

Things To Consider When Selling Your House



FALL 2024
EDITION



**Ruhl
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REALTORS



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Questions You May Have About Selling Your House

If you're thinking about selling your house, you may be wondering how mortgage rates could impact your move. Here's a look at the top two questions that may be on your mind – and the data that answers them.

1. Should I Wait To Sell?

If you're thinking about waiting to sell until after mortgage rates come down further, you need to know a lot of other people are too. Many are hoping for a number in the fives or below. But most experts forecast rates will remain in the sixes this year.

While mortgage rates are still projected to come down a bit (as long as inflation and economic data continues to cool), if you wait for that to happen, you may be dealing with more competition as other buyers and sellers jump back in too. As *Bright MLS* says:

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

That means if you wait it out, you'll have to deal with things like prices rising faster and more multiple-offer scenarios when you buy your next home.



2. Can I Afford To Buy My Next Home?

And if you're worried about how you'll afford your next move, consider this: you probably have more equity in your current home than you realize.

Homeowners have gained record amounts of equity over the past few years. And that equity can make a big difference when you buy your next home. You may even have enough to be an all-cash buyer and avoid taking out a mortgage altogether. As Jessica Lautz, Deputy Chief Economist at the *National Association of Realtors* (NAR), says:

“ . . . those who have earned housing equity through home price appreciation are the current winners in today's housing market. . . For these buyers, interest rates may be less influential in their purchase decisions.”

If you've had these questions on your mind and they've been holding you back from selling, hopefully, it helps to have this information now.

A survey from *Realtor.com* found more than 85% of potential sellers have been considering selling for over a year. That means there are a number of sellers like you who are on the fence.

That same report also surveyed sellers who recently decided to take the plunge and list. And 79% of those recent sellers wish they'd sold sooner.

Bottom Line

If you want to talk more about either of these questions or need more information, let's connect.

A fluffy orange cat is sitting on a white windowsill, looking out a window. The window shows a view of trees with yellow and green leaves, suggesting autumn. The scene is brightly lit with natural light. A blue semi-transparent box is overlaid on the top half of the image, containing text and a quote icon.

“

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

How Long Will It Take To Sell My House?

