It's All About you!
JUNE 2022

@Home with DAVID DORMAN

And Just Like That…it's June!

It's June!

I'm not going to lie to you…I took last month off from writing the newsletter. Not because I was feeling lazy or didn't have the time, but because it was basically the same market and same news as the last several months and there are only so many ways you can say the same thing!

Luckily, there has been some activity worth talking about, so here is your June update!

First, you probably heard that interest rates have been and continue to go up. This is a natural thing in my world and on some level, I really think it has helped. We are seeing more inventory hit the market and few buyers at certain price points.

Don't get me wrong, we are still far from "normal" market, but I can tell from the stats, that houses are taking a little longer to sell and aren't always going for over list. Buyers have started to push back and aren't gushing all over sellers to buy their homes. Sellers on the other hand are starting to see a light at the end of the tunnel, a tunnel they don't really want to go through!

We've seen some historic and dare I say ridiculous pricing over the last several months. I really think those days are coming to an end fairly soon. I blame this pricing issue due to several factors. Things like supply and demand, interest rates and hype. Seems like we all got caught up in the hype of the market and felt like if we didn't buy now, we would miss out. As we look ahead, I see calm coming after the storm.

So what's next?

Hopefully, more sellers will decide they can move and inventory will looses more. Buyers also have more buying options than ever before, so we can expect that inventory to be absorbed still fairly fast. New home sales have oddly enough dropped off consistently for the last 6 months.

I'm not sure what that does to things, but having dealt with over the last year, I can't say I am surprised. Some, not all builders, have made it increasingly difficult for buyers to purchase.

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They hold back lots, pre-permit lots so that buyers have no say in features and finishes and the best one I experienced was the builder who would lock in the home and reserve the right to raise the price AFTER contract, so they could adjust for changing construction costs.

While I understand that idea, at some point, buyers say "Enough is enough" and wait it out. I think that is what we are seeing. That's only a small portion of the overall picture. Over the years, I've seen it all, so nothing freaks me out anymore. It all evens out at some point.

Moving on to the fun stuff, I realize over the last few newsletters that I have deviated from sharing things other than the market! I'd like to get back to that. I think now might be a good time to go over some common misconceptions folks have about buying and selling. If you're familiar with the newsletter, you know sometimes I free-write, so this may be a little disjointed :) ok, here we go!

Most folks I run into think they have to put at least 20% down when buying these days. That's not the case! Did you know you can do as little as 3%? Granted, the more down, the better the offer appears and your payment lowers, but for those with limited funds down, 3% might just be an option. Also, VA loans require 90% down if you qualify.

One of the misconceptions a lot of sellers have with VA loans, is that the buyer doesn't have any funds to work with. In many cases, they actually do and are a BETTER choice, because they can usually bring more to the table if there is an appraisal issue.

To fix-up or not to fix-up?

When it comes to listing your house for sale, often times the agent will request certain repairs or upgrades etc. I personally think this can actually be a waste of funds in certain scenarios.

For example, while a new kitchen or bath might be appealing, rarely will a seller want to spend too much to improve it right before selling. The result is a basic update that adds little to no value. Simple things like painting, landscaping and staging, tend to add more bang for your buck! Beware of the agent that want you to spend a ton before listing, unless of course the house really needs a ton of repairs.

There are a lot of folks out there currently that are desperate for a home and are willing to take on renovations and still offer market pricing. It won't last forever, so this philosophy could have a shelf life!

To me, the most important thing is that the house is as clean as possible and routine maintenance is done. One can over look a dated kitchen, but glaring maintenance issues will also put doubt in the mind of a potential buyer.

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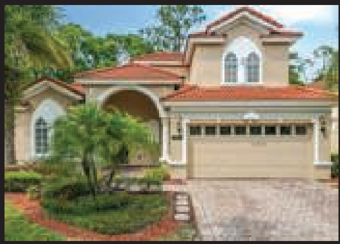
RECENT AREA HOME SALES

CALL US TODAY TO DISCOVER YOUR HOME'S VALUE!



