

in this issue >>>

On a Personal Note!

Tips to Maximize the Sale of Your House

Forbearance Will Not Lead to Foreclosures

Google Searches Reflect Consumers' Angst



Issue  
**FOUR**

A Monthly Insight into the Current Real Estate Market in Our Area

# on location

current topics >>>

## On a Personal Note!

My wife and I recently took an anniversary trip to Paso Robles for some wine, food, and relaxation.

Our first stop on Saturday, April 24, was at our favorite Paso Robles winery and the only one where we have a membership. It is conveniently located just 2 miles from the 101 freeway and Green Valley Rd. Cloistered around the tasting cellar are several sitting areas with small couches and chairs around a table, equipped for wine tasting, to accommodate groups of various sizes and tended by a knowledgeable and pleasant wine steward. Most of the sitting areas have a direct view overlooking part of the vineyard and the surrounding hills. For the next hour and a half, we relaxed sampling the latest vintages while learning of each varietal's aromas, tastes, and nuances. The winery? Austin Hope of the Hope Family Wines. We highly recommend it! Scan the QR code below for a 360° virtual tour.



## Four Tips to Maximize the Sale of Your House

Homeowners ready to make a move are in a great position to sell today. Housing inventory is incredibly low, driving up buyer competition. This gives homeowners leverage to sell for the best

possible terms, and it is fueling a steady rise in home prices. In such a hot market, houses are selling quickly. According to the National Association of Realtors (NAR), homes are typically on the market for just 18 short days.

Despite the speed and opportunity for sellers, there are still steps you can take to prep your house to shine so you get the greatest possible return. **1. Make Buyers Feel at Home** - One of the ways to make this happen is to take time to declutter. Pack personal items like pictures, awards, and sentimental belongings. The more neutral and tidy the space, the easier it is for a buyer to picture themselves living there. According to the 2021 Profile of Home Staging by NAR: "82% of buyers' agents said staging a home made it easier for a buyer to visualize the property as a future home." **2. Keep It Clean** - It is important to keep your home neat and clean.

Be sure to pick up toys, make the beds, and wash the dishes. This is one more way to reduce the number of things that can distract a buyer from the appeal of the home. Ensure your home smells fresh and clean. Buyers will

"Eighteen percent of sellers' agents said home staging increased the dollar value of a residence between 6% and 10%."

remember the smell of your house, and the kitchen is one of the most important rooms of the house to focus on. **3. Give Buyers Access** - Buyers are less likely to make an offer on your house if they are not able to easily schedule a time to check it out. If your home is available anytime, that opens more opportunities for multiple buyers to go from curious to eager. **4. Price It Right** - Even in a sellers' market, it is crucial to set your house at the right price. Pricing your house too high is a detriment to the sale. The goal is to drive high attention from competing buyers and let bidding wars push the final sales price up. Work with your trusted Realtor to determine the best list price.

Across the country >>>

## Four Reasons Households in Forbearance Will Not Lose Their Homes to Foreclosure

There has been a lot of discussion as to what will happen once the 2.3 million households currently in forbearance no longer have the protection of the program. Some assume there could potentially be millions of foreclosures ready to hit the market. However, there are four reasons that will not happen. 1) Almost 50% Leave Forbearance Already Caught Up on Payments. According to the Mortgage Bankers Association (MBA), data through March 28 show that 48.9% of homeowners who have already left the program were current on their mortgage payments when they exited. This does not mean that the over two million still in the plan will exit the same way, but it does give us some insight.

2) The Banks Do Not Want the Houses Back. Banks have learned lessons from the crash of 2008. Lending institutions do not want the headaches of managing foreclosed properties. This time, they are working with homeowners to help them stay in their homes. Today, almost all lending institutions are working with their borrowers (35.5% have worked out a repayment plan, 26.5% were granted a loan deferral, and 9% were given a loan modification). 3. There Is No Political Will to Foreclose on These Households. The government also seems determined not to let individuals or families lose their homes. The CFPB is proposing a new set of guidelines to ensure people will be able to retain their homes. The proposed rule would provide a



special pre-foreclosure review period, permit servicers to offer streamlined loan modification options, and wants temporary changes to required servicer communications about their options. 4) If All Else Fails Homeowners Will Sell Their Homes Before a Foreclosure. Homeowners have record levels of equity today. According to the latest CoreLogic Home Equity Report, the average equity of mortgaged homes is currently \$204,000. In addition, 38% of homes do not have a mortgage, so the level of equity available to homeowners is significant. The chances of us having a foreclosure crisis again is about 0%.



market info >>>

## Google Searches Reflect Consumers' Market Angst

Americans are turning to Google to find answers to their housing questions. The phrase "When is the housing market going to crash?" has surged in searches by 2,450% in the past March.

Consumers are also searching for information about "Why is the market so hot?"—doubling in the last week—and "How much over asking price should I offer on a home in 2021?" which increased by 350% in searches that week. While consumers are showing concern that the housing market may be overreaching as home prices rise and bidding wars become common, the National Association of REALTORS® says conditions are different now than in the previous hot market. "This is not a bubble," Lawrence Yun, chief economist for NAR, recently told Axios. "It is simply lack of supply." The nation has 1.03 million homes available for sale, a record low, and far from the peak of more than 4 million during the height of the last housing bubble in July 2007, according to NAR data. Total active listings were down 54% last week compared with a year ago, realtor.com® data shows. Mortgage lending is much stricter now than during the last hot market as well. Most homeowners can afford the home they are living

in and have accumulated equity from home price increases, which have eased concerns of a foreclosure crisis brewing, such as the one that resulted from the last housing bubble. Investors are also highly prevalent in the housing market due to high demand for rentals, and that should also serve as a backstop for major price declines, economists told CNBC. Buyer demand remains and over their list price at the start of April—a 16% increase compared with a year earlier, according to housing data from the real estate brokerage Redfin. Asking prices may be starting to flatten in what so far appears to follow a typical seasonal pattern." If that continues to happen, she says the housing market will not be in a runaway home price speculation environment. Also, with mortgage rates gradually on the rise, more potential buyers may find they have topped their affordability limit for now. Expect to see annual home price gains cool to the 3% range.

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