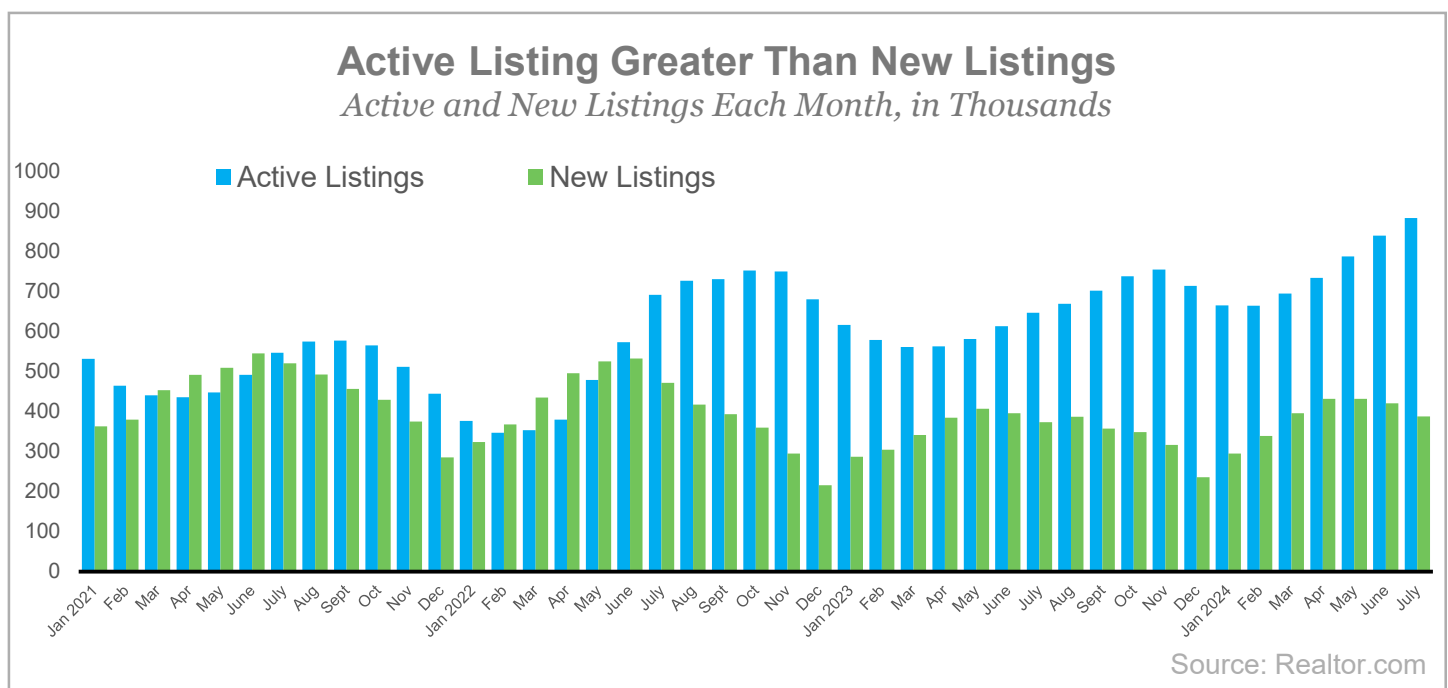


One other question you may have is: how long will the process take? Here's some information to help you find the answer.

The Growing Supply of Homes for Sale

Over the past few months, the number of homes for sale has increased. It's still lower than pre-pandemic years, but it's the highest it's been in a while. This is good news when you move because it means you'll have more options as you search for your next home. But it also means buyers have more to choose from, so if your house doesn't stand out – it may take a bit longer to sell.

Available inventory is made up of new listings (homes that were just put up for sale) and active listings (homes that were already on the market but haven't sold yet). And if you look at data from *Realtor.com* you can see a good portion of the recent growth is from active listings that are sticking around (*see the blue bars in the graph below*):



How That Growth Is Impacting Listings Today

Think of the homes on the market like loaves of bread for sale in a bakery. When a fresh batch of bread is put out, everyone wants the newest and hottest one. But if a loaf sits there too long, it starts to get stale, and fewer people want to buy it.

The same goes for homes. New listings are the freshest and most sought-after. But if a home isn't priced correctly, doesn't show well, or it doesn't have an effective sales or marketing strategy behind it, it can sit on the market and become less appealing to buyers over time.

An Agent Will Help Your House Stand Out and Sell Quickly

Timing is important to you. You want to get this done, fast. By leaning on a pro, they'll make sure your listing is fresh and doesn't stick around long enough to go stale. As the *National Association of Realtors* (NAR) explains:

“Home sellers without an agent are nearly twice as likely to say they didn't accept an offer for at least three months; 53% of sellers who used an agent say they accepted an offer within a month of listing their home.”

Your agent will factor recent inventory growth into their plan and create a customized selling strategy for your house. The supply of homes for sale can vary a lot by local area. So, they'll do things like share their valuable insights into what's happening with supply in your market, help you price your home correctly, and create a marketing plan that gets your home noticed.

Bottom Line

If you want your house to sell fast, you need to work with a pro. Let's connect so you've got someone who understands the current market trends and how to build a strategy around those factors, so your house is set up to sell quickly.

