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## Understand AVMs to Maximize Your Home's Appraisal Value

Technology has transformed the way homes are appraised, and a new set of rules has emerged for sellers looking to maximize their home's appraisal value. Understanding modern appraisals is essential, as appraisal value is critical in determining a home's asking price.

Traditionally, home appraisals were done manually by professionals who used their expertise to evaluate properties based on location, size, condition, and market trends. Appraising a home was a mixture between the subjective and the objective, and it often came down to a personal decision by the appraiser.

### The New Appraisal Landscape

Traditional appraisals are being replaced by automation. According to a report by analytics firm CoreLogic, an estimated 70% of residential property valuations in the U.S. are conducted using automatic valuation models (AVMs).



AVMs are computer programs that use a property's data, such as its location, size, age, and historical sales, to estimate the property's value. The newest AVMs incorporate algorithms that use complex mathematical models to analyze every last piece of available data about a property; this predicts the current and future value with even higher levels of precision.

### AVMs Need Accurate Data

The most important step homeowners can take to prepare for an AVM-based valuation is to ensure their property information is accurate in all government records and also in any informal online listings. This is especially important for older homes whose improvements and renovations might not be reflected in public property records. AVMs have the ability to read the internet, so the more positive data about a property, the better. Make sure any unique features or amenities are thoroughly described in all records.

## The Market Is Changing

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### Be Aware That AVMs Have Limitations

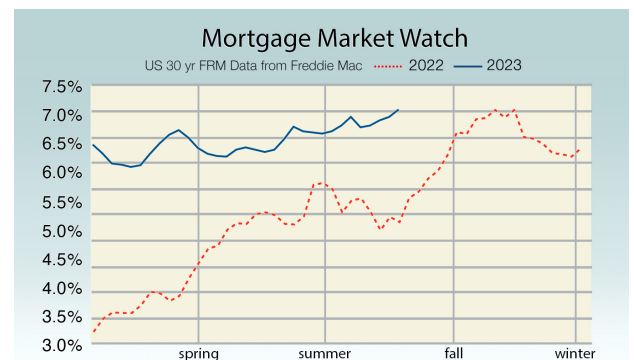
AVMs may not capture certain aspects of a property, such as its unique features or intangible benefits that are not fully reflected in property records. In these cases, it may be necessary to supplement

an AVM with a traditional appraisal. When selecting a traditional appraiser, look for professionals with local experience who will appreciate the holistic value of a home, including less-tangible factors like the view, architectural features, or other aesthetic qualities.

New technology usually has drawbacks. AVMs aim to

eliminate guesswork from home appraisals, but in reality, the human factor always plays a crucial role in determining a home's actual value.

*If you're ready to buy or sell, reach out today! I can help you get the best price for your property in the current market.*



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## National Home Sales Are Down, but Prices Still at Record Highs

Existing-home sales saw a decline in June, with every sales region across the country reporting drops in year-over-year sales. However, according to the National Association of Realtors (NAR), month-over-month sales were more variable, with increases in the Northeast, decreases in the South and West, and stability in the Midwest. Home prices, meanwhile, held firm in most regions of the country. According to Lawrence Yun, chief economist for NAR, “limited supply is still leading to multiple-offer situations, with one-third of homes getting sold above the list price in the latest month.”

### Twice as Much Inventory Needed

Although the first half of 2023 was negative for the housing market, with sales down by 23%, economists believe change is coming. “Fewer Americans were on the move despite the usual life-changing circumstances,” Yun hypothesized. “The pent-up demand will surely be released soon, especially if mortgage rates and inventory move favorably.” Yet, by the end of June, total housing inventory sat at 1.08 million units,

unchanged from May and down 13.6% from June 2022. For market conditions to improve, there needs to be an increase in inventory; according to Yun, the “market can easily absorb a doubling of inventory.”

### Who’s Buying Homes?

First-time buyers accounted for 27% of all sales in June, compared to 30% in June 2022. All-cash sales, meanwhile, made up 26% of all transactions. The average property remained available for sale for just 18 days. Of all the homes sold in June, 76% were available for under one month.

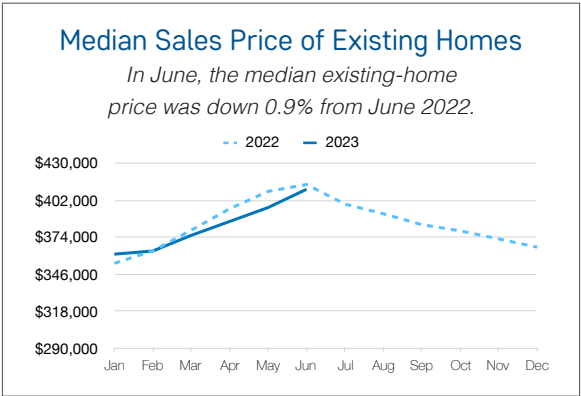
### Regional Sales Breakdown

■ **Northeast:** Existing-home sales were up 2.0% from May. The median sales price of \$475,300 was an increase of 4.9% from June 2022.

■ **Midwest:** Existing-home sales were unchanged from May. The median sales price of \$311,800 represented an increase of 2.1% from June 2022.

■ **South:** Existing-home sales declined 5.4% from May. The median sales price fell 1.2% from June 2022 to \$366,600.

■ **West:** Existing-home sales dropped 5.1% from May. At \$606,500, the median price fell 3.4% from June 2022.



## The Pros and Cons of Seller Financing: What You Need to Know

In the last year, interest rates have surged—with the average mortgage rate more than doubling. This rapid rise has left some homebuyers seeking alternative financing to fund their property purchases. As a result, private financing options have gained popularity in the real estate market. According to data from Realtor.com, the mention of private financing in property listings reached 1.08% in February, the highest it has been in three years. If you’re considering delving into this option, you should understand what seller financing entails and weigh its pros and cons against traditional mortgage loans.



