

Things To Consider When Selling Your House



SPRING 2024
EDITION



Ryan Niles 357455

Mortgage Advisor with The Niles Team
Cornerstone Home Lending, a division of
Cornerstone Capital Bank, SSB. Member FDIC.
NMLS #2258
Seattle, Washington
TheNilesTeam@houseloan.com
www.NilesTeam.com
206.949.4326 call



Table of Contents

- 3** Should You Sell Your House This Spring?
- 5** Why Do You Want To Move?
- 8** 2 Reasons Why Lower Mortgage Rates Are Good for Sellers
- 11** Why It's Still a Great Time To Sell Your House
- 14** Your Home Equity Can Be a Game Changer When You Sell
- 17** A Checklist for Selling Your House
- 18** 2 Must-Do's When Selling Your House This Spring
- 20** Why Working with a Real Estate Agent May Beat Going Solo
- 22** Key Reasons To Hire a Real Estate Agent When You Sell



Should You Sell Your House This Spring?

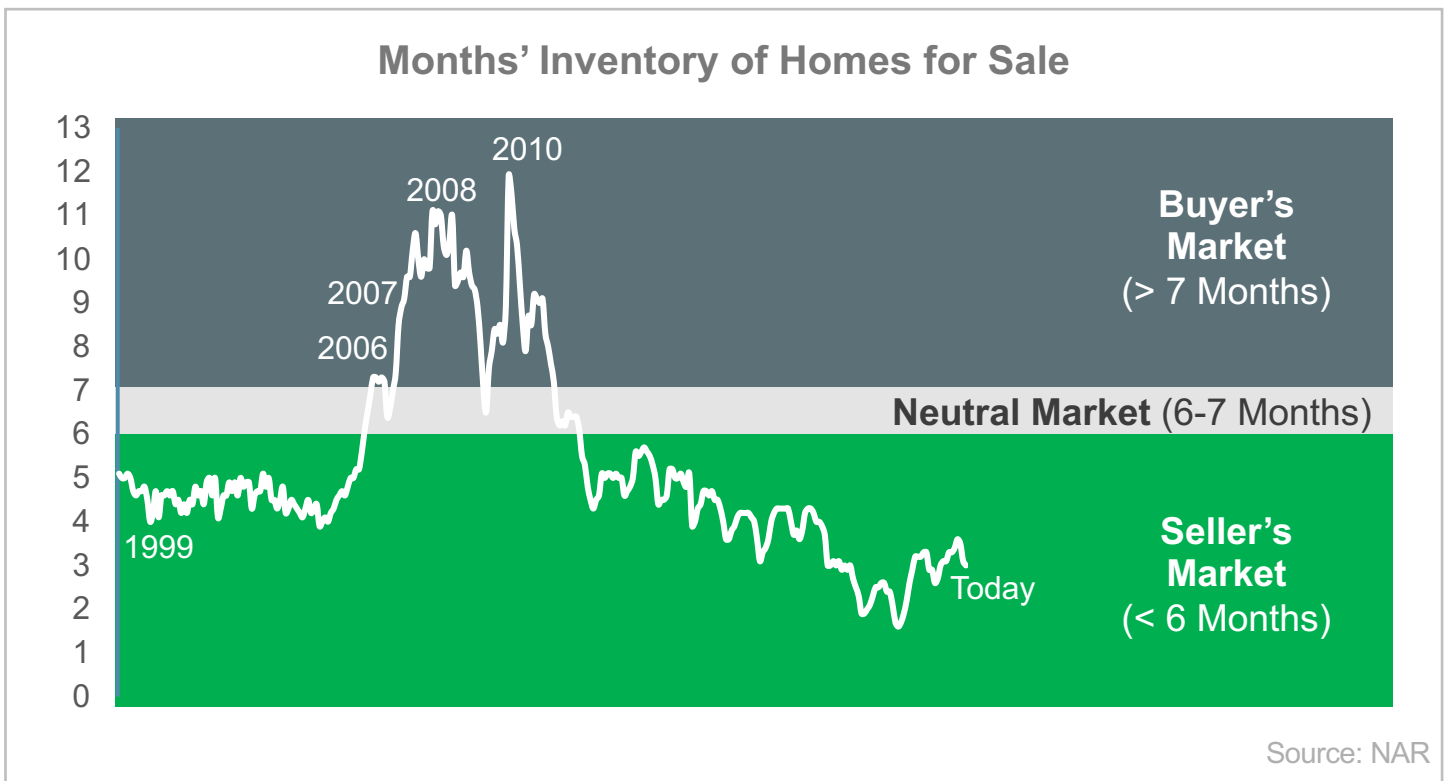
With all the changes in the housing market recently, you might be wondering if it's a good time to sell your house. Here are some common questions you might have, along with answers to help you make a decision you feel good about.

1. Is There Demand for My House?

If you're worried there won't be a lot of buyer demand this spring, don't be. Mortgage rates have trended down since last fall and that's led more buyers to re-enter the market. That means there's still plenty of demand today -- and that demand may get even stronger if mortgage rates keep falling. So, you may still see buyers competing over your house this spring.

