



The 'whys' and 'whens' of selling your home

Homeowners face a double quandary when faced with the prospect of selling their homes: how does one make sure the decision to sell is the right one; and once the choice is made, when is the right time to sell?

Traditionally, there have been four major reasons why and when people sell their homes: financial and market conditions, employment changes, family matters and lifestyle changes. In today's economy, one additional issue has emerged which has great bearing: low interest rates. All these will not only affect your fundamental decision to sell, but will greatly impact your options regarding when to sell.

Financial and market conditions

Almost every aspect of real estate involves market conditions and financial issues--for the seller they are of the utmost importance. After all, it's the seller who is putting property, equity and sometimes, years of hard work on the line.

With so much at stake, it's imperative that sellers contact a real estate professional. Only Realtors have the hands-on experience and intimate knowledge of the real estate industry needed to get the best possible price for your property.

We've all heard of "buyer's" and "seller's" markets. These terms refer to the proportion of people wanting to buy versus the number of homes on the market. If the number of homes for sale outstrips potential buyers, then it's a buyer's market. If there are not enough homes to satisfy demand, then it's a seller's market.

If you're selling for financial gain, you'll obviously want to do so in a seller's market. But, if you plan to purchase another home after sale, there isn't as big a difference as you would first think. In a seller's market, you may sell your home more quickly and for a better price, but you'll be facing the opposite challenges when purchasing. In a buyer's market, you may have to wait longer to get a fair price, but you'll have more selection and pricing options when looking for your new property.

Right now, interest rates are near their lowest in decades. This has led to unprecedented opportunities for those wishing to buy. Often, mortgage payments will be less than rent on an apartment or townhome. Therefore, a large number of consumers are considering ownership, many for the first time. For sellers, this holds the potential for a huge boom.

"Seasonality" is a term that Realtors use to gauge when home sales are expected to climb. Although this is only one factor to be considered when selling, in Ontario, springtime tends to be a time of higher activity. Buyers with children especially prefer to look in the spring in order to settle in a new home before school begins in the fall.

Employment changes

Employment changes can affect a decision to sell. There's the obvious matter of relocation if a new job or promotion takes you to a different city. In this case, selling most often becomes a necessity unless the homeowner wishes to retain a property for investment or other purposes. Moving to a smaller urban centre may also allow you to purchase either a similar home for less money or a bigger one for the same outlay. Even if a new job does not require you to move a great distance, you should use the opportunity to assess your home ownership needs and move up if you can.

The reality is that with interest rates as attractive as they are, it's more possible than ever to make a major move without lowering your family's standard of living.

Family issues

The family issue homeowners cite more than any other when deciding to sell is children. Most often, people want a bigger home to accommodate a newborn, or may find their family has simply outgrown the home.

If this is the case, you're in a perfect position relative to today's marketplace. First and foremost, you can afford to put in enough time to sell at the right price and then find a home that suits your requirements. Contacting your Realtor well in advance of the date you wish to move will virtually guarantee you'll find a good home at a good price.

Lifestyle changes

The two most common lifestyle changes that motivate sellers are retirement. For those planning to retire, truly enjoying your latter years may involve a "cashing in" of assets. Again, it's a wise to look far enough ahead in order to use the market to your advantage and sell at a good price. Changes in lifestyle can include things such as buying a condominium to ease the workload involved with maintenance and upkeep; city dwellers who want to live in a more rural environment, or even those who want to set up a home business.