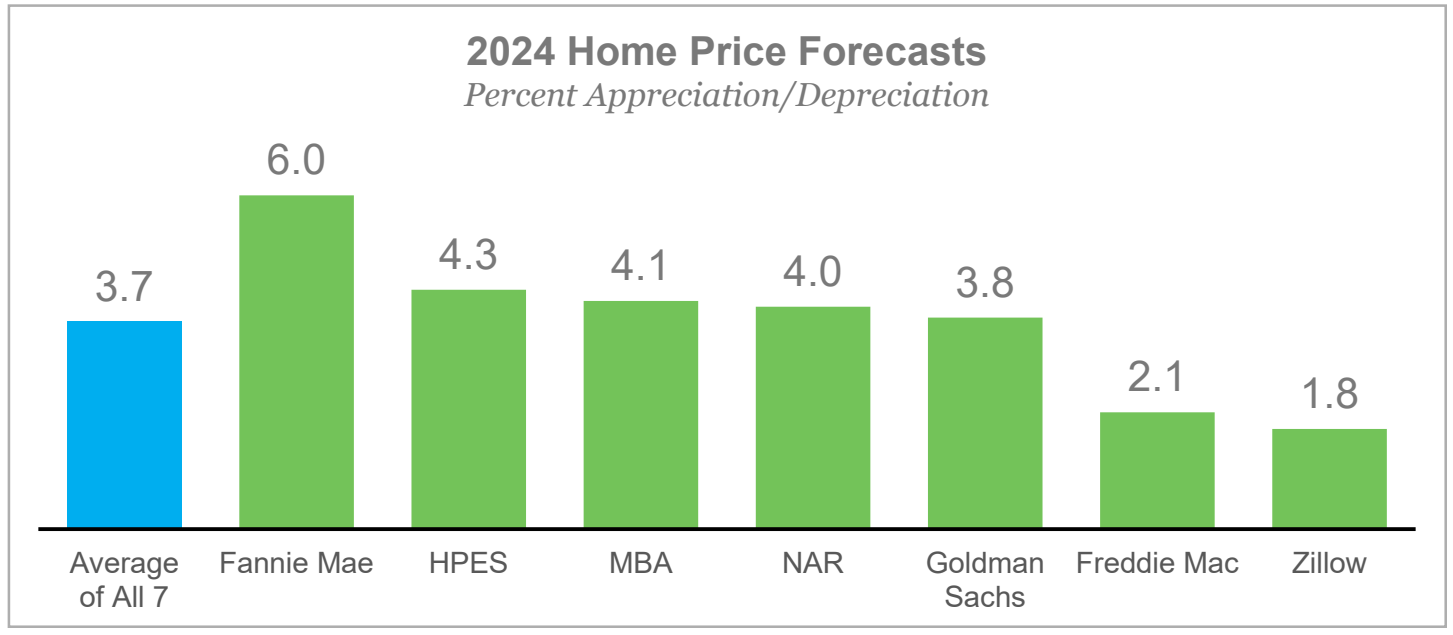


Housing Market Forecast: What's Ahead for the Rest of the Year

You may also be wondering what the rest of the year holds for the housing market, specifically for prices and mortgage rates. Here is what the experts are projecting.

Home Prices Are Expected To Climb Moderately

Home prices are forecast to rise at a more normal pace. The graph below shows the latest projections from seven of the most trusted sources in the industry:



The reason for continued appreciation? The supply of homes for sale. While inventory is up compared to the last couple of years, it's still low overall. And because there still aren't enough homes to go around, that'll keep upward pressure on prices.

So, prices aren't expected to drop nationally. They'll continue climbing, just at a slower, more normal pace.

This is especially important when setting the price for your house. An agent follows all the latest pricing forecasts, as well as local pricing trends to help find the right price for your house based on market conditions.

It also matters if you plan to buy your next home. That's because you can feel confident experts say your next home should grow in value after you buy it.

Mortgage Rates Are Forecast To Come Down Slightly

One of the best pieces of news for both buyers and sellers is that mortgage rates are expected to come down a bit. As the *Mortgage Reports* says:

"With inflation dwindling and Fed cuts expected, most industry forecasts predict mortgage rates to decrease over the rest of 2024 and 2025. However, it could be more of a slow burn opposed to a rapid decline."

Lower rates will bring more buyers back into the market, which could help you sell faster and potentially at a higher price. Plus, it may help you get off the fence, if you've been hesitant to move due to today's rates.

Bottom Line

If you have any questions about how this factors into your selling plans or need help navigating the market, reach out.



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... in the second quarter of 2024, 49.2% of mortgaged homes were “equity-rich,” defined as having a loan balance of less than half of the estimated market value of those homes. It’s a 3.4 percentage point rise from the first quarter of 2024 ...

