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Questions about Mississippi's real estate market

Home buyers and sellers hear a lot of distracting information about the real estate market today. The good news is that Mississippi real estate markets remain a stable and responsible marketplace for home buyers and sellers.

1. Should I rent or buy?

Take for example, a monthly rental fee of \$1200. You could purchase a \$200,000 home with a 10% down payment, typical closing costs, securing a 30-year mortgage at 4% and your monthly payment would be approximately \$1200. Considering the tax-deductibility of the mortgage interest and the building of equity in owning a home, you could potentially save almost \$40,000 over 5 years when compared to renting at the same monthly payment.

2. Is owning a home a good investment?

With the popularity of HGTV and the 30-minute home purchase, it is good to remember that real estate was never meant to be a place to make a quick buck. Home ownership is meant to provide shelter, a place to raise a family or to build a quality life. With the addition of accumulation of equity and tax benefits, real estate still provides the most advantages for the average investor.

3. What should I consider when choosing a home?

Prioritize your needs by considering access to employment and other activities. Even if you don't have children or think you will never move again, always contemplate things such as a strong school district and how they affect your ability to re-sell your home.

4. Is this a good time to buy?

Housing inventory levels in many markets are high and interest rates are at historic lows. FHA loans for over \$271,000 are available for many purchasers in most areas of Mississippi as well as USDA Rural, Conventional and VA loans for those who qualify. Buyers with good credit and a realistic view of what they can afford should have little difficulty obtaining mortgage approval.

5. Should I use a REALTOR®?

The National Association of REALTORS® annual Profile of Buyers and Sellers shows that sellers that use a REALTOR® consistently sell their home for almost 15% more than those who don't. Approximately 90 percent of buyers used a REALTOR® to purchase their home with the majority citing their agent as extremely important in helping them find the right home.



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Guide for Buyers and Sellers



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Ten Rules to Follow When Buying a Home

1. Stay put. Commit yourself to your new home for at least a couple of years before making your next move.
2. Money matters. If you are considering a mortgage, shore up your credit and get a copy of your credit report.
3. Get pre-approved. Save yourself the time and grief of looking at houses you can't afford.
4. Determine how large your mortgage can be. Explore different loan options to determine what is best for you.
5. Decide what (and where) you want to buy. Prioritize your needs (i.e. location, schools, amenities).
6. Consider your re-sale value. Even if you don't have school-aged kids, a strong school district is a good thing.
7. Do your homework. Make an offer based on the sales of similar homes in the neighborhood.
8. Calculate the hidden costs. Property taxes, insurance, maintenance and association fees can impact your wallet over time.
9. Don't be house poor. Double and triple check to be sure you haven't maxed yourself out on the cost of your home and left nothing for other areas of your family's life.
10. Get help. Hire a REALTOR® to get the most for your money and to be your advocate in making your purchase. It pays to have someone looking out for your interest.

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Ten Rules to Follow When Selling a Home

1. Hire a REALTOR®. A professional that knows your neighborhood and has a good track record in your community will go a long way in helping you find a buyer.
2. Clean out the clutter. Open spaces look best. Clean and in good-repair makes the best first impression.
3. Spiff up the property. Make any improvements that will better showcase your home. When possible, stick with the simpler and less expensive options to be sure the buying price will cover your investment.
4. Determine the worth. Know the fair market value of your home. Your REALTOR® can help you assess the price as well as the costs of selling.
5. Price it right. A REALTOR® can help you objectively set the price so that it reflects the value of your home and the trends of the surrounding community.
6. Come up with a plan. How quickly do you want to move? How eager and realistic are you about your asking price?
7. Get pre-approved for your next move. If you're looking to buy another house, make sure you know your financial situation as soon as possible.
8. Figure out your selling costs. Broker's fees, closing costs and other fees are all important to estimate your potential net. REALTORS® deal with transactions every day and can give you a very close estimate of those costs.

9. Set the stage. Clean the windows, open the curtains, turn on the lights, display fresh flowers. A bright house is a welcoming house.
10. It's show time. Be ready and willing to have your house shown any day, even with short notice. Making it difficult to see will also make it difficult to sell.

