

# Real Estate CORNER



MARCH 2022

## Why is the Housing Supply Still So Low?

The imbalance between the demand for homes to buy and available inventory has been going on for a while now. The result is a strong seller's market where buyers are left asking, "Why am I having such a hard time finding a home?"

What's causing the current housing supply crisis? There are two key reasons why inventory is still so low:

### 1. New Home Construction Fell Behind For Several Years

During the housing bubble in 2005, builders exceeded the long-term average of housing units, which in conjunction with other factors, resulted in an oversupply of homes. The oversupply of homes was one of the factors that led to the housing crash in 2008. Since then, new home construction still hasn't gotten back on track. For the last 13 years, builders haven't been able to construct enough homes to meet the historical average, leaving a multi-year inventory deficit going into the pandemic. And here in our area, new construction isn't going to provide more inventory as there's not much space left to build.

### 2. The Pandemic's Effect on the Housing Market

When the pandemic hit in 2020 and everyone had to stay home, it fueled a renewed focus on the meaning of home. Many people wanted larger homes since they were spending so much time there. And interest rates below 3% fueled the demand as many potential home buyers decided it was a great time to buy a new place. Simultaneously, some homeowners who might have chosen to sell were reluctant to put their homes on the market because of feelings of uncertainty.

Is the low inventory market expected to continue? Some say more homes may be hitting the market this year. "We expect that we'll start to see a turnaround and inventory will stabilize and start to go up a little bit in 2022," said Danielle Hale, chief economist at Realtor.com.

If you're planning a move this year, it may take some perseverance, creativity, and a local expert. Give us a call at 562-896-2456 and we're happy to discuss how you can achieve your goals in the current market.



### Options for Selling and Buying

When it comes to navigating the home selling and buying process, there's no one-size-fits-all solution. The best choice for you is based on your financial situation, your current equity, and your ideal timeline. Here are a couple of options:

- 1. Buy then Sell** - This option will give you plenty of time to pick out your new home without feeling rushed. But if you need the equity from your current home to buy your next home, it may or may not work for you.
- 2. Sell then Buy** - This option may seem a little scary and you might be thinking, "What if I sell and can't find another home?" However, what if you could stay in your current home until you found your next home? Did you know that "rent-back agreements" are becoming more common.

Let's chat about YOUR options and which is the best fit for you.

REAL ESTATE INFO

### Seller's Guide

#### What's Included:

- Why Sell Now?
- Should You Renovate?
- Helpful Checklist

Scan QR code to access.



### Buyer's Guide

#### What's Included:

- Reasons to Buy Now
- Benefits of Homeownership
- Key Terms to Know

Scan QR code to access.



### Real Estate FAQs

Our Youtube playlist answers over 100 common real estate questions. Have a question we haven't tackled? Let us know!

Scan QR code to access.



# PETS & the Home Buying Process



Long Beach is undoubtedly a community of pet lovers! In fact, we love them so much that it's natural we take them into consideration during the home buying process. But we're not the only ones – approximately 70% of U.S. households have pets and 43% would be willing to move to better accommodate their pets. Here are some common amenities that pet owners are looking for when house hunting:

**FENCED YARD** - If you own a dog, this one's a biggie. According to NAR, 49% of homebuyers with pets listed a fenced-in yard as their number one priority in their home search, allowing their pets to have stress-free outdoor time! If you're having trouble finding a home with secure fencing, consider adding your own.

**EASY-TO-CLEAN FLOORS** - We're sorry to say it but delicate floors are no match for claws, fur, and occasional accidents. To save money in the long run, durable and easy-to-clean floors are the way to go! Some of the best floors that can withstand wear & tear are tile, vinyl flooring, laminate flooring, and engineered hardwood.

**ADEQUATE SQUARE FOOTAGE** - You want to make sure you find a home that has enough space for the size of your animal. For example, a large dog probably wouldn't be comfortable in a 600 square foot condo, but a cat might. If a small home isn't a deal breaker for you, it might mean spending more time outside for exercise and burning off energy.



**PROXIMITY TO VET SERVICES** - For some pet owners, it's important to be within a couple of miles of a veterinarian or animal hospital - especially if the pet is elderly or has pre-existing health conditions. Luckily, Long Beach has a number of conveniently located vets throughout the city.

If you're planning a move with a pet, let's connect to find the best fit for you and your furry companion. Give us a call at 562-896-2456.

## How Increasing Mortgage Rates Will Affect You

We knew the low interest rates wouldn't last forever, and now that they're on the rise - what does this mean for you? A small increase in mortgage rates can make a big difference in your life-of-loan interest payments.

For example, a recent rise of 0.7% adds about \$112,000 of interest to the life of the \$800,000 loan. Not to mention your monthly payment rises about \$311 per month.

Interest rates are expected to continue rising. So, if you're waiting on the sidelines for the perfect time to buy a new home, it's time to get a move on. Many economists predict future home price appreciation and an increase in prices in conjunction with interest rates could mean higher payments.