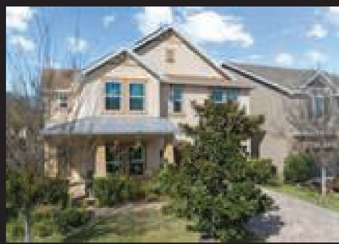
11731 BELLA MILANO COURT
BELMERE VILLAGE
5/3.5 Sqft. 2,497
SOLD $650,000

1703 THOROUGHBRED DR
SADDLEBROOK
3/2 Sqft. 1,769
SOLD $485,000

932 LOST GROVE CIRCLE
STONE CREST
4/2.5. Sqft. 2,880
SOLD $630,000

3401 FURLONG WAY
SADDLEBROOK WAY
4/2. Sqft. 2,086
SOLD $450,000

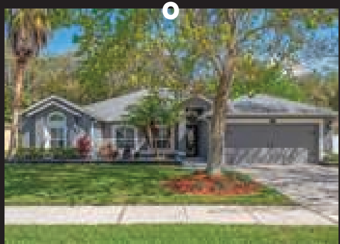
215 AUTUMN OAKS LOOP
WINTER OAKS
4/2.5. Sqft. 2,232
SOLD $504,000



728 SANDY BAR DRIVE
JOHN LAKE POINTE
5/3. Sqft. 2,815
SOLD $595,000

1624 SHERBOURNE STREET
STONE CREEK
3/2.5. Sqft. 1,852
SOLD $421,000

1014 SPRING LOOP WAY
CROWN POINT SPRINGS
3/2. Sqft. 1,773
SOLD $453,000



133 ZACHARY WADE ST
LAKEVIEW RESERVE
3/2. Sqft. 2,376
SOLD $549,000

1408 HIGH SPRINGS LANE
LONGLEAF AT OAKLAND
3/2. Sqft. 1,975
SOLD $560,000

11359 WILLOW GARDENS DR
WILLOWS AT LAKE RHEA
4/3. Sqft. 2,968
SOLD $900,000

961 ALMOND TREE CIR
ALMOND TREE ESTATES
4/2. Sqft. $495,000
SOLD $495,000

BASED ON INFORMATION FROM THE MY FLORIDA REGIONAL MULTIPLE LISTING SERVICE, INC. FOR THE PERIOD ONE MONTH PRIOR. THIS INFORMATION MAY OR MAY NOT INCLUDE ALL LISTED EXPIRED, WITHDRAWN, PENDING OR SOLD PROPERTIES OF ONE OR MORE MEMBERS OF THE MY FLORIDA REGIONAL MULTIPLE LISITING SERVICE.

JUNE COMMUNITY CALENDAR

WINDERMERE FARMER'S MARKET
June 3 / 10 / 17 / 24
9AM-2PM

WINTER GARDEN FARMER'S MARKET
June 4 / 11 / 18 / 25
8AM-1PM

FIRST DAY OF SUMMER
June 21

SOME EVENTS LISTED MAY BE CANCELED. PLEASE CHECK WITH YOUR LOCAL CITY WEBSITE.
FOR MORE INFORMATION, OR TO HAVE YOUR EVENT BE FEATURED IN OUR NEWSLETTER, VISIT DAVIDDORMAN.COM/EVENTS

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Last one...what is seller financing and how does it work?

Sometimes, a buyer may ask for seller financing. It's rare in most markets, but it can be a means to an end.

So what is it?

It's where a seller hold the note to the home and the buyer pays the seller as though he was the bank. There is interest and of course a mortgage too. The mortgage is generally for a smaller amount of time and end with large amount due at the end or a "balloon".

Some buyers ask for this to help reach the purchase amount or perhaps keep their mortgage at a certain amount.

If a buyer doesn't qualify for the full loan amount on paper due to their income reporting, a seller holding a partial amount can help.

A seller can actually realize a larger profit by collecting interest on the loan and thereby helping both parties come to an agreement.

It's not for everyone. A seller must own the home outright and be able to carry the mortgage.

An attorney needs write the mortgage. It's not for everyone, but when the stars align, a seller held mortgage can be a viable solution to a home sale!

That's all I have for this month!

It's time to dive into Summer!

Have a great Summer and let me know if you need anything!

David Dorman
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