

Buying Smart In Today's Real Estate Market

By J. Lennox Scott

The housing market has seen an adjustment from the frenzy conditions that we experienced several years ago. As a result, people often ask me if now is a good time to purchase a home, and if so, what they should know about the market in order to make smart decisions. The answer to this question is unequivocally yes. The current market conditions are very positive for homebuyers; job growth is steady, interest rates are low, appreciation is strong, and there is a healthy inventory of homes for buyers to choose from.

The first thing every buyer should do is become “buyer ready”. This means having a clear understanding of your wants and needs to make the search process as efficient and successful as possible. Next, it's very important to get pre-qualified—and in some instances even pre-approved—for a home loan. Getting pre-approved gives buyers a competitive edge over other, non-approved buyers and it demonstrates your commitment to the seller. Furthermore, it helps you and your agent know exactly how much you can afford which results in a more focused home search process.

Research shows that the vast majority of homebuyers are using the internet to search for homes and access information about real estate. Most real estate company websites feature the entire local listing inventory—even those of competing real estate companies—so buyers can go to one place to view all homes for sale. Buyers can also set up private accounts to store their home searches and favorite properties. Many real estate company websites also offer email notification so that buyers can receive instant email updates when new properties come onto the market that fits their search criteria. There is also special mapping and imagery that is designed to simplify the home search process as much as possible. All of these tools enhance the home buying experience because they allow buyers to search smarter, save time, and find the best home at the right price.

With higher inventory levels and continued competition for homes in certain markets, buyers need to work closely with their real estate agent to develop a home purchase price and negotiation strategy. In so doing, ask your agent to perform a buyer CMA on homes that you're serious about buying. Your agent can also review the month's supply of homes for sale in your area to help determine the right offer and criteria for negotiations.

The foundation for buying smart in today's real estate market is having the right agent. Buying a home is an extremely detailed and complex process, so it's critical that you work with someone that is going to provide you with full service and support. Your agent should be a trained professional who listens to your needs and understands the market in which you are buying a home. They should be experts in negotiations, transaction forms, and finance options, as well as have an understanding of technology and how it can enhance the home buying process. Your agent should also offer a complete list of real estate services such as relationships with mortgage, title, escrow, and insurance companies. They should provide timely communication and serve as your advocate through every stage of the real estate transaction from start to close.

Real estate sales have shifted from the frenzy market of a few years ago, but that doesn't change the fact that it's still a great time to buy. There are a variety of opportunities for buyers in all price ranges; the key is to be smart and properly prepare so that your buying experience is a positive and successful one.

REALTOR® J. Lennox Scott is the chairman and CEO of John L. Scott Real Estate. You can visit his website at www.johnlscott.com.

###

Contact:
Shelley Rossi
Director of Public Relations
John L. Scott Real Estate
206-230-7627
shelleyro@johnlscott.com