

Real Estate

YOUR HOME | YOUR LIFE



Winter Marketing Tips

As colder weather approaches and you look to sell your home, you may be feeling like there are a few obstacles in your way.

You may be correct. According to Zillow research, 23% fewer homes are sold in winter than in spring, and homes listed for sale in the winter stay on the market about five days longer compared to the yearly average time on the market, from listing to closing.

The reasons? There are a few.

Inclement weather may keep home buyers from visiting your open house. The market traditionally ramps up in the springtime. Maybe your schedule is jam packed in the winter months, making it hard to get your head around selling your home right now.

No matter what the reason, there are just as many reasons you can have a successful home sale during this time of the year.

It's all about how you attack the market and what tactics you use to sell your home.

Read on for some winter tips that will help you find a new buyer quickly — even if the temperature has a chilling impact on the market as a whole.

THE MAIN REASONS TO SELL

There are actually numerous



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great reasons to sell a home in the winter.

- **Inventory is lower.** This means your listing gets more attention from prospective buyers. As supply increases in the spring and summer months, it may be harder to separate your home from the pack.

- **More serious looks.** Shoppers who are willing to

brave the elements to find their perfect home are usually more intent on buying than springtime shoppers who may just be looking for a fun way to spend a warm day.

- **Year-end bonuses.** Many professionals enjoy end-of-year financial bonuses, positioning them for a potential investment in a new home. You may also see workers

retiring with large payouts who now have the opportunity to enter the housing market.

PRICING IS KEY

Even though there are plenty of reasons to sell in the winter months, how you price your home plays a big role in your success.

The National Association of Realtors reports that nearly

one-fifth of home sellers are forced to lower their asking price. Getting too aggressive on your initial ask can actually be more harmful to your prospective sale than the time of year you decide to list.

Work with your Realtor to put together a solid game plan and don't be afraid to compromise on your price if you're able to withstand a reduction.

Hot Design Trends

According to real estate and home design experts, the COVID-19 pandemic likely will have a lasting influence on home styles for years to come.

From changing trends in floor plans to the growing need for home offices, the changes in our daily lives have shifted what is desirable in the design of our houses.

So, if you're considering revamping your home to make it ready for a sale, you may consider the following strategies to make sure you give yourself the best chance for a quick transaction.

STAGE A HOME OFFICE

With so many professionals working from home during the pandemic, it's been a challenge to find a quiet space in the home from which to be productive.

If you have an extra bedroom in your home, stage it as a home office to entice prospective buyers. You don't have to go overboard here. Paint the room a neutral color, add a desk and a bookshelf with some books.

Your potential buyers will be able to envision themselves having a workspace to call their own. Remember that many home shoppers are active in the market because



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they have outgrown their current space.

Staging a home office will give them the sense of spaciousness they are looking for.

RECONSIDER THE OPEN FLOOR PLAN

Thinking of tearing down

some walls to create an open, flowing floor plan? Experts say you may want to reconsider this notion. A growing complaint with the open floor plan is that it's noisy — especially with many families spending more time at home for school and work.

The lack of walls to buffer noise has become a noticeable issue for many homes with open floor plans during the pandemic. The open floor plan is convenient in that it combines the kitchen and living space to form one big, open room. But it's not exact-

ly ideal for privacy and noise control.

There may still be ways for you to incorporate an open floor plan into your design, but be strategic and consider the perception your potential buyers may have when considering your home.

Buying Vacation Home

With remote work more prevalent than ever before, more people are looking for a permanent getaway.

If you have the funding available to make an investment, a vacation home may offer a great return on your money.

Maybe you've had your eye on a cabin in the woods, a remote cottage in the mountains, or a cozy condo on the beach.

You're not alone.

Especially during the current pandemic facing our country, having a spot to get away from crowded areas has a lot of appeal to Americans. This means you should be prepared for competition in the marketplace. In June, U.S. housing inventory fell by 27 percent from the same period a year before, according to Realtor.com.

There are still likely plenty of options available to you, so have an idea of what you're looking for before dipping your toes into the market. Consider your space and location requirements, as well as your ideal budget. Work with a Realtor local to the area you are considering, especially if it's a long distance from your current home.