2. Is It Worth It To Sell Now?

The supply of homes for sale is still low, so we're still in a seller's market right now (see *graph below*). With more buyers than homes today, they crave more options, and your house will stand out. And though still low, inventory has grown a little bit recently, which means you may have more options for your own home search. The graph below puts today's inventory into perspective.



3. Are Home Prices Going Down?

Put simply, they are not. Recent data shows home prices are still on the rise in many parts of the country. And while prices vary by market, experts project they'll continue to rise at a more moderate pace in the years ahead.

So, with prices appreciating today, you can still sell with confidence this spring.

Bottom Line

If you're thinking about selling your house this spring, let's talk. I can give you the advice and information you need to make the best decision.



Why Do You Want To Move?

If you're thinking about selling your house, it's probably because something in your life is different, not because of how the housing market is doing.

While things like mortgage rates and home prices play a big role in your decision, you don't want market factors to overshadow why you thought about making a move in the first place.

Your lifestyle and changing needs matter. As a recent article from *Realtor.com* says:

“No matter what interest rates and home prices do next, sometimes homeowners just have to move—due to a new job, new baby, divorce, death, or some other major life change.”

Here are a few of the most common reasons people choose to sell. You may find any one of these resonates with you and may be reason enough to move.

1. Relocation

Some of the things that can motivate a move to a new area include changing jobs, a desire to be closer to friends and loved ones, wanting to live in your ideal location, or just looking for a change in scenery.

For example, if you just landed your dream job in another state, you may be thinking about selling your current home and moving for work.

2. Upgrading

Many homeowners decide to sell to move into a larger home. This is especially common when there's a need for more room to entertain, a home office or gym, or additional bedrooms to accommodate a growing number of loved ones.

For example, if you're living in a condo and your household is growing, it may be time to find a home that better fits those needs.

3. Downsizing

Homeowners may also decide to sell because someone's moved out of the home recently and there's now more space than needed. It could also be that they've recently retired or are ready for a change.

For example, you've just kicked off your retirement and you want to move somewhere warmer with less house to maintain. A different home may be better suited for your new lifestyle.

4. Change in Relationship Status

Divorce, separation, or marriage are other common reasons individuals sell.

For example, if you've recently separated, it may be difficult to still live under one roof. Selling and getting a place of your own may be a better option.

5. Health Concerns

If a homeowner faces mobility challenges or health issues that require specific living arrangements or modifications, they might sell their house to find one that works better for them.

For example, you may be looking to sell your house and use the proceeds to help pay for a unit in an assisted-living facility.

Bottom Line

If you want to sell your house and find a new one that better fits your needs, let's connect. That way, you'll have someone to guide you through the process and help you find a home that works for you.

“

Deciding whether it's the right time to sell your home is a very personal decision. There are numerous important questions to consider, both financial and lifestyle-based, before putting your home on the market. . . . Your future plans and goals should be a significant part of the equation . . .

- Bankrate





2 Reasons Why Lower Mortgage Rates Are Good for Sellers

If you've been holding off on selling your house to make a move because you felt mortgage rates were too high, the fact that they're down from their peak last fall is exciting news for you.

Mortgage rates have come down since last October when they hit 7.79%. And while they're not going back to the 3% we saw a couple years ago, they are expected to continue to go down throughout the year, even though they're likely to experience a little volatility along the way. Here are two reasons why lower rates, and the expectation they'll decrease further, is such good news for you.

