



Why BUY and SELL Real Estate in Today's Market?



Jim Fite & Jan Fite Miller



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For May we are looking at what makes this a great market and why you can feel confident it is a good time to BUY and/or Sell real estate!

2-Minute 411 with Jim Fite

My top FIVE reasons this is a great market!

I have seen a variety of markets in my years of real estate – some good, some bad, some worse, some really great...and then the one we are in now which will be better defined in months to come. From it

Real Estate 411 - TOP 10 reasons to BUY or SELL real estate NOW!

What is it that makes this market GREAT for buying and selling real estate? Here are our TOP 10 reasons:

- 1. \$8000 Tax Credit for first-time homebuyers** – there is no doubt that the tax credit is responsible for a good percentage of the increase we are seeing in real estate buying. To download the rules for the tax credit go to www.dallasrealestate411.com.
- 2. Interest rates are the lowest they have been in years!**
Because the interest rates are near historical lows, not buying now could have you experiencing regret later. A 30-year loan of \$250,000 at an interest rate of 7% in comparison to 6% will cost you an additional \$60,000. This is truly a great time to buy real estate
- 3. "Trade up" using your equity.**
According to the National Association of Realtors, over 79% of the 50+ population are homeowners. Of those, 67% own their homes free and clear (mortgage-free). Are you one of those? If so, you are in an ideal financial position to upgrade your lifestyle while the prices are right and the selection is abundant.
- 4. Low price, low interest rate today = larger gains in the future**
Prices are low today and that mixed with low interest rates is not only a "good buy" but a great investment for the future! These prices and rates will NOT stay this low, the natural swing will bring them back up, and that's why buying real estate today is a good idea!
- 5. Builder Incentives**
If you want to buy a newly constructed home, this is the time. With the builder inventories being high, there are great concessions being given to attract the many buyers in this market. But as the inventories decrease, so will the concessions!
- 6. Sellers are motivated**
In hot sellers' markets, everything tends to get rushed: the house hunting, the offer-writing, the negotiating... everything! Now, a buyer can take his/her time looking through available inventory and visit several homes before making an offer. Many sellers are willing to negotiate and work towards a win-win situation that works for both parties.
- 7. There are a lot of buyers in the market**
Sell now when there are fewer sellers and more buyers. With more buyers in the market your home becomes highly sought after in your market with more chances of pairing up with the right buyer.

all I have learned two things, the market always comes back, and property values do continue to rise. So for now, in this current market, there are five things I want to share that should influence you to take a good look at buying and selling real property. Here are my top 5 reasons why I think this is a great market:

1. Interest rates are the lowest we have seen in years and at these low rates will increase the value of your purchase. A 1% difference in the rate on a 30 year mortgage can save tens of thousands of dollars. And these rates will not stay this low!

2. Inventory is plentiful. With the many new construction homes on the market and abundance of foreclosures, there are plenty of properties to choose from, putting many excited buyers out there.

3. Builders Incentives. With the increased inventory in new home construction, many builders are offering enticing incentives to homebuyers, but as the inventories tighten up so will the incentives. Another reason to buy now!

4. \$8000 tax credit for first time homebuyers. This is the big one and one worth looking into to see if you qualify.

5. Prices are lower. With the lower pricing and the lower rates this is a win-win for buyers wanting to purchase or upgrade and also provides incentives to those who would sell and buy-up....you may sell low but you will buy even lower!

8. Good inventory to choose from

With a high inventory of properties on the market, including new home construction and foreclosures, you have choices that buyers just a few years ago would have loved.

9. Good market for investors

With the low prices and the low interest rates and the abundant inventory of homes and foreclosures, this is a great time for investors. Now is the time to start building wealth with real estate, start developing your own portfolio of homes.

10. You can build long-term wealth

60% of the average homeowner's wealth comes from their home's equity*. You might be wondering if buying a home right now is a smart financial decision. The fact is homeownership is the key to building long-term wealth, no matter when someone buys. Studies show that over time most homeowners will steadily build equity. Of course, owning a home is much more than a way to gain a financial edge; it's also where you raise a family and create life-long memories. Home ownership is an investment in YOUR future. According to Housing Market Facts published by National Association of Realtors, the average homeowner's net worth is 46 times the net worth of a renter! The average homeowner's net worth is \$171,000 compared to \$4,800 for renters.