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These professionals will have a great idea of the local real estate scene, and will be able to walk you through all the available options in your specific area.

TAKE ADVANTAGE OF MORTGAGE RATES

With changes in the economy have come big reductions in mortgage interest rates. This summer, the average rate on a 30-year fixed-rate mortgage dipped to 2.98%. This is the first time the rate has fallen below 3% in the

nearly 50 years that Freddie Mac has been keeping records.

Check with your local mortgage broker on what a potential home loan may look like for you. Now may be the perfect time to make an investment into that perfect vacation home you've had your eye on.

WAIT FOR THE RIGHT PRICE

More good news for potential buyers is that home prices are stable. In June, the

median listing price was 5.1% higher than a year before, according to Realtor.com. This means you may be able to find a great deal in your target geography.

Work with a local Realtor to get a better idea of home pricing in the area so you can stretch your dollar as far as possible.

CONSIDER THE DETAILS

When considering an investment in a vacation home, ask yourself a few pointed questions:

- What type of home best fits your needs (a standalone house, a condominium or maybe a duplex)?

- Can you fit additional maintenance costs into your budget, such as lawn mowing, snow removal or landscaping?

- Will you rent out the home when you're not living there?

The more you know about what you're looking for, the smoother your home search and buying experience will be.

Reasons to Buy in the Winter

For homebuyers or property investment managers, the winter season is a great time to enter the market.

Competition goes down as the weather worsens as many potential buyers hibernate and wait for warmer climates to invest into a new home. This means you are less likely to run into multiple offers on a single home, giving you a leg up on properties that fit your needs.

Read on for more reasons to buy now. If you're looking to lock down your next dream home — or to invest in a new property — the winter can be the perfect time to do so.

NAME YOUR PRICE

Fewer buyers in the market means supply exceeds demand. This can result in home prices being lower than they are during the peak real estate season. Especially if you're looking at a home with motivated sellers, you may be able to land your ideal property for substantially less than if it were listed in the spring or summer.

Sellers may be more likely to accept offers involving financing because fewer all-cash offers are on the table. This allows you to be aggressive with pricing and confident in your financial options to buy.

FASTER CLOSING TIMES

Sellers in the winter months



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often will agree to a fast closing time due to them looking to unload their property quicker. Many times in the winter months, sellers are experiencing life circumstances that are driving their decision to sell.

This can lead to more flexibility on sale price, closing costs and even closing date. Work with your Realtor to put together a strategic plan around your offer and seal the deal on a winter home purchase.

BETTER ACCESS TO REAL ESTATE AGENTS

Low activity during the winter months also means you may have greater access to your Realtor, who likely has a smaller book of business this time of year.

This lighter schedule can mean more availability for house showings that work with your schedule, or even more in-depth knowledge of homes coming on the market so you get first dibs as a prospective buyer.



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First Apartment Tips

Renting your very first apartment can be an overwhelming experience for someone venturing out on their own for the first time.

The idea of having your own place is exciting, for sure, but the responsibilities that come with making your own decisions — and paying your own bills — can be a big proposition.

Fortunately, there are some tried and true actions you can take to make sure you're as prepared as possible when it comes time to move into your first apartment.

FIND A ROOMMATE

Nothing takes the pressure off your checking account like a roommate

who can help split the bills.

The experts from U.S. News & World Report share the following tips for finding a good, trustworthy roommate:

- Ask your friends if they'd like to move in with you or can provide a trustworthy referral.
- Do multiple interviews with people you might not necessarily know too well. Don't forget to ask for references.
- Figure out a solid understanding of bill-sharing responsibilities. It's important you get this information on paper.

BUILD A BUDGET

Finding the right apartment starts well before you move in. Putting together an apartment budget before you're ready to leave home is the best way to build up savings that can protect you from common rental expenses.

Remember that moving out doesn't just mean you're responsible for rent payments. There will be additional costs such as utilities, groceries, furnishings and entertainment.

Building a budget will help you keep on track. Add up your anticipated monthly expenses and subtract the total from your anticipated monthly earnings. What's left over is your surplus for savings. This can give you a cushion in the event of surprise bills or medical expenses.

