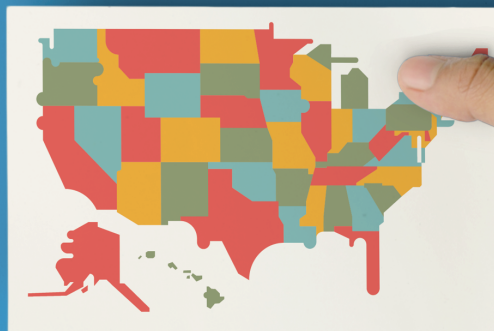




MAPPING THE MARKET: TOP BUYERS AND SELLERS MARKETS ACROSS THE U.S.

READING TIME 15 MINUTES





From the Bay Area's high tech sellers hubs to Manhattan's highrise buyers market, the U.S. real estate landscape reflects a wide continuum of sellers markets holding onto rising home values, buyers markets with ample inventory and everything in between.



U.S. FORECAST

SUNNY SELLERS MARKET WITH COOLING TREND AHEAD

Despite talk of a coming downturn, the overall temperature of real estate in the United States remains a white-hot sellers market. Over the last year, U.S. home values increased 7.2% and Zillow predicts they'll rise another 5.1% within the next year.

Yet, what goes up must come down, and many of the hottest markets are also the fastest to cool when compared to their own performance over time. On the cross-metro index, San Jose remains 9.99 out of 10, ranking it the hottest market in the country. Yet, San Jose is also the fastest market to cool, with its performance index down 7.1 points.

Not surprisingly, West Coast tech capitals lead the charge in sellers markets as the median home value in San Jose continues to hover around \$1.25 million, according to the January 2019 Zillow's Buyer-Seller Index.* Not far behind, San Francisco continues to hold its own with a \$957,000 median home value, a low 11.5% share of price cuts and the shortest median number of days on market at 57 days.

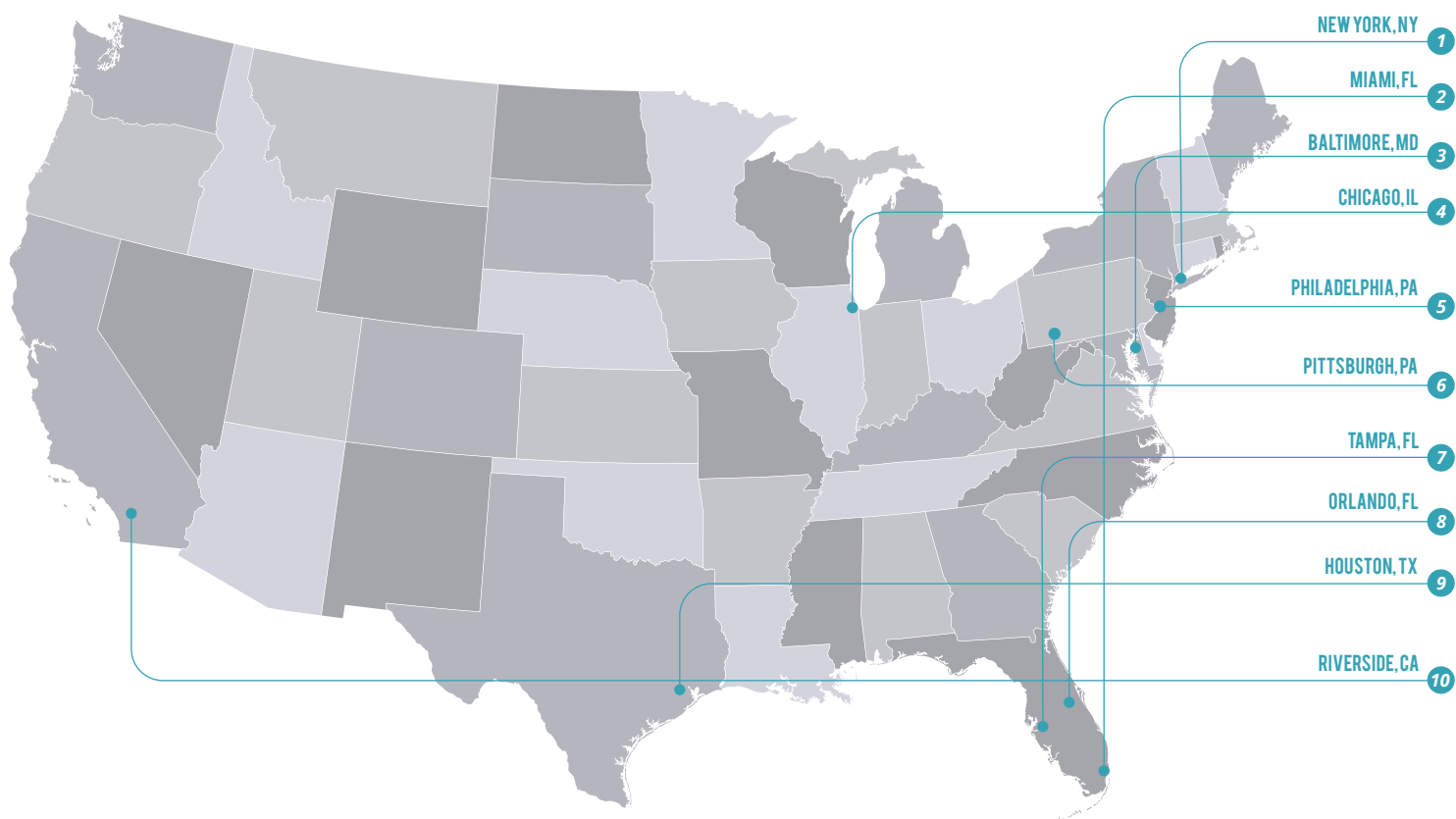
Among buyers markets, New York tops the list with a median home value of nearly \$440,000 despite a protracted 132 days-on-market average. Florida also ranked high for buyers markets, with Miami homes averaging 99 days on market, and Tampa and Orlando both taking price cuts for more than 20% of listings.

