



2024 Edition



Important Considerations When **Selling Your Home**



ALDEN & KATHERINE WILTSE

☎ 417-349-5431 & 417-349-5432

✉ alden@livinginsomo.com

🌐 livinginsouthernmo.com

Living In Southern MO WITH BF REALTY



Should You Sell Your Home in 2024?

With everything happening in the housing market recently, you might have some questions about selling your house. Here are a few things you might be wondering, and the answers to help you make a confident decision.

The supply of homes for sale is still low, so we're still in a seller's market today (see graph below). Selling while inventory is this low means if you price your house right, it's likely to be in high demand.

If you're thinking of selling your house but are concerned people aren't buying homes in today's market, you should know that there are still many active, interested buyers out there. According to Mike Simonsen, President at Altos Research:

"Demand has exceeded the available supply of homes . . ."

With more buyers than homes today, your house may be just what they're looking for.

Recent data shows home prices have bottomed out and are now on the rise again in much of the country. And while prices vary by market, experts project they'll rise and return to more normal levels of appreciation – around 4% per year – in 2024.

So, with the worst home price declines behind us and prices appreciating again today, you can still sell with confidence in 2024.

Low Inventory is Maintaining a Seller's Market

There aren't enough homes for sale compared to the number of people who

want to buy them. The graph below uses historical data to provide a more concrete look at how much the numbers are still lagging behind the level of inventory typical of a more normal market:



It's worth noting that 2020-2022 are not included in this graph. That's because they were abnormal years for the housing market. To make the comparison fair, those have been omitted so they don't distort the data. When you look at the orange bars representing 2023 and compare them to the years when the housing market was normal (2017-2019), you can see that the number of homes available for sale each month is still much lower than usual.

What Does This Mean for You?

If you're thinking about selling your house, that low inventory is why this is a great time to do so. Buyers have fewer choices now than they did in more normal years, which means your house will be in high demand. On top of that, you'll have less competition from other sellers.

Pricing Your Home Right Makes All The Difference

Making sure you set the right price for your house is crucial right now. If you're planning to sell your house this fall, it's essential to price it appropriately for today's market.

While this isn't the frenzied market we saw over the past few years, homes that are priced right are still selling quickly and seeing multiple offers right now. Data from the National Association of Realtors (NAR) shows 74% of homes sold within a month and the average saw 3.0 offers in July. To set yourself up to see advantages like these, you need to rely on an agent. Only an agent has the expertise needed to find the right asking price for your house. Here's what's at stake if that price isn't accurate for today's market value. The price you set for your house sends a message to potential buyers. Price it too low and you might raise questions about your home's condition or lead buyers to assume something is wrong with it. Not to mention, if you undervalue your house, you could leave money on the table, which decreases your future buying power.

On the other hand, price it too high and you run the risk of deterring buyers from ever touring it in the first place. When that happens, you may have to do a price drop to try to reignite interest in your house when it sits on the market for a while. Just be aware that a price drop can be seen as a red flag for some buyers who will wonder why the price was reduced and what that means about the home. A recent article from NerdWallet sums it up like this:

"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."

Think of pricing your home as a target. Your goal is to aim directly for the center – not too high, not too low, but right at market value. Pricing your house fairly based on market conditions increases the chance you'll have more buyers who are interested in purchasing it. That makes it more likely you'll see multiple offers too. Plus, when homes are priced right, they still tend to sell quickly.

.....

Home Prices are Holding Tight in SoMo Pricing

In the heart of the Midwest, Southern Missouri's real estate market stands as a testament to the region's enduring appeal, with home prices remaining notably high. One of the key driving forces behind this resilience is the significant influx of out-of-state migration.

As urban dwellers seek refuge from crowded metropolitan areas, Southern Missouri emerges as an attractive haven. The region's natural beauty, expansive outdoor spaces, and a more relaxed pace of life appeal to those looking to escape urban congestion. This

heightened demand, fueled by a wave of newcomers, places upward pressure on home prices.

The migration trend is not merely a quest for tranquility; it's a pursuit of affordability. Southern Missouri's housing market offers a cost-of-living advantage compared to many urban centers, making it an appealing destination for those seeking a balance between quality of life and financial prudence. As a result, the supply-and-demand dynamics are tilted in favor of sellers, sustaining elevated home values.

Investors and homebuyers, recognizing the potential for long-term value appreciation, further contribute to the market's buoyancy. This confluence of factors—scenic appeal, affordability, and investment potential—creates a perfect storm, ensuring that Southern Missouri's real estate market remains a stronghold of high home prices, even amid broader economic fluctuations

.....

Equity Can Be The Game changer

Are you torn on whether to sell your house right now because you don't want to take on a higher mortgage rate on your next home? If so, your equity may be exactly what you need to help you feel more comfortable making your move.

When you sell your house, you can use your equity toward purchasing your next home. But first, it's important to know what equity is and how it grows.

What Equity Is and How It Works?

Equity is the current value of your home minus what you owe on the loan. And recently, that equity has been growing far faster than you may expect.