DON'T RELY ON A VIRTUAL TOUR

Online apartment tours are convenient for potential renters — especially during the COVID-19 pandemic. A walking tour of an apartment, however, will help you truly understand the layout, neighborhood and amenities.

Set up an appointment with the property manager to get an in-person tour. Ask questions when you're walking the property, including about total up-front costs, ongoing fees for amenities and any additional information about the neighborhood that may be pertinent.

With these renting tips, you can make your first apartment living experience one to remember for all the right reasons.

Becoming a Landlord

Are you looking for an effective way to build equity in a long-term investment? Owning real estate as a landlord may be a great option for you.

As with any new endeavor, considering a new investment should come with loads of research and due diligence on your part. Talking with local real estate attorneys, Realtors and friends in the business can be a good start.

Take these additional five steps to make sure your first experience as a landlord is a positive one.

DO THE MATH

Crunching the numbers before you consider buying a property is a critical step in becoming a successful landlord. The income that you receive in the form of rent will supplement the monthly mortgage payments — and you may even be able to surpass how much you're actually paying the bank in mortgage for the property.

Don't forget to consider property taxes in your monthly or annual spend when figuring out your expenses, along with general maintenance, repairs and landlord insurance.

Ask your accountant to help you analyze the numbers and potential tax benefits of costs associated with owning and



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managing your rental property, including depreciation, insurance, mortgage interest, property repair and travel expenses.

UNDERSTAND THE LAWS

There may be some legal research to do, as well, when it comes to understanding the ins and outs of becoming a landlord.

There are federal laws related to habitability and anti-discrimination that all landlords

need to know very well. These laws restrict discrimination against tenants based on race, color, national origin, religion, sex, disability, familial status and children, among others.

Work with your local real estate attorney to get a better grasp on your legal requirements and responsibilities.

FIND GREAT TENANTS

Once you have bought an investment property and are on your way to becoming a

landlord, it's time to find the right renters for your home. Always conduct a background and credit check on potential renters to get an understanding of who you're working with.

Check references from employers and past landlords. You should also conduct an interview with the potential tenants to make sure it's a good fit. These simple steps can make a world of difference in making sure all your

research and preparation pays off.

Jumping into the landlord game can be quite an adjustment, especially if you don't have experience running your own business or investments. Before you take the plunge, talk with local attorneys and people in your network who have more experience.

Use their guidance to get started and keep good records and notes of everything you learn in the process.

The Pandemic's Impact

The COVID-19 pandemic has impacted the world in a big way, especially the real estate industry.

The National Association of Realtors found in their June 2020 report that existing home sales jumped 20.7% from May 2020. As the summer turns into fall, that trend continues to play out across the country.

WHY THE SPIKE?

Real estate experts attribute more time at home as a big reason why families have decided to move into new homes. Quarantining and locking down in a home that doesn't fit a family's practical needs can spur a home search.

Many families are also deciding to homeschool their children, giving them more flexibility when it comes to location. The remote-working phenomenon also has enabled professionals to cut the cord on the geographical ties to their jobs.

ADVANTAGEOUS INTEREST RATES

Mortgage interest rates have been at historic lows for almost 20 years, with big drops during the pandemic. Rates dipped below 3%, giving many Americans the chance to get into a 30-year mortgage at a low rate.

Ask your local mortgage broker what kinds of loan



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options you have as a home-buyer. The more options you have, the more well-informed you can be about next steps.

BUYER INTERESTS

If the market is up, what are buyers looking for? According to an August report by Axios,

it's fresh air, backyards, home offices (for two adults), a homeschooling area, space for pets, home gyms and proximity to beaches, lakes, parks and bike paths.

In terms of what types of dwellings are hot at the moment, searches on the

Compass Real Estate website for houses with pools are up threefold, searches for single-family homes are up 40%, and searches for condominiums and co-ops have decreased.

With low mortgage rates and the population fleeing to

more suburban areas due to worries about overpopulated areas, the real estate market will continue to shift. Lean on your local realty professionals to help you successfully navigate your journey to moving during these unprecedented times.