- HousingWire

Homeowners Gained \$28K in Equity over the Past Year

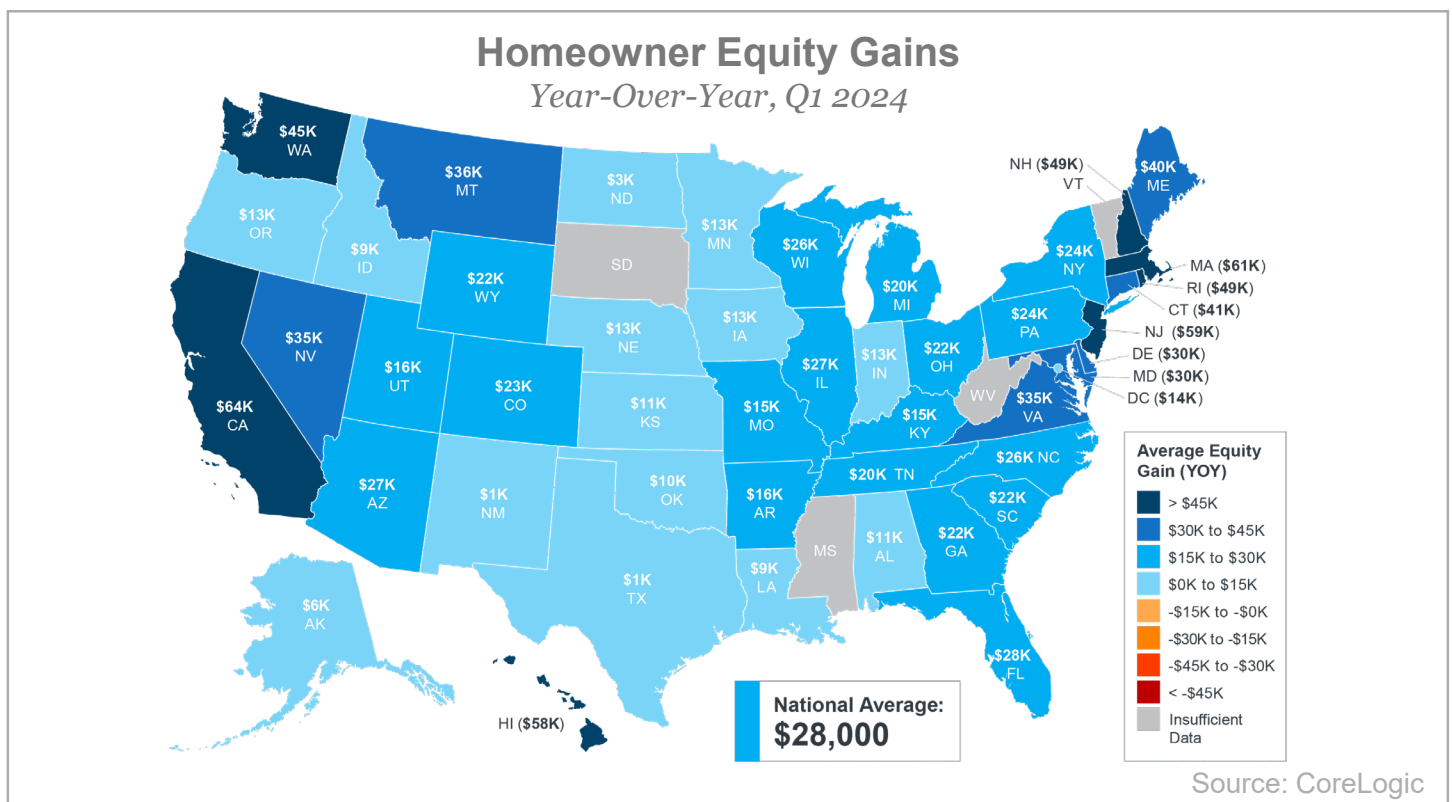


If you own a home, your net worth has probably gone up a lot over the past year. Home prices have been rising, which means you're building equity much faster than you might think. Here's how it works.