You May Not Feel as Locked-In to Your Current Mortgage Rate

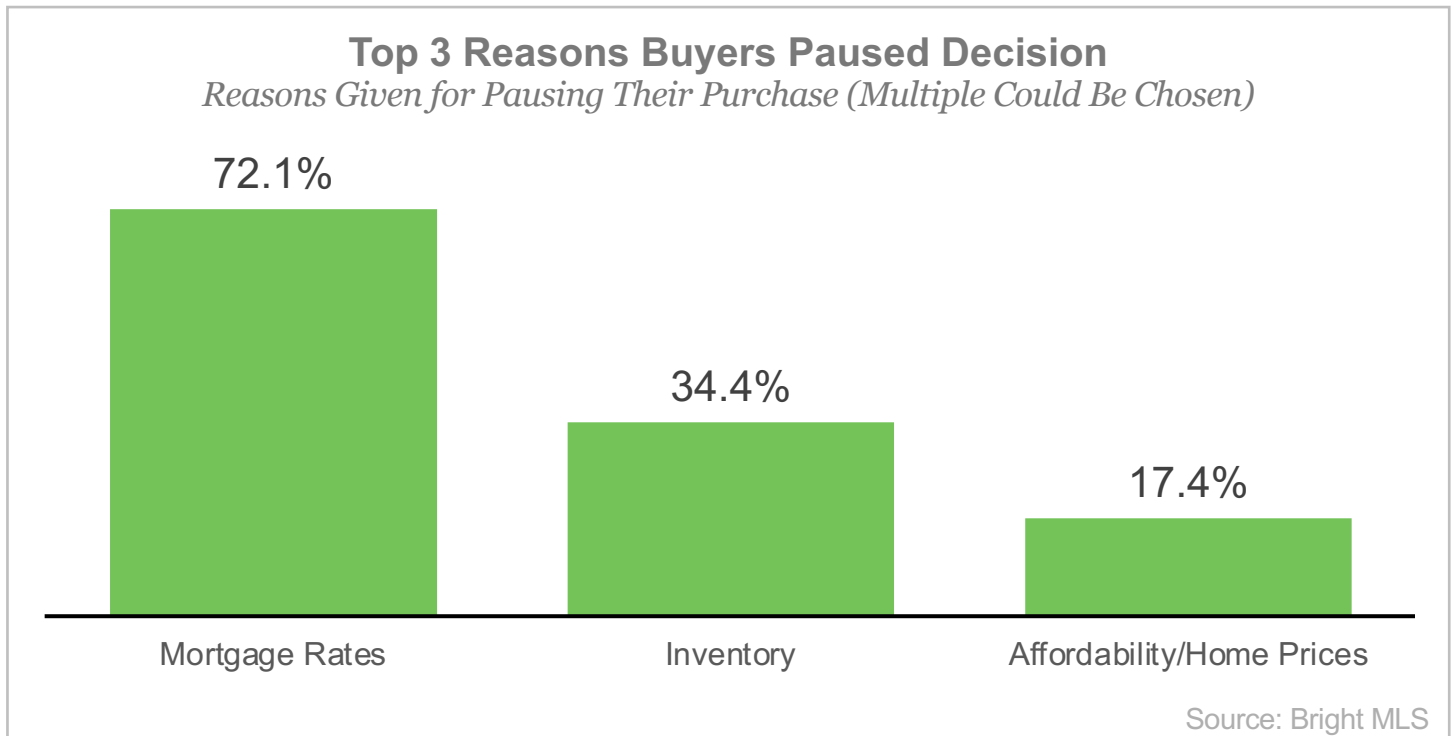
With mortgage rates lower than they were just a few months ago, you may feel less locked-in to the current mortgage rate you have on your house. When mortgage rates were higher, moving to a new home meant possibly trading in a low rate for one up near 8%.

However, with rates down since then, the difference between your current mortgage rate and the new rate you'd be taking on isn't as big as it was. That makes moving more affordable than it was just a few months ago. As Lance Lambert, Founder of *ResiClub*, explains:

"We might be at peak "lock-in effect." Some move-up or lifestyle sellers might be coming to terms with the fact 3% and 4% mortgage rates aren't returning anytime soon."

More Buyers Will Be Coming to the Market

According to data from *Bright MLS*, the top reason buyers have been waiting to take the plunge into homeownership is high mortgage rates (see graph below):



Lower mortgage rates mean buyers can potentially save money on their home loans, making the prospect of purchasing a home more attractive and affordable. Now that rates are down from their peak last fall, more buyers are likely to feel they're ready to jump back into the market and make their move. And more buyers mean more demand for your house.

Bottom Line

If you've been waiting to sell because you didn't want to take on a larger mortgage rate or you thought buyers weren't out there, lower mortgage rates this spring may be your sign it's time to make your move. When you're ready, let's connect.



“

While more buyers are expected to enter the market in spring as mortgage interest rates decline, bidding wars could intensify in a limited housing inventory environment. These bidding wars are likely to push home prices up in some areas.

*- Jessica Lautz,
Deputy Chief Economist at the National Association of Realtors*

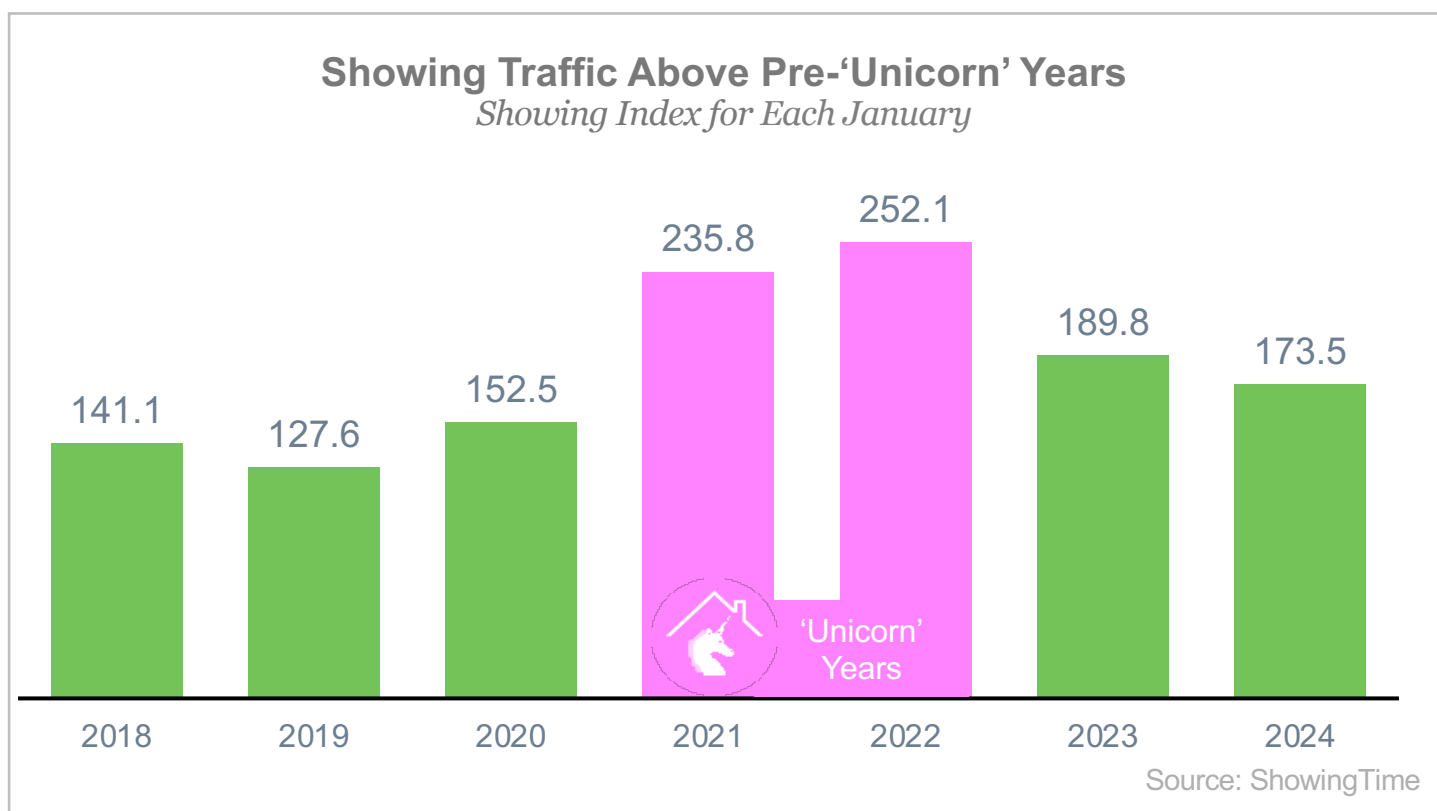
Why It's Still a Great Time To Sell Your House



