

BIZ VOICE

Autumn is the best time to buy a house

Loan rates are good, buyers are scarce and service is available.

If you've been trying to buy a house and got discouraged by all the multiple-offer scenarios you found, or if you are just now ready to make the leap to your next home, you're in luck!

I believe that the shortening days and the falling leaves bring us the absolute BEST time of the year to buy a home.

Here's why:

There are fewer buyers in the marketplace

That means less competition for you. And these days, buyer competition translates into sales above asking price. And that benefits only one side of the equation (hint: it's not the buyer).

Frantic buyers willing to submit multiple bids bought something in the summer season, and are no longer around the blow you out of the water. That tends to put you on a more level playing field.

The market in metro Atlanta this summer was simply red hot

Lots of sellers tried the market with unrealistic pricing expectations, especially when they saw houses around them selling fast.

But the real estate market is an extremely efficient pricing mechanism, punishing sellers who try to keep all the marbles.

Sellers who tried the market earlier and failed to sell are now frustrated and anxious for a deal. By having to own the house an extra 4 months, they cost themselves a lot of money. The ones who have figured that out are now ready to sell at a more reasonable price.



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Inside Advice

There is almost always an active market of people moving from and to the Atlanta area

I'd guess that 40 percent of our market is people relocating to and from the area. And that doesn't stop in the fall.

That means there is new inventory coming on the market all the time.

Add that to those who failed to sell in one of the hottest selling markets since the recession, and you've got a market.

Less daylight and falling leaves makes for a somewhat depressing shopping environment

I agree. But that can actually work in your favor.

Less serious buyers are likely to put off a decision until spring when the dogwoods bloom and the fescue germinates. But not you!

By shopping now, you can be sure that: if you like it now, you'll love it in the spring.

You can expect better service from your team of professionals assisting you in the purchase

Your agent is not still working 12-hour days, your inspector won't ask you to wait three weeks, and your lender can have you approved in two weeks if you get pre-qualified now. Better still, the closing attorney has an opening in his schedule for every day between now and Christmas.

Home loan rates are still absolutely amazing

And it simply can't last for much longer.

Federal Reserve Chair Janet Yellen last week again called for higher long term interest rates.

As recently as last week, Yellen said that the U.S. central bank expects to continue to raise rates gradually as solid economic growth, a strong labor market, and an improving global economy combine to boost prices across markets.

I know that I've been predicting higher rates for the past few years, but this recovery looks to me like the real thing. If I'm right (and I think I am), home loan rates will exceed 4 percent by spring 2018.

You can't outguess the market

If Congress fails to pass tax reform legislation, or if anything really bad happens (like a large military action), the stock market may see a large correction, causing cash to flow from stocks into bonds.

That could drive interest rates down even further.

But if the current economic growth rate continues (or accelerates), then it more likely that rates will rise.

My own crystal ball has gone cloudy, but I am unwilling to bet against the U.S. economy.

That's my opinion, and I'd like to hear yours. Please share your thoughts and comments with me at AJCBUSINESS@money99.com and I will publish the best ideas in a future column.

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