

Home Buyer Advantages during a Soft Housing Market

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Many are pessimistic about the issues surrounding a soft housing market. It all depends on how you look at it. If you take advantage of it, a softer housing market can work for you as a buyer in ways that are impossible in other times. When it is a buyer's market, buyers have advantages. If you have thought of getting into the investment market, or getting started with the American Dream of owning the home you've always wanted, a buyer's market is the ideal time. Such a market puts you in a great negotiating position like no other market state can do. There is no need to settle for less than everything your heart desires (within reason), and there is no need to settle on a price point that is out of your range. It is possible to get both since sellers are even more motivated to sell than ever. If you think a home is priced too high and doubt you could afford it, and doubt the seller will budge to the point that meets your budget needs, during a soft market that may not be the case. With the right agent at your side, you'd be surprised the value you can land for less than you would expect.

Taking Advantage of a Soft Housing Market as Buyer

When there are more sellers than buyers, the inventory of new homes is high, but it won't be that way forever. As the market improves, the window of time narrows during which you can easily jump into the American Dream of having the perfect home for you and your family or making the jump into investing and resale.

During a soft market, why not take the opportunity to invest in an additional home to "flip" (remodel and resell) or to rent out. Or why not take the opportunity to be increasingly particular in what you are looking for in a home for you and your family. Want more square footage? You got it! Want a recreation room, a pool, a two-car garage? You got it! Want a particular area that's convenient to expressways or work? You got it! Can't live without a fireplace or finished basement? You got it!

You have to struggle between raising your budget and lowering your expectations! If you take advantage of a soft market, it can work for you as a buyer.

Taking Advantage of a Soft Housing Market as Seller

Although a soft housing market is inherently a buyer's market, sellers can still make such a time period work to their advantage. Again, invest in homes, "flip" them and resell them. Suddenly, you are selling homes for much less than you invested, while being able to remodel them for much less than the amount you are making. And if you're willing to wait it out, you can buy while the market is soft, flip the house (or houses) and see huge returns if you sell after the market improves.

Knowing the mindset of buyers during a soft market can also allow you to rethink your position as a seller. Become more malleable and willing to cater to your buyers' needs. Add incentives and throw things into the deal that might not normally be included. You can do this without losing much while enticing the buyers that you are aware of their strong position. It is possible to prosper as an astute seller during a soft market, if you are tenacious and diligent about your approach. Think smart and you'll be surprised that it's not so bad after all.

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