*Housing and Urban Development "Homeownership and its Benefits"

Real Estate 411 - We asked the PROS what they thought

We took an informal poll from the manager's of our real estate offices asking them what their TOP reasons were to buy or sell in today's market. We received some great answers from the crème de la crème of the real estate industry here in the DFW metro area. These managers are in the trenches working daily with buyers and sellers and keeping track of market trends and pitfalls - here is what they had to say:

Ashley Conlon/C21 Regional Manager – Springtown and Weatherford, Texas

1. Interest rates are near 40 year lows which allow you to buy more house for the money
2. Great incentives for buyers who haven't owned a home in the last 3 years which allow them to receive up to \$8,000 back as a tax credit
3. Higher inventory with motivated sellers than is customary which allows for lower purchase prices than we've seen in last 4 years
4. Loan programs are still available that allow for little money out of pocket. FHA has loan programs with a minimum of only 3.5% down. Veterans can take advantage of VA loans with no money down.
5. Real estate is a great investment and provides greater returns with less risk than the stock market.

Chuck Edwards/C21 Assistant Manager - Arlington, Texas

1. All sources indicate that the DFW area is going to GROW and not SHRINK. The demand for homes in our market area will only increase. Wise buyers and investors are busy right now cashing in on the lower-end of prices.
2. We have GREAT highway systems and transportation options compared to many other metro areas
3. The DFW area is in TEXAS!!!!!!
4. Our market just hasn't suffered from the sky-rocketing inflation and

We are spreading the word that "Real Estate is GREAT! at CENTURY 21 Judge Fite Company". There is real estate to be bought and sold in the Dallas/Fort Worth Metroplex and we are doing it! Join us in spreading the word that real estate really is GREAT here in our market.

Each month we will deliver a new Real Estate 411 that will give you INFORMATION you need to know. REAL ESTATE 411 will deliver GOOD NEWS about what is happening here at CENTURY 21 Judge Fite Company and in our local real estate market.



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ask the
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plummeting home values seen in other areas.

5. No other market can even touch our stability. Year after year we see steady measurable growth in our market.
6. **Bonus question:** Suppose airfare to Europe is going to increase in the next few years, would you really wait for very long before booking your seat? Of course not! And you shouldn't postpone the opportunity to own your next property at today's extraordinary value price.

Steve Neuman/C21 Regional Manager – Plano and Garland, Texas

1. Sell now, before more property comes on market (spring / summer) to compete with you – and before prices go up
2. Buy now with a great selection, and very low interest rates
3. If selling and then buying another home, you may lose nothing in the trade-off, in fact you could be ahead now if buying a more expensive house which may be worth proportionately more in the future
4. Buy now before pent-up buyer demand breaks loose, putting upward pressure on prices
5. Buy or sell now, before the potential of underwriting guidelines tighten even more

Dan Hamilton/C21 Manager – Flower Mound, Texas

1. If you sell and then buy another house in this type of market you will actually gain. Sell low, buy lower!
2. Interest rates are extremely low
3. Great time to buy investment properties
4. Sell now when there are fewer sellers out there. Be one of a few instead of waiting and be one of many
5. Buying now the seller is more negotiable than in other markets. The seller may pay closing costs, repairs and be flexible on move in date

Patrick Wyatt/C21 Regional Manager – Fort Worth and Arlington, Texas

- Why BUY?** Great bargains out there
First-Time Home Buyer Tax Credit
Abundant inventory of homes
- Why SELL?** Purchase a larger home and upgrade at a bargain
Lots of buyers in the market

William Ferguson/C21 Property Management President

Selling – Replace current home with a newer or larger home and upgrade at an affordable price and interest rate
Buying – Best time in 30 years with interest rates and prices and inventory of houses available
Wealth building opportunities are abundant and Inventories are increasing (especially in REO world) and it is a great time for investors.

To find a real estate professional who can help you get started on your next real estate transaction, contact
CENTURY 21 Judge Fite Company
800-451-8055 or email 411@judgefite.com.

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