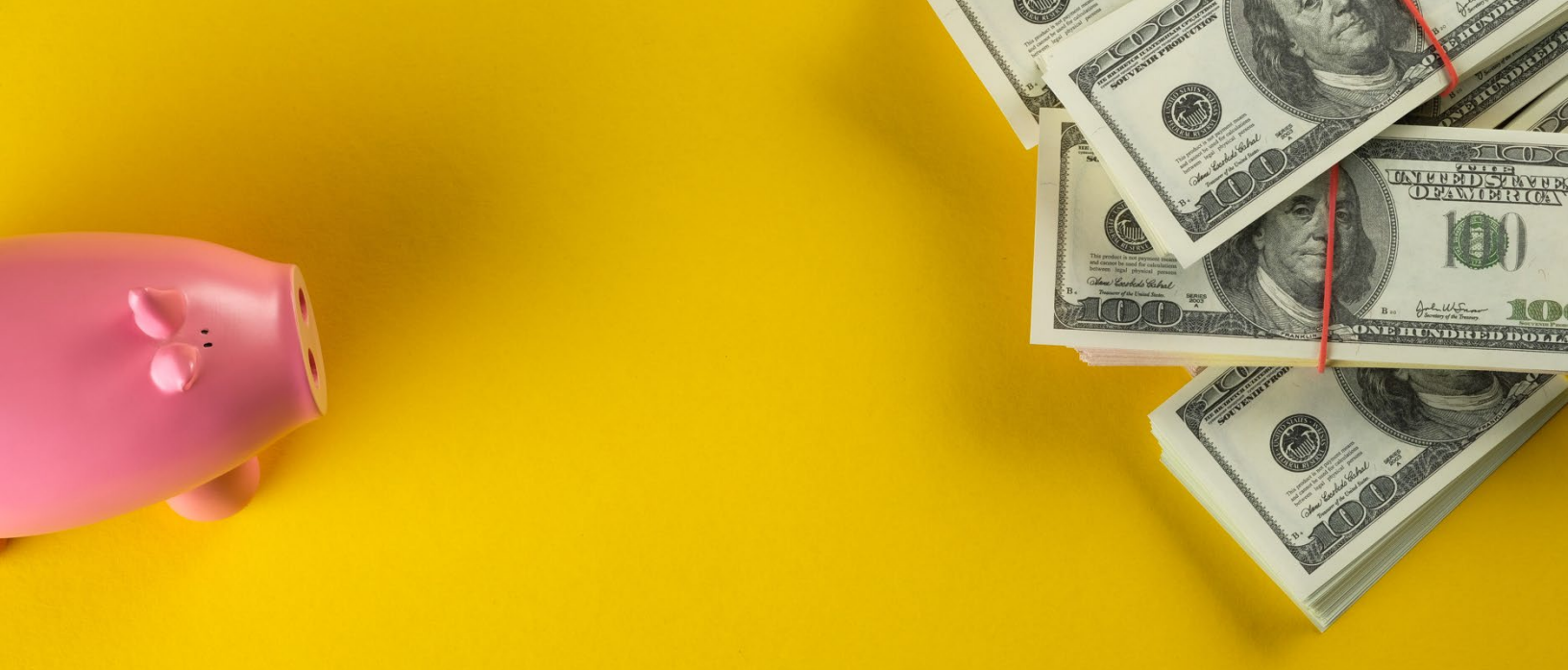
Equity is the current value of your home minus what you owe on the loan. Over the past year, there have still been more people wanting to buy than there are homes available for sale, and that's pushed prices up. That rise in prices has translated directly into increasing equity.

How Much Equity Have You Earned over the Past 12 Months?

According to the latest *Homeowner Equity Insights* from CoreLogic, the average homeowner's equity has grown by \$28,000 in the last year alone. That's the national average, but if you want to see what's happening in your state, check out the map below. You'll notice every single state with sufficient data saw annual equity gains:



Source: CoreLogic



What If You Bought Your House Before the Pandemic?

If you bought your house prior to the pandemic, the equity news is even better. According to data from *Freddie Mac*, home prices have grown by almost 50% since December 2019, meaning your home's value has likely increased significantly. Ralph McLaughlin, Senior Economist at *Realtor.com*, says:

"Homeowners have seen extraordinary gains in home equity over the past five years."

To give context to how much equity can stack up over time, Selma Hepp, Chief Economist at *CoreLogic*, explains the total equity a typical homeowner has today:

"With home prices continuing to reach new highs, owners are also seeing their equity approach the historic peaks of 2023, close to a total of \$305,000 per owner."

How Rising Equity Helps You

With how prices skyrocketed a few years ago, and the ongoing price growth today, homeowners clearly have substantial equity built up – and that has some serious benefits.

You could use it to start a business, fund an education, or even to help you afford your next home. When you sell, the equity you've built up comes back to you, and may be enough to cover a big part – or even all – of your next home's down payment.

Bottom Line

If you're planning to move, the equity you've gained can really help. Curious about how much you have and how you can use it to help pay for your next home? Let's connect.



The Biggest Mistakes Sellers Are Making Right Now

The housing market is going through a transition right now. And sellers who aren't working with an agent may not realize that.

