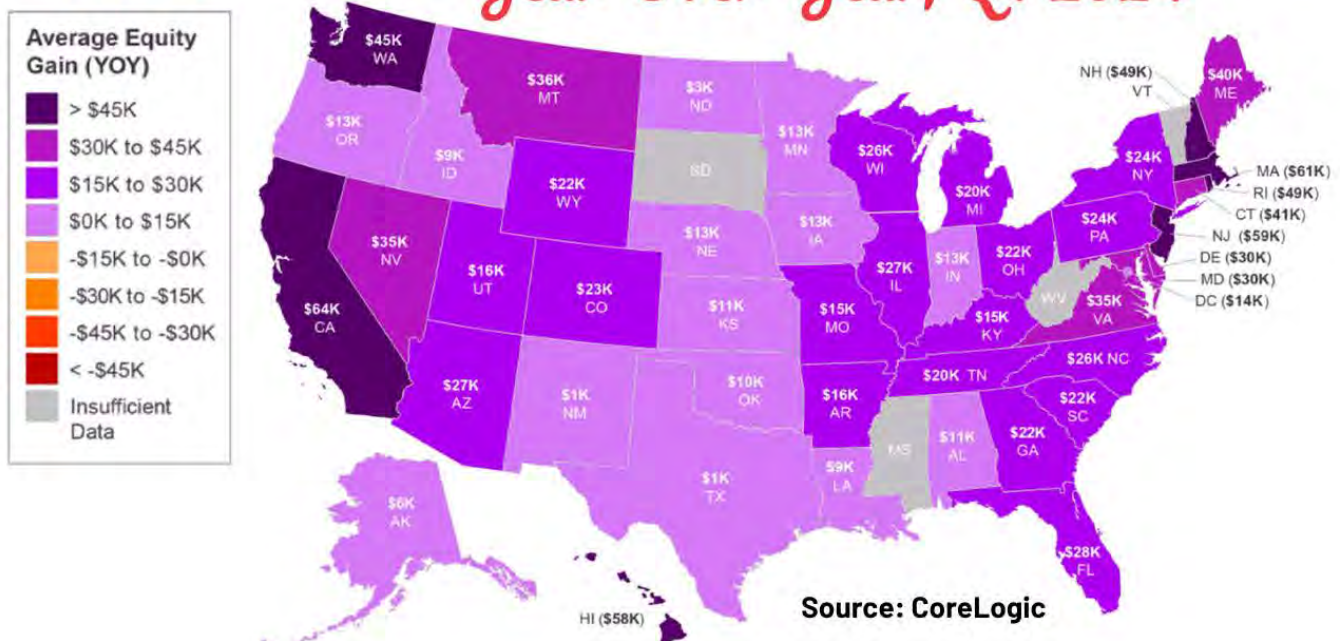
Equity is the difference between your home's current value and the amount you still owe on your mortgage. With more buyers in the market than homes available for sale, home prices have continued to climb. As prices rise, so does your equity.

How Much Equity Have You Gained in the Last Year?

According to CoreLogic's latest Homeowner Equity Insights report, the average homeowner has gained about \$28,000 in equity over the past 12 months. While this is the national average, the map below shows how much equity homeowners in different states have earned. Every state with available data saw equity growth over the past year.

National Average:
\$28,000

Homeowner Equity Gains Year-Over-Year, Q1 2024



Source: CoreLogic



What If You Bought Before Covid?

What If You Purchased Your Home Before the Pandemic?

If you bought your home before the pandemic, your equity situation is even more favorable. Data from Freddie Mac shows that home prices have surged nearly 50% since December 2019, meaning your home's value has likely risen significantly. As Ralph McLaughlin, Senior Economist at Realtor.com, puts it:

"Homeowners have experienced extraordinary equity gains over the past five years."

To illustrate how much equity has grown, Selma Hepp, Chief Economist at CoreLogic, highlights that the average homeowner's total equity has approached historic highs, nearing \$305,000 per owner in 2023.

How Growing Equity Benefits You

With the sharp rise in home prices in recent years and continued growth today, homeowners have built up significant equity, which offers several advantages.

This equity can be used in various ways—whether it's to start a business, fund an education, or help with the purchase of your next home. When you sell, the equity you've accumulated is returned to you, and in many cases, it could be enough to cover a large portion—or even the entirety—of the down payment on your next property.

Here's the Challenge: Lack of Market Knowledge Can Be Costly

If you don't stay informed, you won't be able to adapt your strategy or manage expectations in today's market. This can lead to expensive mistakes. Below are some common missteps sellers make and how working with an agent can help you avoid them.