The housing market isn't as frenzied as it was a few years ago, but there are still plenty of people buying homes. Here's the data to prove it.

Showing Traffic Is Up

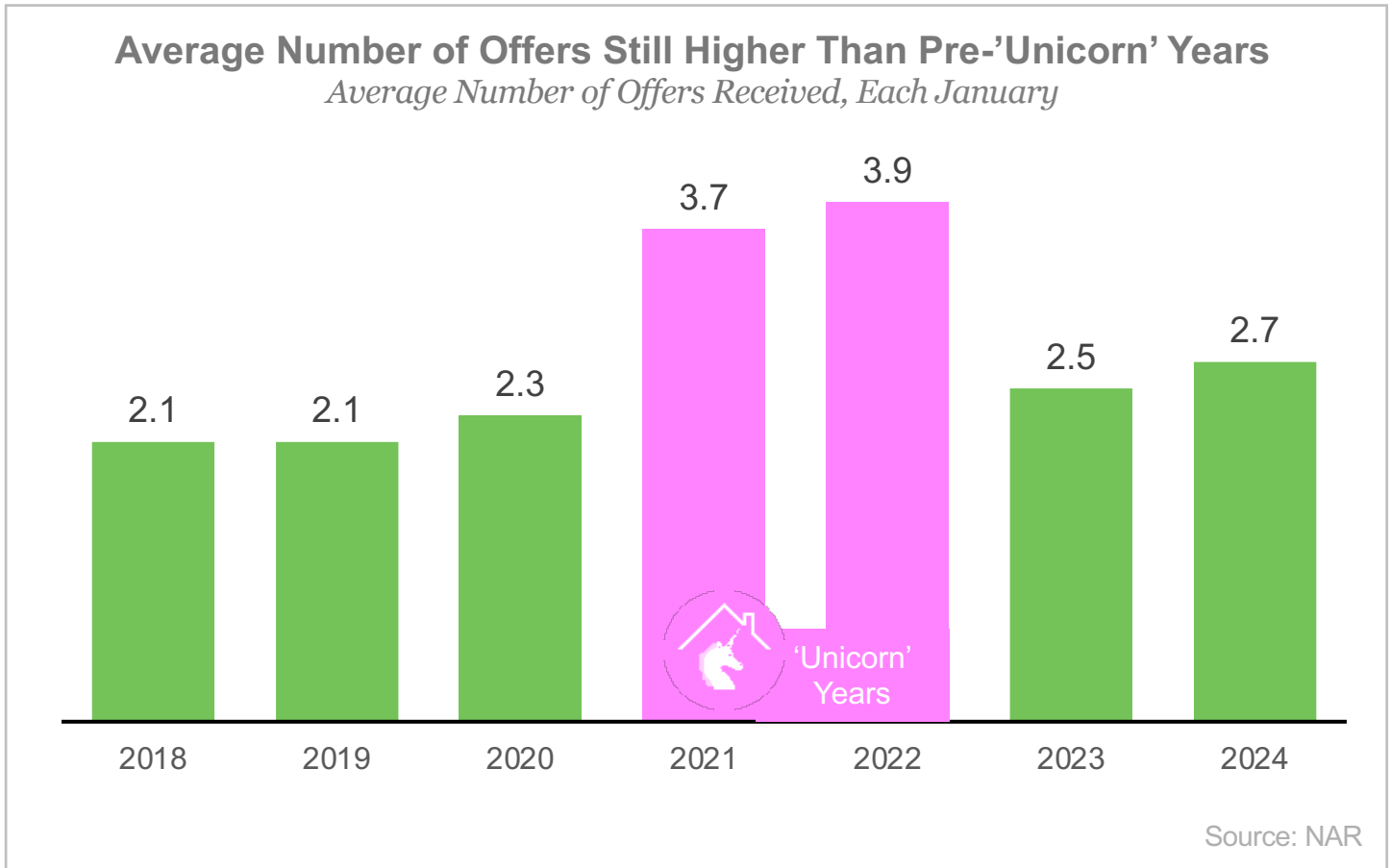
The *ShowingTime Showing Index* is a measure of how frequently buyers are touring homes. The graph below uses that index to show buyer activity over the past seven Januarys (higher numbers mean more buyer traffic at showings):



