

More Power To Homebuyers! 3 Ways The Housing Market Has Shifted



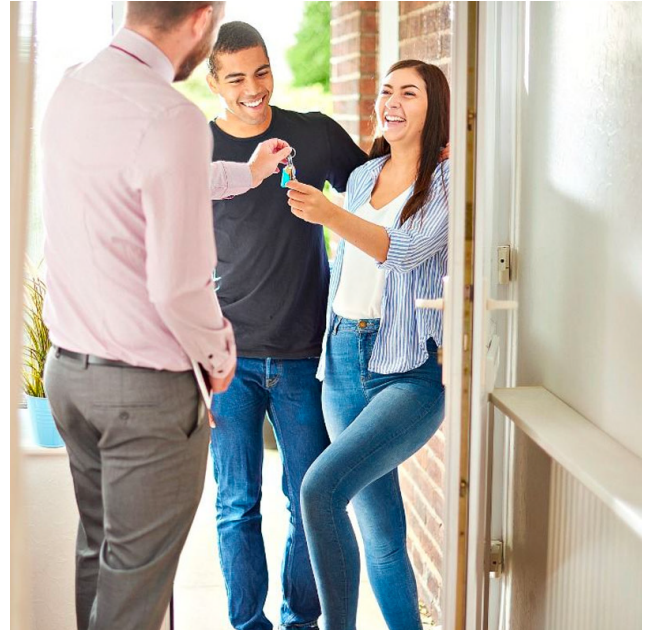
While higher mortgage rates are creating affordability challenges for homebuyers this year, there is some good news for those people still looking to buy a home.

The Market Is Shifting

If you've shopped for a home in the last few years, you know what a seller's market looks like. Listings are scarce, homes sell immediately, and when you do find a great place you find yourself in a bidding war – paying well more than what you expected.

Buyer's markets are the opposite: supply outweighs demand, and home shoppers have the upper hand – both when searching for a home and when negotiating for it.

While we are not necessarily in a buyer's market quite yet (supply is still much lower than demand), the market has definitely cooled this year, and the intensity homebuyers faced during the peak frenzy of the pandemic has finally started to wear off.



Here are a few ways the housing market has shifted in recent months giving more power to homebuyers.

1. More Homes To Choose from

During the pandemic, housing supply hit a record low at the same time buyer demand skyrocketed. This combination made it difficult to find a home because there just weren't enough to meet buyer demand.

According to Calculated Risk, the supply of homes for sale increased by 39.5% for the week ending October 28 compared to the same week last year.

Even though it's still a sellers' market and supply is still lower than more normal levels, you have more to choose from in your home search. That makes finding your dream home a bit less difficult.

2. Bidding Wars Have Eased

One of the top stories in real estate over the past two years was the intensity and frequency of bidding wars. But today, things are different.

With more options, you'll likely see less competition from other buyers looking for homes. According to the *National Association of Realtors* (NAR), the average number of offers on recently sold homes has declined. This September, the average was 2.5 offers per sale. In contrast, last September, the average was 3.7 offers per sale.

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3. More Negotiation Power

When you have less competition, you also have more negotiating power as a buyer.

Over the last two years, more buyers were willing to skip important steps in the homebuying process, like the appraisal or inspection, to try to win a bidding war. But the [latest data](#) from the National Association of Realtors (NAR) shows the percentage of buyers waiving those contingencies is going down.

As a buyer, this is good news. The appraisal and the inspection give you important information about the value and condition of the home you're buying. And if something turns up in the inspection, you have more power today to renegotiate with the seller.

A [survey](#) from realtor.com confirms more sellers are accepting offers that include contingencies today. According to that report, 95% of sellers said buyers requested a home inspection, and 67% negotiated with buyers on repairs as a result of the inspection findings.

Source: [Keeping Current Matters](#)

The Bottom Line

While buyers still face challenges today, they're not necessarily the same ones you may have been up against just a year or so ago. If you were outbid or had trouble finding a home in the past, now may be the moment you've been waiting for.

Want to learn more? Please [schedule a call](#) today!

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