

Real estate returns to a more stable pace

Mario Fazio - September 2022

After 2-1/2 years of wild swings in the real estate market, we seem to be returning to a more stable pace for home buying and selling.

With mortgage rates moving upward, and the pandemic waning, life is trying to get back to some sort of normal, and this includes real estate. People moving away from apartments and condos in large tightly crowded cities were pushing up prices everywhere. Bidding wars, remote viewing/ buying, and electronic documents became the norm. The in-person contact was sorely missed by everyone, and further caused people to not seek different opinions of value when it came to buying and selling. The result being a lot of people paid too much, and did not take proper precautions when buying.

The added flood of newly minted realtors joining the buying and selling frenzy, only served to further push people in directions of emotional buying, that greatly benefited sellers more than buyers. Some people bought deeply flawed and problematic homes because of the lack of conditions included in order to compete, and justified it by telling themselves, "even though flawed it will only go up in value."

So now we are back to a slower pace where you have time to take a really good look and to make informed decisions. Selling is not simply putting a sign up and taking bids, but actually marketing and doing the hard work to find the buyer.

Some say these new real estate times will remind us of the old days. I say it reminds me of the days of just 24 months ago. Home buying and selling should be looked at as a serious financial commitment that may be your greatest investment decision, and making mistakes will be costly to correct.

So go back to seeking the very best experienced advice available. Do your homework, because we could be in a stable price cycle for a while, and correcting mistakes will be much harder.