Whether you're a buying or listing agent in a buyers or sellers market, here are a few simple strategies to help you improve your position and gain the upper edge.

TOP TAKEAWAYS IN TODAY'S BUYERS AND SELLERS MARKETS

Dotloop recently caught up with some of the top agents across the nation to get their tips on how you can gain the upper edge in your buyers or sellers market.

BEST MARKET FOR BUYERS



MEDIAN HOME VALUES

NEW YORK, NY	*\$438,300	PITTSBURGH, PA	*\$143,900
MIAMI, FL	*\$283,800	TAMPA, FL	*\$213,600
BALTIMORE, MD	*\$267,900	ORLANDO, FL	*\$237,100
CHICAGO, IL	*\$224,800	HOUSTON, TX	*\$205,500
PHILADELPHIA, PA	*\$232,700	RIVERSIDE, CA	*\$367,100



BUYERS MARKETS

5 TIPS FOR LISTING AGENTS IN BUYERS MARKETS

1 *Time it Right*

In a cold buyers market, when everyone is listing in spring, beat the heat and start listing earlier in the year. “Your neighbor can set the market, or you can set the comp for everyone else,” says Sacramento-based agent Jesse Garcia.

Local conditions will influence timing strategy too. In the Bay Area tech corridor, for instance, savvy agents tuned into the timing of local startups’ IPOs or mass sales on stock know that’s the time to list, says dotloop Senior Product Manager Ture Anderson.

In just about any market, listing on Saturdays, the most viewed day on Zillow, and in early May, when homes sell for \$1,600 more than the average listing throughout the year, offer additional strategies to get more eyes on a home.

2 *Tell a Video Story*

Listing agents who have had it good for so long in a sellers market will need to step up their game in a tight buyers market. “It’s really about displaying the home well and not just using pictures. Sure you have to hire a photographer and a stager, but now it’s also about video and virtual tours as well,” says Sacramento-based agent Geoff Goolsby.

For example, Goolsby recently had a couple from the Bay Area who viewed his video four times before they saw the house in person and made an offer. “In the past, we just had to post the facts about the house,” he says. “Today, buyers are doing their homework online, so you really have to produce good content.”

The best videos are kept to under three minutes and tell a story, says Goolsby, who often uses people and props in his videos. For example, he’s featured a person ziplining over a lake property and shown someone rowing a boat over a pond in another.



A video is also a great way to breathe new life into a listing that's been deactivated and then reposted on a site like Zillow, he said.

3 *Price for Top Search Ranking*

A few pricing strategies can give you an extra edge when listing a house in a competitive buyers market. Dotloop's Anderson says one trick is to recommend pricing the home as low as you can go but close to the cut-off in a specific online search bracket. For instance, if you want to list the house at \$300,000 but know the market will bear 5% under sale-to-list price, you might post at \$287,000 to improve its ranking and encourage multiple offers as buyers search low to high in the \$300,000 or less search bracket.