1. Overpricing Your Home

Many sellers set their asking price too high, leading to an increase in homes requiring price reductions. An unrealistic price can scare off potential buyers, create issues during appraisal, or cause your home to sit on the market for an extended period. The National Association of Realtors (NAR) notes:

“Some sellers are pricing their homes higher than ever just because they can, but this may drive away serious buyers and lead to unapproved appraisals...”

To avoid this mistake, it's crucial to work with a professional. An agent will analyze recent sales of comparable homes, the condition of your property, and current market trends to determine the right price—one that attracts buyers, encourages multiple offers, and helps you sell quickly.

2. Overlooking the Small Details

You might be tempted to skip small repairs, thinking the buyer can deal with them later. However, even minor visible issues can turn off potential buyers and lead to lower offers or requests for concessions. As **Money Talks News** states:

"Home shoppers like to turn on lights, flush toilets, and run water. If these basic things don't work, they may assume you've neglected other maintenance. Homes that appear poorly maintained are less likely to command top dollar."

To get your home in prime selling condition, your agent can provide valuable advice. They can walk through your property with you, identifying any small tasks you should address before it's time for photos and showings.



3. Refusing to Negotiate

With more homes on the market, buyers now have more choices and more negotiating power. This means you might encounter buyers requesting inspections, repairs, or help with closing costs. It's important to be ready for these conversations. *U.S. News Real Estate* explains:

"If the offer you receive isn't exactly what you hoped for, expect some negotiation. The key to closing a successful deal is ensuring the buyer feels like they're benefiting too. Consider offering to cover part of the buyer's closing costs or providing a credit for minor repairs found during inspection."

An agent will guide you through these negotiations, helping you decide which concessions make sense based on your goals, budget, and timeline.

4. Not Hiring a Real Estate Agent

Notice a pattern? In every situation, working with an agent helps you avoid these common mistakes. This makes selling your home without an agent's guidance one of the biggest mistakes you can make.

Real estate agents bring expertise in pricing, marketing, and negotiating, streamlining the selling process and often leading to more interest and a higher final sale price.

A Checklist for Selling Your House

As you get ready to sell your house, add these items to your to-do list. A real estate professional will also provide other helpful tips based on your specific situation.

MAKE IT INVITING



- Open blinds or curtains to let the light in



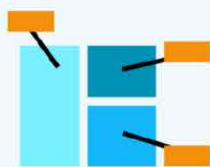
- Check lightbulbs and replace as needed



- Take down personal photos or items



- Fix anything that's broken



- Give every room a clear purpose

SHOW IT'S CARED FOR



- Clean your vents and baseboards



- Vacuum, mop, or sweep floors



- Declutter throughout



- Organize countertops, cabinets, and closets



- Touch up any scuffs on the walls

BOOST CURB APPEAL



- Power wash outdoor surfaces



- Wash the windows (inside and out)



- Tidy up the landscaping



- Freshen up your entry



- Sweep patios, decks and walkways



Partnering with a Professional Outshines Selling on Your Own

A National Association of Realtors (NAR) report shows that two of the biggest challenges for homeowners who sell on their own are pricing the home correctly and managing the paperwork. Here's how an agent can help with these key tasks.

Getting the Price Right

Setting the right price is critical when selling your home. Without professional guidance, you might overprice it, making it hard to attract buyers, or underprice it, leaving money on the table. According to **NerdWallet**:

“When selling a home, first impressions matter. Your house’s market debut is your first chance to attract a buyer, so pricing it correctly is key. If your home is overpriced, buyers might not even look at the listing. But if you price it too low, you could lose significant money. A low price might also make buyers suspicious, wondering if there are hidden issues with the property.”

To avoid these pitfalls, working with a real estate agent is essential. Agents have a deep understanding of local market conditions and can help you set a price that aligns with buyer expectations, maximizing your chances of making a great first impression.





Partnering with a Professional Outshines Selling on Your Own

Navigating the Paperwork

Selling a home requires handling a significant amount of paperwork and legal documents that must be completed accurately. There are numerous rules and regulations to follow, which can make the process overwhelming for homeowners to manage on their own. Without professional assistance, you could face legal complications or liability risks. As *First American* explains:

“To buy or sell a home, you must accurately complete many forms, disclosures, and legal documents. A real estate agent ensures that every ‘t’ is crossed and every ‘i’ is dotted, helping to prevent transactions from falling through or costly mistakes from being made.”

Rather than struggling with a growing stack of paperwork, partnering with an agent can provide valuable guidance, ensuring all documents are handled properly and helping you avoid potential issues.

*For more information about
buying or selling your home,
contact me today!*

"Put The Weight On Me"

