

Real Estate CORNER

JANUARY 2022

What's in Store for the 2022 Housing Market?

It's no secret the housing market has been hot for quite some time now. The pandemic has caused housing demand and prices to skyrocket, leading to bidding wars, high profits for sellers, and many disappointed buyers. A perfect storm of low supply and high demand caused 2021 caused home price appreciation of 19.9% from August 2020 to August 2021. Clearly, these numbers can't be sustainable forever. So what does this mean for the housing market this year?

Expert Opinions Vary

If you recently bought a home and are worried that unsustainable price appreciation means your home is going to lose value, don't worry. Millennial demand for homes is not going anywhere and there still aren't enough homes. However, Fannie Mae and Freddie Mac are predicting appreciation from 7 to 7.9% this year. This is good news. Returning to more historic numbers when it comes to year over year home price appreciation means we could see the market starting to normalize.

The Mortgage Bankers Association has a more pessimistic view. Their opinion is we will actually see home prices drop 2.5% over the next year, though this opinion isn't shared by many of the other leading experts.

What Does This Mean For You?

If you're a buyer, this doesn't mean you should wait for prices to drop. Even if home prices do go down by 2.5%, they always go up again. With today's mortgage rates still below 4%, you can still save money on your loan in the long run, even with today's prices. For sellers, time is of the essence. Selling while inventory is low puts you in a strong position.

A Local Expert's Opinion

Of course, the right time to buy or sell a home always depends on individual circumstances. If you need help evaluating whether or not now is the right time for you, our team of local experts are more than happy to assist you. We can help you determine your homebuying or selling goals for 2022. To get started, give us a call at 562-896-2456. We look forward to assisting you in the new year!



JUST SOLD



Sold for \$750,000

3135 Oregon Avenue
Single-family home in the Wrigley area.



Sold for \$1,001,000

636 Temple Avenue
Craftsman bungalow in the
Rose Park South Historic District.



Sold for \$4,400,000

7023 E. Seaside Walk
Modern oceanfront mansion on the tip of
The Peninsula.



Sold for \$875,000

7046 Schroll Street
Spacious home in Lakewood.



Sold for \$1,350,000

3021 E. 5th Street
Off-market sale. Represented
both buyer and seller.



Sold for \$910,000

4903 E. Ferro Street
Represented the buyer.

Budgeting for Construction Projects

You know what they say... New year, new construction project! Have you already begun planning your 2022 renovations? Maybe it's finally time to start building that ADU you've been dreaming of, or even a new and improved deck in your backyard. Regardless of the project, home construction requires thorough planning and careful budgeting. The last thing you want is a case of sticker shock!

Major Expenses - Before you begin your project, determine your overall budget and source of funding to use as a point of reference along the way. You likely know that big construction projects can carry big costs. Some of the most apparent expenses are the cost of building materials like lumber, siding, wiring, etc. Many material costs, lumber in particular, can fluctuate depending on supply, transportation, and other factors. Get multiple contractor estimates so you're not surprised down the line.



Home Improvement Projects That Pay Off

This may come as a shock to you, but not every home improvement project will add value to your home. Here are some home projects that have a good ROI:

- Bathroom Remodels
- Kitchen Remodels
- Attic Bedroom Conversions
- Deck or Patio Additions
- Landscaping Projects
- Garage Door Replacement

Estimates can vary but going with the cheapest bid isn't always the best choice. Start by reading the article below for tips on how to find a great contractor. Then compare quotes between multiple contractors in your area to make sure you're not being overcharged. If you're in the Long Beach area and are looking for reliable contractors, give us a call at 562-896-2456.

Easily Overlooked Costs - Home construction projects are a huge undertaking. It's easy for expenses to be overlooked during the budgeting process. Here are a few examples of seemingly insignificant costs that can be overlooked: construction permits, interior materials, roof installation, and even renting a dumpster for the construction crew.

Hard and Soft Costs - In some ways, the process of renovating your home can be like buying a home in the first place. Some items are negotiable and others aren't. Before your contractor comes to discuss projects, make sure you've already determined what, in your mind, is non-negotiable to you. Share these with your contractor and see if they can still work within your budget after hearing your non-negotiables. If they can't, ask for their suggestions! They are the expert and should be able to suggest lower cost alternatives so you can still get the look you've been dreaming of, for less. For instance, refacing your cabinets instead of replacing them entirely can leave room in the budget for that tile you love. Contractors are there to help - so don't be afraid to ask them for advice even if you

think you already know exactly what you want.

How to Find and Screen a Contractor

The idea of renovating a home is very exciting to many people. After years of pinning your kitchen and bathroom goals on Pinterest boards, it's super exciting to finally be able to put your plans into motion.. However, most people can't redo their homes all on their own! They need the help of a great contractor and their team. There are plenty of people out there who can help, but selecting the right contractor can seem like an arduous task. Here are our tips for finding the right contractor for you.