**What does an increase of 0.7% in mortgage rates mean?**

**About \$112,000**

	Avg. 30-year Fixed-Rate Loan	Monthly Payment on \$800k Loan	Life of Loan Interest Payments
<b>February 2022</b>	<b>3.75%*</b>	<b>\$3,705</b>	<b>\$533,774</b>
<b>December 2021</b>	<b>3.05%*</b>	<b>\$3,394</b>	<b>\$422,000</b>



## Local Spotlight:

# Where to Get Your Plant Fix in Long Beach



Botany plants lately? Plant shops are all the buzz in Long Beach, California and it seems like they're sprouting up on every corner! While some businesses had a hard time keeping their doors open during the pandemic, plant stores thrived. It's no surprise. If you're spending more time indoors, what better way to brighten up your living space than with a few potted plants? Now, almost two years into the pandemic, the green-thumb trend still hasn't died down.

Here are five plant stores you should visit if you're a fellow plant-lover:

**PLANIITAS:** Located on the corner of 4th Street and Termino Ave, Plantiitas offers a variety of low-maintenance houseplants, tropical plant variations, planters, and accessories! The owners, Kevin & Anthony, started Plantiitas as a weekly pop-up out of their garage during the pandemic. Once it grew in popularity, they knew they needed to move into a larger home and opened the doors to their shop on 4th street a few months later! Learn more about this store at [www.plantiitas.com](http://www.plantiitas.com)!

**FOLIAGE LB:** Foliage LB isn't just a plant store, they also feature lovely home decor, jewelry, and local handmade pottery. It's located on the edge of Downtown Long Beach and Long Beach's Arts district on the corner of Long Beach Blvd and Broadway. Visit their store in-person or shop on their online storefront at [www.foliagelb.com](http://www.foliagelb.com).

**PIPIPI + LOLA:** If you're looking for a selection of indoor and outdoor plants, this plant shop has you covered. Pippi + Lola is a modern plant studio with greenery ranging in all shapes, colors, and sizes. But, this isn't your average plant store. They offer plant pampering services such as plant baths, repotting, aromatherapy, and sauna sessions. You'll have to check out this shop to see it for yourself, they're located on the corner of 4th Street and Molino Ave. Learn more at [www.pippiandlola.com](http://www.pippiandlola.com).

**PENELOPE POTS:** From potted plants and flowers to apparel, Penelope Pots is your one-stop-shop. You may have seen their store at 2nd & PCH, but they also have a second shop in Newport Beach and a vast online catalog. Interested in learning how to make floral arrangements or succulent wreaths? They offer private and group workshop classes for a fun, hands-on experience. To book a workshop or browse their online store, visit [www.shoppenelopepots.com](http://www.shoppenelopepots.com).

**TERRASAGE HOME:** As if SteelCraft in Long Beach couldn't get any better, they've welcomed a new vendor, Terrasage Home. This adorable pop-up plant shop is open Thursday through Sunday from 12pm to 7pm. Here, you'll find a variety of indoor and outdoor plants including succulents and cacti! For more information visit [www.steelcraftlb.com/vendors/terrasage-home/](http://www.steelcraftlb.com/vendors/terrasage-home/).

We love seeing local Long Beach businesses flourish! If we've missed any of your favorite plant shops, let us know.



## Green-Thumb Giveaway

Are you in need of some new plant babies? We're gifting a \$100 Plantiitas gift card to one lucky Long Beachian! To enter, head over to our Instagram page by scanning the QR code below and follow the entry instructions. The winner will be chosen on Friday, March 11th by the end of the day.



## Air Purifying

### Indoor Plants

Here's a fun fact: plants reduce your stress levels and improve indoor air quality so you can breathe easier. Here's a handy list of plants that are known to remove airborne toxins, dust, and germs:

- English Ivy
- Snake Plant or Mother-in-Law's Tongue
- Spider Plant
- Aloe Vera
- Broad Lady Palm
- Chinese Evergreen
- Devil's Ivy

Adding plants to your home is a stylish and effective way to keep your at home air clean!



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(562)896-2456 | [ShowMeHome.com](http://ShowMeHome.com)

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## Tips to Freshen Up Your Home this Spring

Spring's a hot market. If you're thinking of moving or staying put, here are some tips for you to freshen up your home.

**Deep Clean** - The best way to go into the spring season is with a clean slate. After a deep clean, your home will feel good as new. Open up the windows, play your favorite music, and put in some elbow grease! Try out our DIY Chemical Free Cleaning Solution if you're looking for a guilt-free clean.

**Tend Your Flower Beds** - Put the petal to the medal! Adding some fresh blooms will add a pop of color to your yard. Some of our favorite spring flowers to plant are pansies, snapdragons, grape hyacinth, and sweet alyssum.

**Repaint Your Front Door** - It might not sound like much, but a freshly painted front door can do wonders for your curb appeal. So head over to your local paint supply store and pick up some swatches!

**Switch Up Your Furniture** - If you're craving a change of scenery, rearranging your furniture is your budget-friendly solution. Try placing your bed against a different wall or if your space is limited, rearrange smaller furniture items like accent tables.

### DIY Chemical Free Cleaning Solution

#### Ingredients:

- Spray bottle
- Small funnel
- 1/2 cup white vinegar
- 2 tablespoons baking soda
- Tea tree essential oil
- Eucalyptus essential oil



#### Instructions:

1. Take the top off of an empty spray bottle, place a small funnel into the opening and pour in 1/2 cup of white vinegar.
2. Add 2 tablespoons of baking soda, and wait for the foaming to subside.
3. Add in 10 drops each of tea tree and eucalyptus essential oil.
4. Fill the rest of the bottle with water.
5. Screw the spray top onto the bottle, and shake well before use.