



beyond the headlines



Listing your home in spring is great, but listing in winter pays off, too

Source: Redfin

Certainly, the spring season is the best time to list a home. Home owners have a better chance of selling for more than the list price in the spring, and there's a greater likelihood for going under contract within 30 days.

However, the spring season just barely budged out the winter as the best time to list, according to a new study by the real estate brokerage Redfin. Also, sellers will often find less competition in the winter, allowing their home to stand out more.

Making sense of the story

- Indeed, 18.7 percent of spring listings received above the asking price while winter listings were close behind at 17.5 percent. What's more, 48 percent of homes listed in the spring sold within 30 days; 46.2 percent of homes in the winter sold within that time frame.
- Redfin's study found that for homes listed in spring, 18.7 percent sold above list price, in winter 17.5 percent sold above list price, in summer 15.1 percent sold above list price, and in fall 14.7 percent sold above list price.
- Autumn may very well be the trickiest time to sell. Forty-one percent of autumn listings sold in 30 days or less, and just 14.7 percent of homes sold above list price in the fall, the study showed.
- Listing at the start of the new year may work to a seller's advantage no matter where they live. Sellers are actually not dependent on living in a cold or warm weather climate when it comes to seasonal fluctuations in the real estate market, with winter and spring remaining the top selling seasons even across markets with colder weather, like Boston.

Full story

<https://www.redfin.com/blog/2016/11/home-sellers-spring-is-great-but-listing-in-winter-pays-off-too.html>

In other news...

Home Prices Best All-Time Highs

Source: Housing Wire

For September, home prices rose 5.5 percent year over year, surpassing July 2006 records to reach all-time highs, according to the S&P CoreLogic Case-Shiller U.S. National Home Price NSA Index. The gain is up from the 5.1 percent year-over-year increase reported for August.

“The housing market recovery has been very uneven across the U.S. When controlling for inflation, markets that have reached their pre-recession peaks are few and almost exclusively in the West and South. And within those markets, it’s mostly high-end homes that have surpassed the peak,” said Trulia Chief Economist Ralph McLaughlin.

McLaughlin said while this is not so great news for homebuyers who have seen prices outpace incomes for most of the housing market recovery, it’s good news for homeowners who are no longer underwater.

Full story

<http://www.housingwire.com/articles/38615-case-shiller-home-prices-finally-surpass-record-highs-set-a-decade-ago>

What Trump’s win means for SoCal Home Prices

Source: KPCC

After Southern California’s five-year run-up in housing prices, sellers may want to act fast as industry insiders predict a slowing market. Immediately after Trump’s surprise victory, mortgage rates rose to their highest levels since the summer of 2015.

Translation? If you financed a median-priced home at \$710,000 in Orange County after the election, your mortgage costs \$161 more per month, or \$1,932 more per year, than if you had locked in a mortgage before Trump was elected.

Full story

<http://www.scpr.org/news/2016/11/28/66388/what-a-trump-presidency-means-for-southern-califor/>

Mountain View's 180: Increase Housing Stock by Half

Source: The Seattle Times

The City Council of Mountain View, home base to Google Inc., hopes to increase its housing stock by as much as 50 percent, including up to 10,000 units around the tech giant's main campus.

Mountain View's political evolution, from anti-growth to pro-construction, suggests that housing costs have reached the point where even highly paid tech workers are struggling the tide is slowly shifting away from resisting growth at all costs and instead trying to channel it. And the city's Silicon Valley neighbors are taking notice.

Full story

<http://www.seattletimes.com/business/teslas-in-the-trailer-park-a-california-tech-city-faces-its-housing-squeeze/>

Downward Construction Spending Expected to Plateau

Source: Forbes

Bad news for your favorite HGTV home renovation show. Total construction spending, including renovations, on residential properties fell dramatically in 2016, according to U.S. Census Bureau data.

Early indicators do not show significant reacceleration in residential construction for first half of 2017. The good news? They don't suggest a major fall-off either; instead, data points to a general plateau.

Full story

<http://www.forbes.com/sites/daniellemarceau/2016/11/30/2017-housing-market-hinges-on-consumer-sentiment/#20d708634deb>

Early 2017 is Time to Trade Up

Source: Fortune

Buyers looking to trade up are in the housing market's sweet spot – and experts think the beginning of 2017 should be a particularly good time to strike. Over the five years between 2011 and 2016, the average price on a two-bedroom house climbed 59% nationwide, while four-bedroom houses rose a more modest 41%, according to an analysis by Attom Data Solutions. Inventory has also risen at the higher end of the market, climbing almost 8% for homes in the \$500,000 to \$750,000 range.

If you're in the reverse position - prepare yourself. Inventory has tumbled among less expensive homes. Small homes have seen much sharper price growth than larger ones, and urban areas have appreciated faster than metro outskirts. Both trends are expected to continue in 2017.

Full story

<http://fortune.com/2016/11/27/real-estate-trends-2017/>

What you should know

- The highest interest rates in well over a year are putting a dent in the mortgage business, according to the Mortgage Bankers Association.
- The average contract interest rate for 30-year fixed-rate mortgages with conforming loan balances (\$417,000 or less) increased to 4.23 percent last week from 4.16 percent.
- The share of FHA applications fell to 10.4 percent compared with 11.7 percent the previous week. FHA is mostly used by lower income or first-time borrowers, so it is not surprising that share would drop. These borrowers are hardest hit by higher interest rates, as they are generally right on the margins of home ownership.
- Mortgage rates edged slightly lower at the beginning of this week but the average rate on the 30-year fixed is still above 4 percent. This is the first move lower since the election, but markets are volatile.