In the graph, the 'unicorn' years are shown in pink. You can see demand has dipped some since then. That's in response to higher mortgage rates. But, when you compare 2024 to the green bars on the left that represent the last normal years in the market (2018–2020), you can tell buyers are still more active than the norm.

Sellers Are Still Seeing Multiple Offers

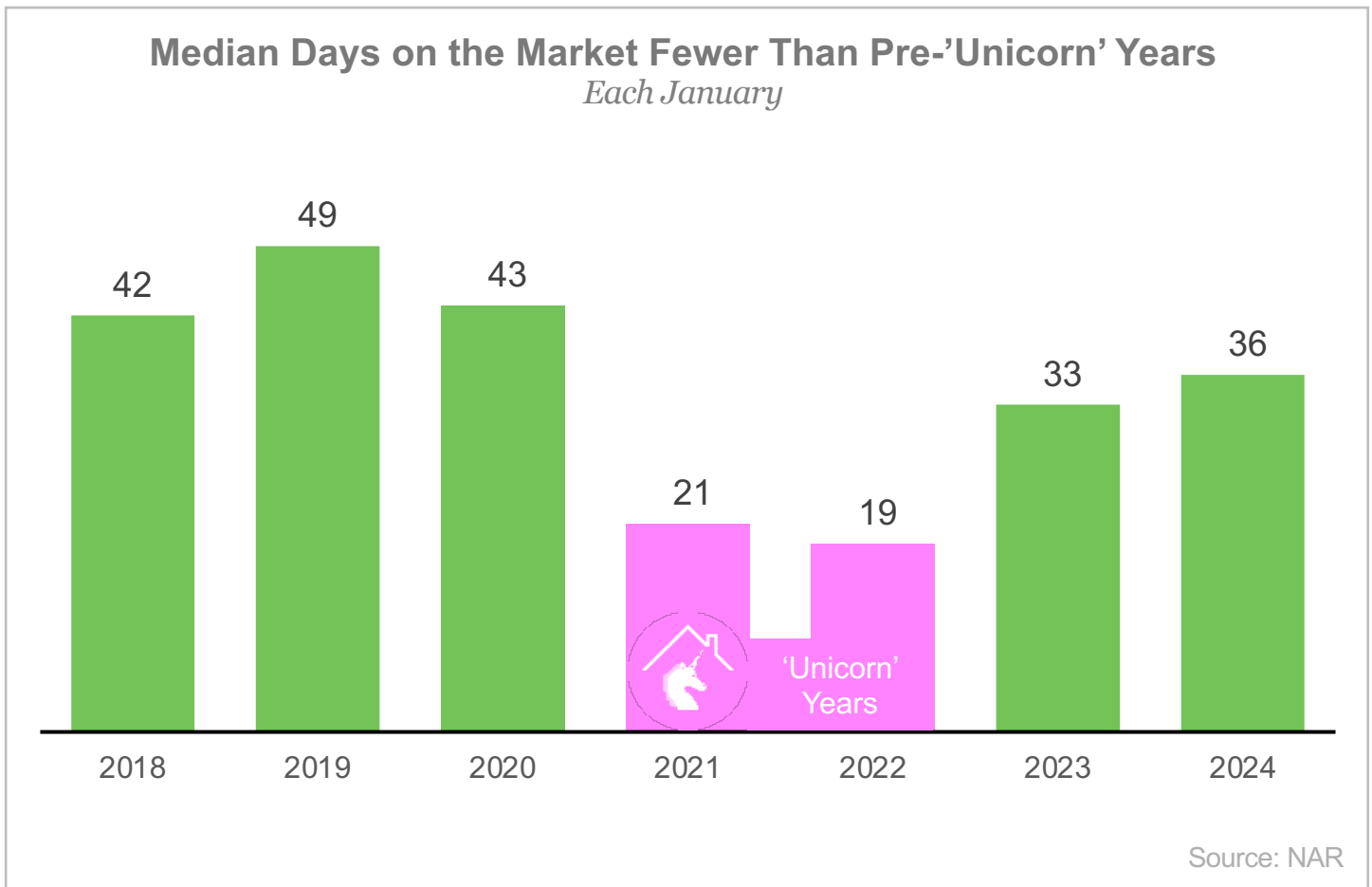
According to the latest data from the *National Association of Realtors* (NAR), sellers are receiving an average of 2.7 offers on their houses. Let's look at how that compares to recent years (see *graph below*):



It's true that's fewer than the number of offers sellers were receiving during the 'unicorn' years (*shown in pink*). But compared to a year ago, the number is up slightly. And it's higher than it was in the more normal, pre-'unicorn' years in the housing market too.