Here's the downside. If you're not informed, you can't adjust your strategy or expectations to today's market. And that can lead to a number of costly mistakes. Here's a look at some of the most common ones – and how an agent will help you avoid them.

1. Overpricing Your House

Many sellers set their asking price too high and that's why there's an uptick in homes with price reductions today. An unrealistic price will deter potential buyers, can cause an appraisal issue, or lead to your home sitting on the market longer. An article from the *National Association of Realtors* (NAR), explains:

"Some sellers are pricing their homes higher than ever just because they can, but this may drive away serious buyers and result in unapproved appraisals . . ."

To avoid falling into this trap, partner with a pro. An agent uses recent sales of similar homes, the condition of your house, local market trends, and so much more to find the price that'll attract more buyers and open the door for multiple offers and a faster sale.

2. Skipping the Small Stuff

You may try to skip important repairs, thinking you can pass the task on to your buyer. But visible issues (even if they're small) can turn off potential buyers and result in lower offers or demands for concessions. As *Money Talks News* says:

“Home shoppers like to turn on lights, flush toilets and run the water. If these basic things don't work, they may assume you've skipped other maintenance. Homes that appear neglected aren't likely to fetch top price.”

If you want to get your house ready to sell, the best place to turn to for advice is your agent. They'll be able to do a walk through with you and point out anything you'll want to tackle before the photographer comes in.

3. Being Unwilling To Negotiate

The supply of homes for sale has grown. That means buyers have more options, and with that comes more negotiation power. As a seller, you may see more buyers getting an inspection, requesting repairs, or asking for help with closing costs today. You need to be prepared to have those conversations. *U.S. News Real Estate* explains:

“If you've received an offer for your house that isn't quite what you'd hoped it would be, expect to negotiate. . . the only way to come to a successful deal is to make sure the buyer also feels like he or she benefits. . . consider offering to cover some of the buyer's closing costs or agree to a credit for a minor repair the inspector found.”

An agent will walk you through what levers you may want to pull based on your own goals, budget, and timeframe.

4. Not Using a Real Estate Agent

Notice anything? For each of these mistakes, partnering with an agent helps prevent them from happening in the first place. That makes trying to sell a house without an agent's help the biggest mistake of all.

Real estate agents have experience and expertise in pricing, marketing, negotiating, and more. That knowledge streamlines the selling process and usually results in drumming up more interest that can ultimately get you a higher final price.

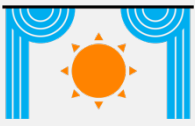
Bottom Line

If you want to avoid making mistakes like these, let's connect and make sure you're set up for success.

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.

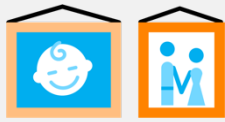
Make It Inviting



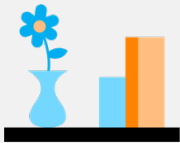
- Open blinds or curtains to let the light in



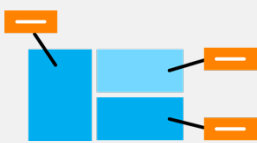
- Check lightbulbs and replace as needed



- Take down personal photos or items



- Declutter throughout



- Give every room a clear purpose

Show It's Cared For



- Clean your vents and baseboards



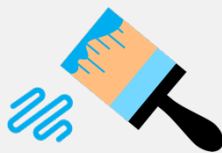
- Vacuum, mop, or sweep floors



- Fix anything that's broken

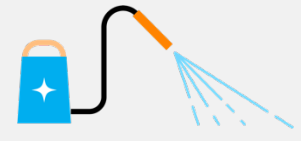


- Organize countertops, cabinets, and closets



- 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



Working with an Expert Beats 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 – and that can be quite a headache.

A 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 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, you might ask for too much money (overpricing). Alternatively, you might not ask for enough (underpricing). Either one 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, team up with a real estate agent. 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. As an article from *First American* explains:

“To buy or sell a home you need to accurately complete a lot of forms, disclosures, and legal documents. A real estate agent ensures you cross every ‘t’ and dot every ‘i’ to help you avoid having a transaction fall through and/or prevent a costly mistake.”

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 issues.

Bottom Line

Selling your house is a big deal, and it can be complicated. 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 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.

We're sure you have questions and thoughts about the real estate process.

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

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