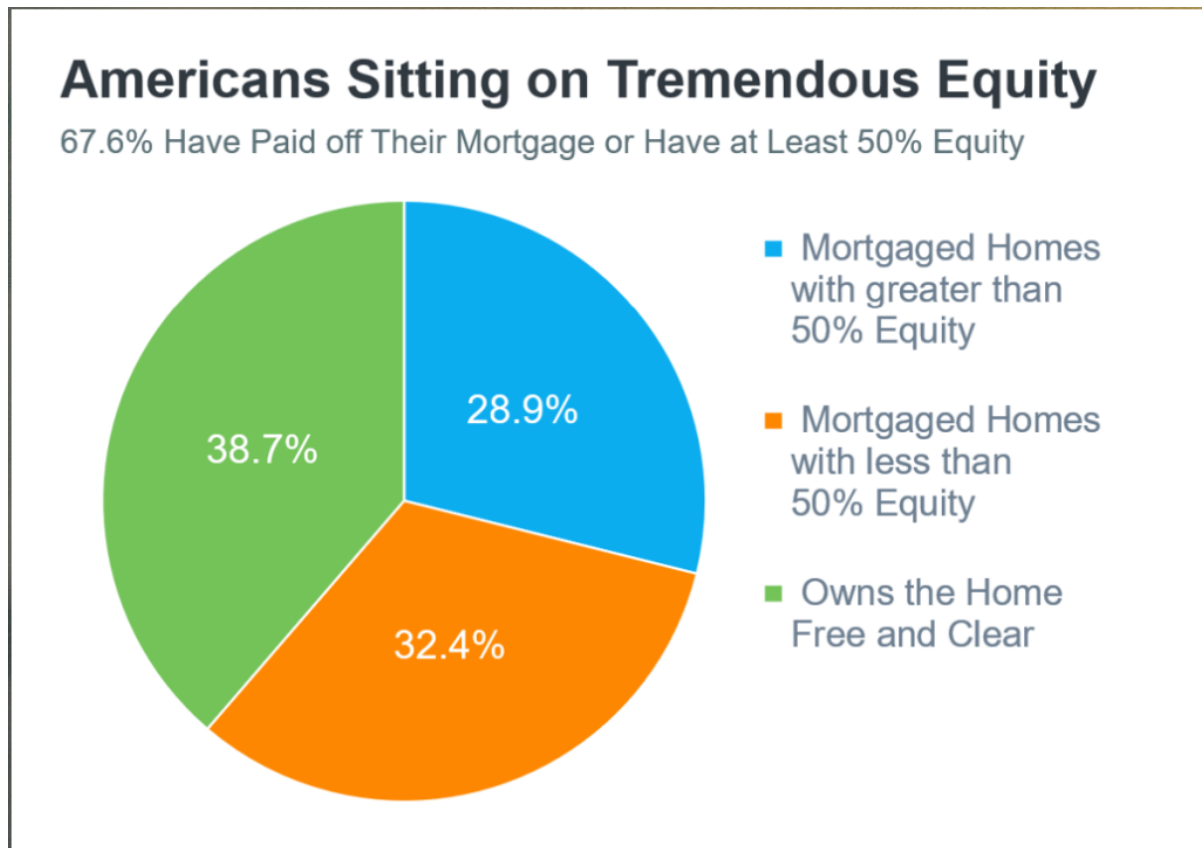
Over the last few years, home prices rose dramatically, and that gave your equity a big boost very quickly. While the market has started to normalize, there's still an imbalance between the number of homes available for sale and the number of buyers looking to make a purchase. And it's because homes are in such high demand that prices are back on the rise today. Rob Barber, CEO of ATTOM, a property data provider, explains:

“Equity levels were high even during the recent downturn, and now they are going back up and better than ever.”

How Equity Benefits You

With today's affordability challenges, that equity can be a game changer when you move. Here's why: based on data from ATTOM and the Census, nearly two-thirds (68.7%) of

homeowners have either paid off their mortgages or have at least 50% equity (see chart below):



That means roughly 70% have a tremendous amount of equity right now. Once you sell your house, you can use your equity to help you with your next purchase. It could be some (if not all) of what you'll need for your next down payment. It may even be enough to allow you to put a considerably larger down payment on your next home, so you don't have to finance quite as much. And, if you've been in your current house for years, you may have even built up enough equity to pay all cash. If that's true for you, you'd be able to avoid borrowing altogether, so you wouldn't have to worry about today's mortgage rates.

.....

Your Needs Matter More Than Mortgage Rates

If you're thinking about selling your house right now, chances are it's because something in your life has changed.

While things like mortgage rates are a key part of your decision on what you'll buy next, it's important to not lose sight of the reason you want to make a change in the first place.

It's true mortgage rates have climbed from the record lows we saw in recent years, and that has an impact on affordability. With rates where they are right now, some homeowners are deciding they'll wait to sell because they don't want to move and have a higher mortgage rate on their next home. As Danielle Hale, Chief Economist at Realtor.com, explains:

“. . . homeowners who locked in a 30-year fixed rate in the 2-3% range don't necessarily want to give that up in exchange for a rate in the 6-7% range.”