Homes Priced Right Are Selling Fast

To help showcase that homes for sale are still going quickly, let's look at data from NAR on the median days on market for this same time of year from 2018 through now (see *graph below*):



As the graph shows, this year homes are sitting on the market a little longer than they were during the frenzy of the 'unicorn' years. But compared to the last normal years in the market, homes are still selling much faster than they did back then. That's good news for sellers because it means there are eager buyers out there right now.

Bottom Line

You haven't missed your chance to sell at a time when sellers are receiving multiple offers, and houses are selling fast. When you're ready to sell, let's connect to get the ball rolling.



Home Equity Can Be a Game Changer When You Sell

Are you on the fence about selling your house? While affordability is improving this year, it's still tight. And that may be on your mind. But understanding your home equity could be the key to making your decision easier.

An article from *Bankrate* explains exactly what equity is and how it grows:

“Home equity is the difference between your home’s value and the amount you still owe on your mortgage. It represents the paid-off portion of your home.

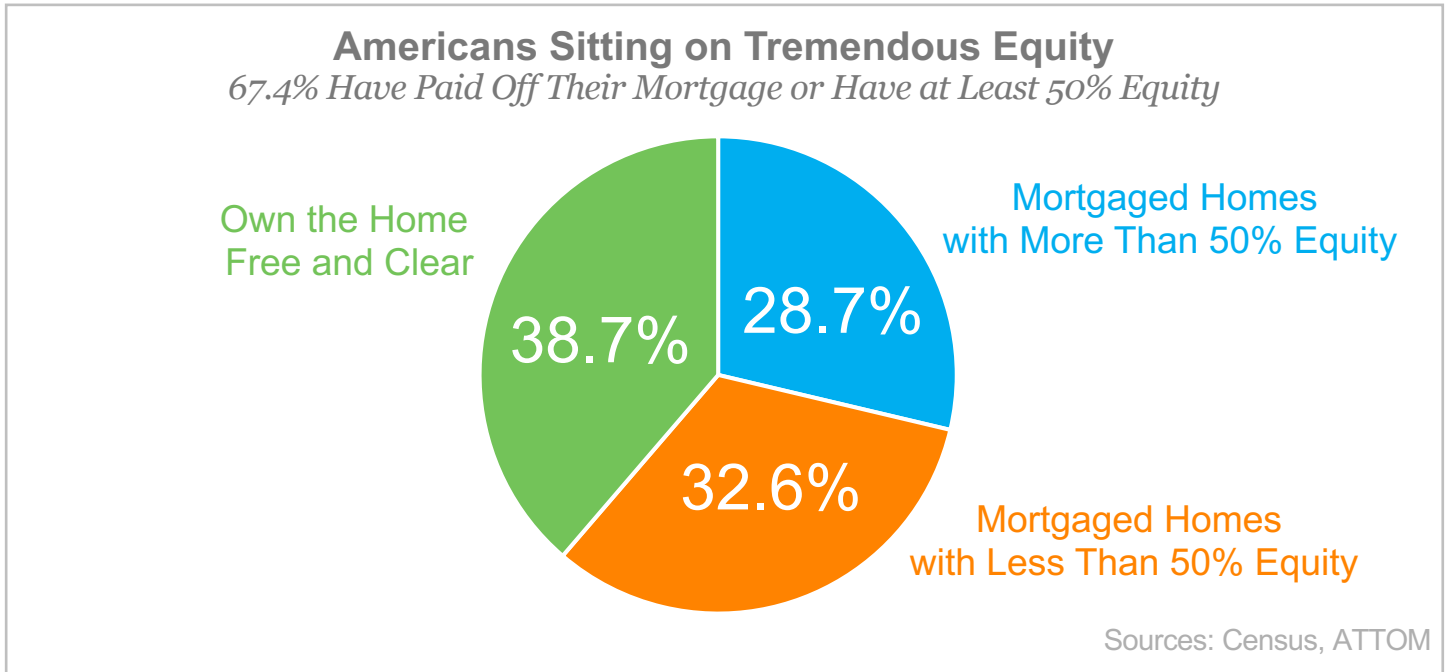
You’ll start off with a certain level of equity when you make your down payment to buy the home, then continue to build equity as you pay down your mortgage. You’ll also build equity over time as your home’s value increases.”

Think of equity as a simple math equation. It’s the value of your home now minus what you owe on your mortgage. And guess what? Recently, your equity has probably grown more than you think.

In the past few years, home prices skyrocketed, which means your home’s value – and your equity – likely shot up, too. So, you may have more equity than you realize.

How Equity Helps with Your Affordability Concerns

Homeowners have a lot of equity right now. And the latest data from the *Census* and *ATTOM* shows over two-thirds of homeowners have either completely paid off their mortgages (*shown in green in the chart below*) or have at least 50% equity (*shown in blue in the chart below*):



That means roughly 70% have a tremendous amount of equity right now.