Finding a Contractor - Many people have had negative experiences dealing with contractors. Selecting the right contractor can make a world of difference on your wallet, well-being, and quality of work. One of the easiest ways to find a trusted contractor is through referral by your friends, family, or a local Realtor. Hiring through referral will give you a sense of comfort knowing that someone you're close with can vouch for their work. You can also conduct a quick online search to find a contractor in your area with positive client reviews.

Screening a Contractor - So, you found a contractor that might be the right fit for you. What's next? To make sure you're comfortable with their experience and trustworthiness, here are a few basic steps to screen your contractor.

1. Check their licensing and contractor compliance
2. Contact their references
3. Confirm their insurance coverage

Hiring a contractor can be scary! If you have any questions, we're happy to be a resource. Give us a call at 562-896-2456.



Local Spotlight: Water's Edge Winery

Located in Downtown Long Beach, Water's Edge Winery is Long Beach's first winery. While the grapes they use in their wines are sourced from all over the world, the wines themselves are crafted right here in Long Beach. They produce over forty wines using the finest grapes from France, Italy, Spain, Australia, South Africa, and the United States.

Everyone is welcome into the tasting room to taste their wines, but for the true



Wine Time in Long Beach

In addition to Water's Edge Winery, here are some of our go-to wine spots in Long Beach!

1. Fourth Street Vine
2. Marina Wine Bar
3. Art Du Vin Wine
4. The Wine Bar
5. The Wine Crush
6. District Wine

Scan the QR Code below to read up on these local wine bars! Cheers!



VIP experience, be sure to check out their various wine clubs. These wine clubs range from \$35/month to join The Sangria Series Club, all the way up to the \$149/month Winemaker Club Membership. That premium membership includes four bottles of premium wines of choice per month, up to 15% discount on wine-related purchases, a wine tasting for the member and a guest per unique visit, priority reservations for special events and small group events, limited edition wine products, and more!

Be sure to check out their website as well. They offer various events including Wine Wednesday specials and first responder and healthcare worker appreciation nights. You can even consider them for your next event or holiday party.

Wines aren't all you'll find at Water's Edge Winery! They also serve a variety of foods to enjoy with your drink ranging from the expected meat and cheese board, to burgers, pizza, and pasta. Be sure to check out their happy hour Wednesday - Friday from 3-6 PM as well. You can expect deals on food, as well as \$3 off wine and sangria, \$2 off beers, and \$5 off wine bottles. Finally, they also offer a brunch from 12 - 4 PM on Sundays with classics like eggs, but also a breakfast pizza and a breakfast charcuterie board!

Whether you're a wine connoisseur, or just interested in a fun time with your friends, Water's Edge Winery has something for everyone! They're located at 217 Pine Ave, Long Beach, CA 90802.

..... Welcome to the Team!



Realtor | DRE #02088918

PAULA WISE has always been passionate about real estate and helping clients find their dream homes is the icing on the cake. Her diverse background in entrepreneurial sales, telecommunications, fashion, and construction led to her career as a Realtor.

Paula spent 13 years as an officer working at an environmental non-profit, where she learned a lot about the fundamentals of home construction and deconstruction. Prior to that, she attended San Diego State University, the Fashion Institute of Design and Marketing in Los Angeles, and she even created her own clothing line!

Paula is originally from Northern California, but fell in love with SoCal after spending her childhood summers in Laguna Beach. During her free time, she enjoys tending her garden, traveling, and spending quality time with her friends. Paula is a huge animal lover! In fact, she has two cats and three bunnies.



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Planning a Move in 2022?



Buyer To Do List:

- Research the areas you're interested in.
- Talk to a Realtor and ask all your questions.
- Set up an online housing search so you can see available homes for sale that match your criteria.
- Talk to a lender, determine your budget, and get pre-approved.
- Create a game plan with your agent.
- Be patient and keep an open mind. The right house may not look exactly like you thought originally.
- Once you find the right house, work with your agent to make a competitive offer.
- When the offer is accepted you'll move through the escrow process. Again, patience is key here, along with knowledge.
- After escrow, get the keys, move in, celebrate!



Seller To Do List:

- Find out what your home is worth.
- Meet with a Realtor to review the market and your options.
- Hire a Realtor with a proven marketing plan and track record.
- Set the price for your home with your agent's guidance.
- Create a post-sale plan. Will you require rent back? Can you afford to buy a home before you sell yours?
- Put your house on the market.
- Review offers as they come in, then negotiate and select the best offer and open escrow.
- Finalize your living arrangements for your next place.
- Start switching over utility bills.
- Once escrow closes, hand over the keys and start your next adventure!

Want to get started? Give us a call at 562-896-2456.