4 *Widen Your Reach*

In a market with a surplus of listings, tech tools can help get your listing out front. For instance, dotloop offers [Easy Offer](#), a feature that allows listing agents to share a folder and its documents via a public link, which then tracks the names and emails of anyone who accesses the folders. Agents can send the link directly to buying agents as a means of quickly sharing information about the listing or post on social ads, personal websites or anywhere agents want to get buyers' attention on a house.

5 *Cut to the Close*

In a picky buyers market, listing agents need to be fast on the draw and close the deal as quickly as possible before an offer can be withdrawn. Dotloop's Templates can help by automatically loading all the documents necessary for a transaction in a pre-bundled template, enabling the agent to simply fill in a few fields before submitting the offer.

Team lead Hagen Kuhl in Vail, CO, says this feature saves his team time as they create loops directly from their integrated CRM software then use dotloop's Templates to pass compliance and close deals faster.

"Templates are extremely helpful by populating all our info into our dotloop platform," he notes.

“I always tell my agents to have a 45-minute to an hour consultation before taking buyers to view homes. The old way of doing it is to drive around and look at a bunch of properties, but if you take them directly to the right property based on the consultation, you can narrow down their needs and take away needless search time.”

“It’s really about displaying the home well and not just using pictures. Sure, you have to hire a photographer and a stager, but now it’s also about video and virtual tours as well.”





5 TIPS FOR BUYING AGENTS IN BUYERS MARKETS

1 *Strategize Your Buying Position*

Asking sellers to cover closing costs, surveys and inspections all offer feasible negotiating points for buying agents in a buyers market. Rather than ask for a price cut on the house, many first-time buyers find more value in their closing costs and other upfront expenses being picked up by the seller.

Because it's also not uncommon for buyers to make an offer contingent on inspections, dotloop can help by streamlining inspector referrals via the Trusted Service Providers (TSP) feature that appears within transaction loops, allowing agents to connect home buyers and sellers with the service providers they trust and recommend.

2 *Appeal to Investors*

In a strong buyers market, investors offer a profit center for agents looking to optimize leads. One team lead says his team focuses on always nurturing relationships within their database and staying in touch with what's going on at the community level. For example, when Hurricane Michael wiped out thousands of homes in Florida, the multi-state team network was able to match investors to available properties. "Our tech allows us to turn our database into a real source of business," he says.

3 *Be the First to Submit*

In a buyers market, listing agents may receive one or two offers, while a buying agent may be submitting 20 offers. The dotloop for Teams platform enables buying agents to mobilize quickly by centralizing the real estate team, giving admins and team leads access to every offer and transaction.

"In my opinion, that's the biggest advantage," says a Florida-based team lead. "As individual agents, we can literally draft a contract on a hood of a car and have it sent off in a matter of minutes through dotloop."