After you sell your house, you can use your equity to help you buy your next home. Here's how:

- **Be an all-cash buyer:** If you've been living in your current home for a long time, you might have enough equity to buy your next home without having to take out a loan. If that's the case, you won't need to borrow money or worry about mortgage rates.
- **Make a larger down payment:** Your equity could also be used toward your next down payment. It might even be enough to let you put a larger amount down, so you won't have to borrow as much money. *The Mortgage Reports* explains:

“Borrowers who put down more money typically receive better interest rates from lenders. This is due to the fact that a larger down payment lowers the lender's risk because the borrower has more equity in the home from the beginning.”

Bottom Line

Planning a move? Your home equity can really help you out. Let's connect to see how much equity you have and how it can help with your next home.

“

... the average U.S. homeowner with a mortgage still has more than \$300,000 in equity ...

- CoreLogic



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.

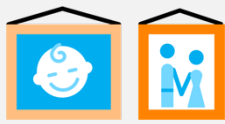
Make It Inviting



- Open blinds or curtains to let the light in



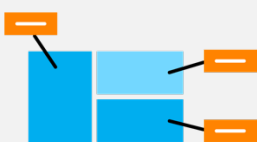
- Check lightbulbs and replace as needed



- Take down personal photos or items



- Fix anything that's broken



- Give every room a clear purpose

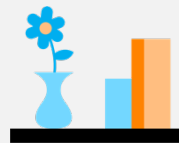
Show It's Cared For



- Clean your vents and baseboards



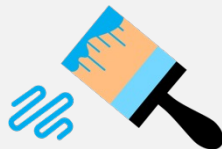
- Vacuum, mop, or sweep floors



- Declutter throughout

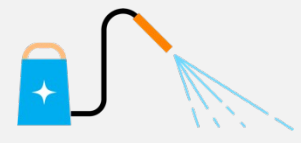


- Organize countertops, cabinets, and closets



- Touch up any scuffs on the walls

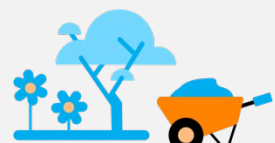
Boost Curb Appeal



- Power wash outdoor surfaces



- Wash the windows (inside and out)



- Tidy up the landscaping



- Freshen up your entry



- Sweep patios, decks, and walkways

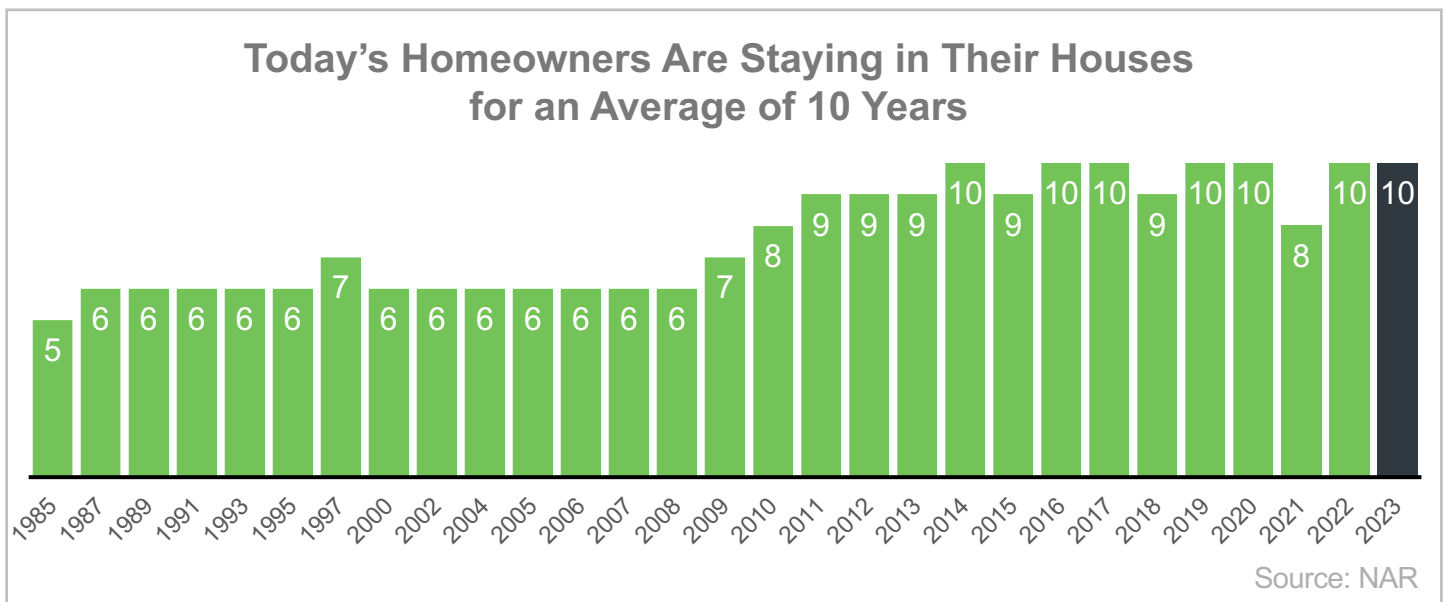


2 Must-Do's When Selling Your House This Spring

If you want to sell your house and move this spring, you might feel excited and a bit sentimental about leaving your home. To feel confident in your decision, remember these two important tips.