### What Is Seller Financing?

Seller financing, also known as owner financing, is when the seller acts as the lender, providing financing directly to the buyer. Instead of getting a conventional mortgage from a bank, the buyer pays the seller in installments over an agreed-upon period. This arrangement eliminates the need for a traditional lender, empowering the seller to oversee their own debt.

In a typical seller financing transaction, the property’s title is transferred to the buyer during the closing process. Subse-

quently, the buyer makes regular payments to the seller based on the terms outlined in the agreement. While seller financing has historically been more common among real estate investors, it is now gaining traction in residential property purchases.

### Pros of Seller Financing

- ✓ **Increased Accessibility:** Seller financing can be a viable option for buyers who do not qualify for a traditional mortgage due to strict lending criteria or a less-than-perfect credit history.
- ✓ **Flexible Agreement Terms:** Unlike standardized mortgage agreements, seller financing allows for greater flexibility in negotiating terms such as interest rates, repayment schedules, and loan durations.
- ✓ **Lower Closing Costs:** Since there is no involvement of a traditional lender, the buyer can save on some of the typical closing costs associated with mortgage loans.

### Cons of Seller Financing

- ✓ **Higher Risk for Sellers:** By acting as the lender, sellers expose themselves to the risk of buyer default. Initiating the foreclosure process can be lengthy and expensive.
- ✓ **Fewer Protections for Buyers:** Seller financing may offer fewer consumer protections and regulatory oversight than traditional mortgage arrangements. Buyers should seek legal advice to ensure their rights are adequately protected.
- ✓ **Potential Overpayment:** Without a professional appraisal, buyers could potentially overpay for the property.
- ✓ **High Interest Rates and Balloon Payments:** Seller financing often involves higher interest rates than a traditional mortgage and may require borrowers to make a balloon payment at the end of the loan term.

Seller financing can be a suitable option for some buyers. Reach out for my professional advice today.

## Select the Perfect Paint Color and Finish for a Modern Makeover

To achieve a modern makeover, it’s important to consider the right paint color and finish for your interior. Neutral colors like beige and gray have always been popular choices for interior paint colors. In 2023, neutral paint colors are trending toward warmer grays, greige tones, creamy whites, and shades closer to beige. These colors bring warmth and a clean, modern feel to your space. They work well in both traditional and contemporary settings, providing versatility and a fresh look.

When selecting a finish, consider the following options:

- **Flat/Matte Finish:** This finish has the least amount of shine when dry. It works wonders for concealing imperfections on the surface you’re painting. However, it has a dry texture and doesn’t clean well. Therefore, it’s best to avoid using a matte finish in high-traffic areas like kitchens and bathrooms.



- **Eggshell/Satin Finish:** This finish provides a slight luster without reflecting much light, resulting in walls with a subtle sheen. Walls with an eggshell finish resemble the texture of an actual eggshell, making them easier to clean than a flat finish. It’s an excellent choice for medium-traffic areas.

- **Semigloss/High-Gloss Finish:** This finish offers a significant amount of sheen, giving your walls a glossy appearance. It’s durable and moisture-resistant, so it’s the perfect finish for kitchens and bathrooms. However, the high-sheen factor may make imperfections on the wall more visible. Therefore, it’s crucial to ensure a smooth wall surface before applying this finish.

When selecting a finish, consider the specific requirements of each room. For areas prone to spills or dirt, opt for a more durable and washable finish.

By considering both the color and finish, you can breathe new life into your home with a modern and inviting ambiance. Good luck with your home decor project!





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Huge private backyard  
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Winning Owner's Suite  
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3 bed, 3 bath, 3 car garage  
**\$547,000**



**Desired Downtown Area**  
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Spacious at 2,500 sq. ft.  
4 bed, 3.5 bath  
**GOING FAST! \$550,000**



**5 Acre Country Estate**  
5,000 sq. ft.  
6 bed, 4 bath  
Grand interior!  
**Buy All This For \$1,000,000**

## Here's What's Trending for Kitchen Renovations



Planning to renovate your kitchen? You'll want to know the latest trends. Houzz conducted a survey of 2,380 U.S. homeowners to learn about their kitchen renovation plans and preferences. Here are some of the most interesting findings:

### Sustainability Tops the List

Ninety-two percent of those surveyed said they incorporate sustainable features when they're doing a kitchen renovation, with LED bulbs and energy-efficient appliances being the most popular choices. Water-efficient fixtures and energy-

efficient windows are also becoming increasingly common. Homeowners are motivated by both the long-term cost savings and the environmental benefits of making eco-friendly choices.

### Cabinet Options

If you're planning to replace your cabinets, it's worth noting that Shaker-style doors remain the most popular choice. However, flat-panel doors are becoming more popular, with 20% of renovators opting for them. When it comes to cabinet pulls, bar pulls are the most popular, followed by knobs and cup pulls.

White cabinets are still the most popular choice for renovated kitchens, but wood-tone cabinets are gaining in popularity. In addition,

more homeowners are opting for island cabinets with a color that contrasts the color of the main cabinets. Blue and gray are becoming less popular, while black, medium-tone wood, and dark wood are becoming more popular.

### Most Homeowners Enlist a Pro

Are you considering a professional for your renovation? You're not alone. Eighty-four percent of survey participants worked with a pro for their project. General contractors were the most in demand, but cabinetmakers are also becoming more popular, with 32% of homeowners hiring them this year. And if you want to add some high-tech features to your kitchen, you're in luck: Wireless speakers, docking stations, and touch-free faucets are all becoming more popular.