But your lifestyle and your changing needs should matter more. Here are a few of the most common reasons people choose to sell today. Any one of these may be more important than keeping your current mortgage rate. As Ali Wolf, Chief Economist at Zonda, says:

“First-time and move-up buyers are both active . . . the latter driven by life changes. Divorce, marriage, new higher paid job, and existing home unsuitable all referenced.”

How An Expert Can Change Everything When You Sell

Selling your house without a real estate agent can be tough, as it involves challenges like preparing the home, setting the right price, and managing paperwork. A real estate agent's support can be invaluable, making the process smoother for you.

1. Marketing and Exposure

Effective marketing is a key piece of attracting qualified buyers to your property. Real estate agents have access to various marketing tools and platforms, including MLS listings, professional photography, virtual tours, and extensive professional networks. They can create a compelling listing that highlights your home's best features and reaches a wider audience. If you sell on your own, you may struggle to match the reach of agents, resulting in limited exposure and, ultimately, fewer potential buyers.

2. Managing Liability and Legal Considerations

Today, more disclosures and regulations are mandatory when selling a house. And all the paperwork and legal aspects of selling a home can be a lot to manage. Selling a house without professional guidance exposes homeowners to potential liability risks and legal complications. Real estate agents are well-versed in the contracts, disclosures, and regulations necessary during a sale. Their expertise helps minimize the risk of errors or omissions that could lead to legal disputes or delays. Selling your house without a real estate agent can be tough, as it involves challenges like preparing the home, setting the

right price, and managing paperwork. A real estate agent's support can be invaluable, making the process smoother for you.

3. Negotiations and Contracts

Negotiating the terms of a home sale can be challenging, especially when emotions are involved. You may find it overwhelming to navigate these negotiations alone. Without an agent, you assume this responsibility on your own. This means you'll have full accountability for working and negotiating with:

- The buyer, who wants the best deal possible.
- The buyer's agent, who will use their expertise to advocate for the buyer.
- The home inspection company, who works for the buyer.
- The home appraiser, who assesses the property's value to protect the lender.

Rather than going toe-to-toe with all these parties alone, lean on an expert. Real estate agents skillfully negotiate on your behalf and ensure that your best interests are protected. They have experience in handling tough negotiations, counteroffers, and contingencies. When you sell your house yourself, you'll need to be prepared to manage these vendors on your own.

4. Pricing and Housing Market Knowledge

In today's changing housing market, having a reliable, local real estate agent by your side is important to avoid mistakes during the selling process. As the National Association of Realtors (NAR), explains:

"A knowledgeable real estate agent will know what's required in your market, helping you avoid delays and costly mistakes. Also, there's a lot of jargon involved in a real estate transaction; you want to work with a professional who can speak the language."

An expert real estate advisor knows about national and local trends. They can explain how these trends affect you and help you make a decision based on trustworthy information.

What Distinguishes **Living in Southern Missouri** with BF Realty From other Realtors?

In the dynamic landscape of real estate, standing out is not just an advantage; it's a necessity. *Living in Southern Mo*, with BF Realty, harnesses the power of Search Engine Optimization (SEO) for marketing to gain a distinct edge over their counterparts. Here's why:

1. Visibility in a Crowded Digital Space

SEO ensures that your property's online presence is not just a drop in the vast internet ocean. By optimizing your property's personalized website, and Youtube videos, we will increase the likelihood of putting your property on the first page of search engine results. This enhanced visibility puts your property at the forefront when potential buyers are actively looking for properties in your area.

2. Targeted Reach and Serious Buyers

SEO allows us to target specific keywords and phrases relevant to your property's market. This means that your property will reach individuals actively interested in buying real estate in your property's area. As a result, the interest generated through SEO tends to be more qualified and serious buyers..

3. Increasing Exposure Leads to Multiple High Offers

When your property's personalized website and videos consistently appear in relevant searches, it builds interest with potential buyers. Effective SEO ensures that more eyes will be on your property, which greatly increases your chances of procuring multiple high offers.

4. Adaptability in a Shifting Market

The real estate landscape is evolving, and so are the ways people search for properties. With the increasing use of mobile devices and voice search, SEO ensures that your digital presence remains adaptable. This adaptability is crucial for staying relevant and accessible to buyers across various platforms.

In a competitive real estate market, where differentiation is key, embracing SEO as a marketing strategy is not just a trend; it's a strategic imperative. It's the digital compass that guides buyers to your doorstep, helping to ensure the most successful outcome possible.

.....

Let's Chat

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

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



ALDEN & KATHERINE WILTSE

☎ 417-349-5431 & 417-349-5432
✉ alden@livinginsomo.com
🌐 livinginsouthernmo.com

Living In Southern MO WITH BF REALTY

Home Valuation Report



Living in Southern MO
BF Realty
16282 MO-13, STE F
Branson West, MO 65737