

Seasonal Trends in Real Estate

By [David Leighton](#) on November 9, 2014



Are you a snowbird looking for a vacation home in warmer climates or a cabin close to your favorite ski resort? A first-time homebuyer looking for a quick sale at bottom prices? Or a seasoned real estate investor looking for your next rental property?

Spring and summer are the hottest seasons for selling real estate. The warm weather encourages most home buyers to get outside to drive up and down picturesque tree lined roads where green lawns and flowered landscapes put on their best show to entice competitive offers. Families are eager to find a home and get moved in before the kids have to start school in August or September.

The savvy homebuyer or serious real estate investor looking to snap up affordable deals or unique investment opportunities does not mind waiting to shop until the winter when a buyer's market generally prevails. Inventory may be limited, however, for the right buyer there is a deal out there.

Winter Real Estate Markets may be a Boon to Serious Buyers and Motivated Sellers

Leverage the Lack of Competition

Since most of us expect to be busy during the holidays, many homeowners choose to wait until the following year's warmer months to list their homes when hordes of buyers are active in the market (hoping offers are inflated by competition). This means home buyers have fewer options through the

winter or will have to do their homework to uncover fresh properties which aren't even on the market yet. That can still mean big deals!

The smaller selection of properties to view can save home buyers a lot of time. Who really wants to trek about town trying to make 50 or more open houses? Not only does a smaller market free up time better spent earning you more money, it may be simpler to view the handful of homes for sale in the winter and choose the one that best suits your needs without having to feel pressured to act quickly in the high season.

While there are fewer homes to choose among, the sellers are often motivated by a job relocation or tax deadline to strike deals quickly or flexibly. These motivated sellers can be a boon to the home buyer who needs to negotiate closing costs, additional repairs or perks, such as home furnishings and appliances.

Tips for Buyers:

- Take a look at the inventory on the market and focus properties which have been listed the longest or any which have undergone dramatic price reductions in the last month. This is usually a sign that they are willing to look at any offer.
- Ensure you're financing in place before you make an offer and be prepared to give small concessions to get the deal done. Offering cash for a quick closing could be enough to get you the property.

Ensure Prospective Homes Stand-Up to Winter Conditions

While the prospect of driving through the snow or walking up to another dead, greying lawn while browsing homes may not be appealing, winter will be the ultimate litmus test to determine how the home will hold up to the weather and/or how much it may cost you to be comfortable. Wouldn't it be terrible to buy a beautiful home in summer only to find out that come every winter the basement leaks near the escape window and your heating bills are through the roof thanks to old, drafty windows?

As you walk through prospective homes ask yourself: Did you feel that cold spot in the master bedroom? Is the patio door drafty? Does the hot water and heating system function in every room or is the remodeled addition the only thing properly insulated? Can the neighbors see into your bedroom when the leaves fall from the tree in the yard?

Buyers will also be able to see how driveways, sidewalks, streets and public transportation are tended to during inclement weather — this will help them budget or negotiate for additional expenses such as basement sealing, plows for snow or a vehicle for rainy months when biking to work is tenuous. Seeing the property at its 'most vulnerable' state will reveal its market and practical value for the new homeowners.

Tips for Sellers:

- Motivated sellers can entice buyers by setting themselves apart with warm and inviting spaces. Take the extra day or two to make sure the property's insulation, heating and water systems are in working order.
- Be prepared to negotiate over the cost of necessary repairs to update the property (roof, window or door replacement, basement sealing, etc.) to withstand seasonal weather issues.

A Smaller Market May Mean More Time with Industry Professionals

Whether you are a buyer or motivated seller, a smaller market can mean your agent, lender and even moving contractor will have more time to focus on you, as opposed to other times of the year when they might be juggling a large number of clients.

You will have time to build a relationship with your real estate agent who can focus on your home search or sale, giving it the right amount of attention to score those stainless steel appliances or bring the buyer up another \$1000 for closing.

Lenders are likely to be more available for financing assistance, this way buyers don't feel rushed to purchase a mortgage they may not understand or afford. Some may even waive fees during the slow winter season to encourage borrowers to use their services. In addition, other real estate services such as home staging or movers tend to lower their costs during the winter months.

Capitalizing on Seasonal Trends

The winter months might be slow for most real estate markets, but they can also present unique and affordable opportunities. Don't overlook the advantages of this seasonal buyers' market to purchase your dream home for a steal or sell your home quickly to earn end of the year tax credits.

As much as buyers and sellers try to strategize the timing of a real estate purchase or sale, it's never easy or predictable. Market conditions are ever changing (inventory, interest rates, demand). Once a home buyer has assessed their needs, wants, and desires, after they have done enough research, seen enough homes and put their financial house in order, it is time to speak with a trusted agent to put a plan together.