1. Keep Your Emotions in Check

Today, homeowners are staying in their houses longer than they used to. According to the *National Association of Realtors* (NAR), since 1985, the average time a homeowner has owned their home has increased from six to ten years (see graph below):



This is much more than what used to be the norm. The side effect, however, is when you stay in one place for so long, you may get even more emotionally attached to your space. If it's the first home you bought or the house where your loved ones grew up, it very likely means something extra special to you. Every room has memories, and it's hard to detach from the sentimental value.



For some homeowners, that makes it even tougher to separate the emotional value of the house from fair market price. That's why you need a real estate professional to help you with the negotiations and the best pricing strategy along the way. Trust the professionals who have your best interests in mind.

2. Stage Your Home Properly

While you may love your decor and how you've customized your house over the years, not all buyers will feel the same way about your vibe. That's why it's so important to make sure you focus on your home's first impression, so it appeals to as many buyers as possible.

Buyers want to be able to picture themselves in the home. They need to see themselves inside with their furniture and keepsakes – not your pictures and decorations. As Jessica Lautz, Deputy Chief Economist and Vice President of Research at NAR, says:

“Buyers want to easily envision themselves within a new home and home staging is a way to showcase the property in its best light.”

A real estate professional can help you with expertise on getting your house ready to sell.

Bottom Line

If you're considering selling your house, let's connect so you have someone to help you navigate the process while prioritizing these must-do's.



Why Working with a Real Estate Agent May Beat Going Solo

If you're thinking about selling your house on your own, called "For Sale by Owner" or FSBO, there are some important things to consider. Going this route means taking on a lot of responsibilities by yourself – and that can be a bit of a headache.

A recent report from the *National Association of Realtors* (NAR) found two of the most difficult tasks for people who sell their house on their own are **getting the price right** and **understanding and performing paperwork**. Here are just a few of the ways an agent helps with those difficult tasks.

Getting the Price Right

Setting the right price for your house is important when you're trying to sell it. If you're selling your house on your own, two common issues can happen. For starters, you might ask for too much money (overpricing). Alternatively, you might not ask for enough (underpricing). Either can make it hard to sell your house. According to *NerdWallet*:

“When selling a home, first impressions matter. Your house’s market debut is your first chance to attract a buyer and it’s important to get the pricing right. If your home is overpriced, you run the risk of buyers not seeing the listing.

. . . But price your house too low and you could end up leaving some serious money on the table. A bargain-basement price could also turn some buyers away, as they may wonder if there are any underlying problems with the house.”

To avoid these problems, it's a good idea to team up with a real estate agent. Real estate agents know how to figure out the perfect price because they understand the local housing market. They can use their expertise to set a price that matches what buyers are willing to pay, giving your house the best chance to impress from the start.

Understanding and Performing Paperwork

Selling a house involves a bunch of paperwork and legal documentation that has to be just right. There are a lot of rules and regulations to follow, making it a bit tricky for homeowners to manage everything on their own. Without a pro by your side, you could end up facing liability risks and legal complications.

Real estate agents are experts in all the contracts and paperwork needed for selling a house. They know the rules and can guide you through it all, reducing the chance of mistakes that might lead to legal problems or delays.

So, instead of dealing with the growing pile of documents on your own, team up with an agent who can be your advisor, helping you avoid any legal bumps in the road.

Bottom Line

Selling your house is a big deal, and it can be complicated. Having a real estate agent can make a huge difference with setting the right price and managing all the details, so you can sell confidently. Let's connect to make the process smooth and take the stress off your plate.

Key Reasons To Hire a Real Estate Agent When You Sell

Thinking of buying or selling a home? Here are just a few reasons why you'll want a trusted real estate professional on your side.



Industry Experience

We're well versed in the housing market and know the ins and outs of the entire process.



Expert Insights

We simply and effectively explain today's market conditions and what they mean for you.



Pricing and Market Value

We help you understand today's real estate values when setting the price of a listing or making an offer to purchase your next home.



Contracts and Fine Print

We help with all of the disclosures and documents necessary in today's heavily regulated environment.



Marketing and Exposure

We have effective marketing tools and networks to attract more buyers.



Negotiation Experience

We act as a buffer in negotiations with all parties throughout the entire transaction.

“Your listing agent will also, of course, be on your side throughout negotiations. They’ll double-check paperwork that comes through, communicate with the buyer’s agent and other parties to the sale, and generally stay on top of things through to closing day.”

- NerdWallet





Let's Chat.

I'm sure you have questions and thoughts about the real estate process.

I'd love to talk with you about what you've read here and help you on the path to selling your house. My contact information is below, and I look forward to working with you.



Ryan Niles 357455

Mortgage Advisor with The Niles Team
Presidents Club Winner and Five Star Mortgage Professional 2011-2023
Cornerstone Home Lending, a division of Cornerstone Capital Bank, SSB.
Member FDIC. NMLS #2258
Seattle, Washington
TheNilesTeam@houseloan.com
www.NilesTeam.com
206-949-4326 cell