4 *Consult, Don't Sell*

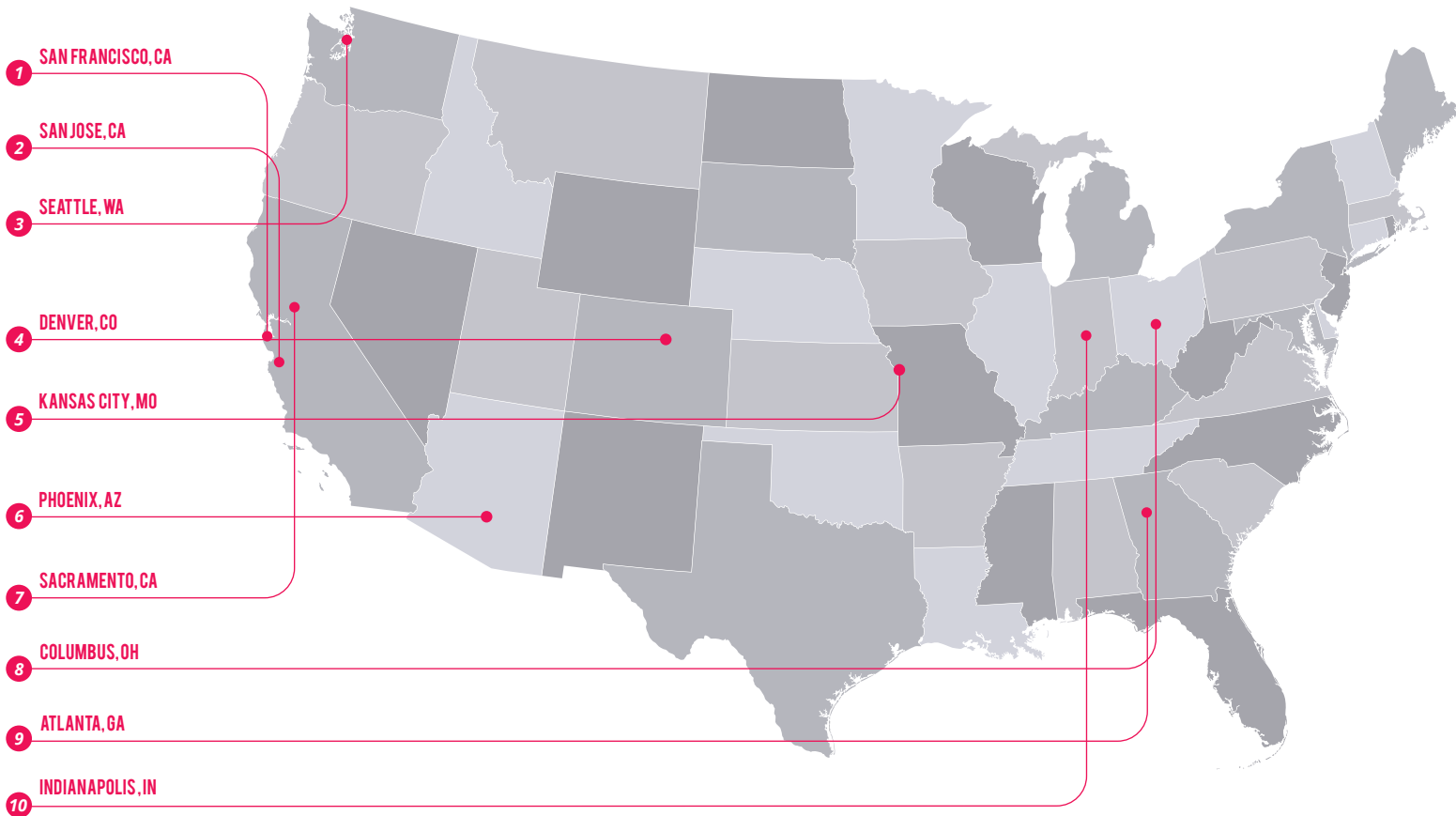
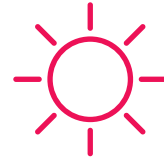
In a buyers market, it's easy for buyers to become overwhelmed with the wide availability of inventory. "I always tell my agents to have a 45-minute to an hour consultation before taking buyers to view homes. The old way of doing it is to drive around and look at a bunch of properties, but if you take them directly to the right property based on the consultation, you can narrow down their needs and take away needless search time," he says.

5 *Get Ahead of the Market*

In a rapidly changing market like the housing recession of 2008, buying agents need to look several weeks ahead when the appraisal surfaces. "In Florida, throughout the whole short sale fiasco, we chased the market down and waited for it to drop before placing the offer. In a changing market like that, pricing can shift substantially in 20 days," he says.



BEST MARKET FOR SELLERS



MEDIAN HOME VALUES

SAN FRANCISCO, CA	*\$957,400
SAN JOSE, CA	*\$1,245,800
SEATTLE, WA	*\$489,700
DENVER, CO	*\$405,300
KANSAS CITY, MO	*\$191,600

PHOENIX, AZ	*\$264,900
SACRAMENTO, CA	*\$408,700
COLUMBUS, OH	*\$189,900
ATLANTA, GA	*\$217,500
INDIANAPOLIS, IN	*\$163,900



SELLERS MARKETS

5 TIPS FOR LISTING AGENTS IN SELLERS MARKETS

1 *Prequalify Sellers Before They Sell*

In a competitive sellers market, agents who establish a relationship with sellers and prequalify them before they make an offer on their next move can win both sides of the deal. Dotloop makes it easy to open a loop and use the Trusted Service Providers (TSPs) feature to get clients prequalified using a preferred lender. The agent can then keep sending them leads on houses during the 90 days when the credit report is still valid before opening a loan.

2 *Identify Motivated Buyers*

Agents challenged with winning the listing in a sellers market can differentiate themselves by first tapping their CRMs to segment their database by property type, bedroom size and zip code and then identify those people most likely to transact by assigning a hot, nurture or qualified status, says Arizona-based team lead George Laughton.

“We can identify 15 prospects and show them to the sellers and tell them, ‘These are the people who are most likely to purchase the house,’ Then we can offer those prospects exclusivity with a first look at a property,” says Laughton.

3 *Text to Transact in Tech Markets*

The top three sellers markets — San Francisco, San Jose and Seattle — are all strong tech hubs, meaning many of the buyers and sellers are young and tech-savvy. Make a great first impression by introducing them early to dotloop’s digital end-to-end transaction management system. Dotloop’s free in-app text [Messenger](#) feature is also a great way to up your client response rate while sharing, editing, eSigning, logging and tracking documents all via this client-preferred communication method.



4 *Speak to Your Demographic*

When agent Jesse Garcia was selling his home in Sacramento, CA, he knew his target demographic was young families, so he employed a professional photographer and wrote a description that appealed to a young family's needs, emphasizing the "largest backyard on the court," "walking distance to the local school" and an "entertainment-style kitchen."

Within eight hours, the listing ranked No. 1 on Zillow for a 1-mile radius around the house, and he received four offers in four days, while a similar house down the street with the same floor plan and priced \$45,000 less received no offers.

"We wanted our description to resonate with a family," says Garcia. "People make decisions based on emotion."

5 *Think Outside with Paid Social*

In the winter months, Laughton markets to snowbirds in colder regions with targeted paid social ads displaying Phoenix homes' swimming pools and golf course views.

"I'll pick 10 listings under \$350,000 with a pool in beautiful Arizona where the average temp is 73 degrees and post on Facebook," says Laughton.

"Spring training is also big here. Chicago Cubs have a great following. San Francisco Giants do too, and Arizona appeals to many of these fans for its affordability," he says. "When we go outside of our market, it's really more about promoting a lifestyle."





5 TIPS FOR BUYING AGENTS IN SELLERS MARKETS

1 *Be Quick on the Draw*

Buying agents can help their clients get a jump on listings by having a loop already created in dotloop even before the buyer views the property. Then, once the buyer gives the nod, the agent can simply push send and be the first to get the offer in the seller's hands.

2 *Submit Preapproval*

By aligning your preapproval close to the date of an offer, buyers can get an edge by showing they've done their homework for a mortgage upfront. Dotloop agents have an added advantage in a sellers market by sharing lender information with buyers via the Trusted Service Providers (TSPs) feature on the platform.

3 *Negotiate Upfront Costs*

If a buyer finds the perfect house but it's a sellers market with fierce competition, the buyer might consider picking up the closing costs and even the agent's commissions. "In a real sellers market, the best offer may not be all cash. It could be a FHA or conventional offer yet where the seller has no costs," says Vail Colorado-based team lead Hagen Kuhl.



4 *Ask Questions*

Remember, price doesn't always win. By asking questions, agents can learn what will truly motivate a seller to accept an offer. "Many times, quick is not what the seller wants but, rather, flexibility because they haven't figured out where they're going next," says Laughton.

Garcia agrees, adding, "Agents always jump in and offer the highest price we can get, but it's not always price that wins. Look at the terms and conditions. It might be a 30-day rent back option that's attractive in a tight inventory market. With inventory being so low in some markets, sellers don't always know where they're going next, but they know they want to stay in the school district. I tell agents their value is not in their websites, but rather, their negotiation skills and contract knowledge."

5 *Include an Offer Letter*

Sometimes, the right offer just requires a little personal touch in the way of a note from the buyer to the seller, expressing why they fell in love with their house. Include a family photo, and connect with the seller on an emotional level. Take, for instance, one seller who chose to go with a lower offer from a buyer, simply based on the fact that they both had twins.

Dotloop is the complete real estate transaction management solution that empowers brokers, agents and teams to get deals done. Learn more at dotloop.com

*Zillow uses three metrics to determine buyers and sellers markets:

- The percentage of listings with a price cut, as calculated by the current for-sale listings on Zillow with a price cut during the month.
- The median days on market of homes sold within a given month.
- The median sale-to-list price ratio between the sale price and the list price for all homes.

