

LONG BEACH Real Estate CORNER



NOVEMBER/DECEMBER 2024

Where Are Home Prices Headed in 2025?

2024 brought numerous changes to the real estate industry and market. The National Association of Realtors settlement agreement changed how buyers' agents are compensated, rates went up, came down when the Fed cut rates for the first time since 2020, and then went up again.

Home prices have increased substantially over the past few years and yet as the housing market adjusts to recent changes, home price appreciation is cooling as well. You may be wondering where things are headed in 2025.

What Experts Are Saying

It's important to remember that no expert has a crystal ball or can definitively forecast the housing market. However, analyzing the feedback from experts in the housing industry can help us get a better idea of what the future holds.

As you can see on the included graph, most experts are predicting that home prices will continue to rise throughout 2025. Forecasts from 10 sources show anticipated price appreciation from 0.3% (Moody's Analytics) to as much as 4.4% (Goldman Sachs) over the course of the next year.

What Does This Mean?

While some areas of the country may experience lower prices in 2025, here in Long Beach's competitive market, there's a very good chance that home prices will continue to appreciate this next year.

Home Prices Are Forecast To Rise

And with more buyers in the market, that'll keep upward pressure on prices. But the rise should be more moderate than during the pandemic.



At the end of the day, the current housing market is continuously shifting, and varies from neighborhood to neighborhood, which makes it difficult to try and time it perfectly for a home sale or purchase. If you're trying to make sense of what's going on in today's market or decide what move is the best for you, let's connect. Give us a call at 562.896.2456.

JUST SOLD

Sold for \$1,112,000



BUYER

6218 E Conant St, Long Beach


Sold for \$728,000



SELLER

17808 Elaine Ave, Artesia

Sold for \$840,000



SELLER & BUYER

17921 Elaine Ave, Artesia

Sold for \$350,000



SELLER

1044 E 2nd St #3, Long Beach

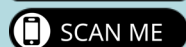
Sold for \$565,000



SELLER

3913 N Virginia Rd #109, Long Beach

Wondering how much your home is really worth? Scan the QR code to request a free home valuation, or visit showmehome.com/home-valuation.



Home Improvements You Shouldn't Make If You Plan to Sell

We love a good DIY project, but don't hurt your selling potential by making a home "improvement" that could actually lower your home value. Here are some home improvements that can do more harm than good.

Combining Rooms - If you're empty nesting or don't have children, then it might be tempting to knock down the wall between two small rooms. But, many buyers are looking for a place with more bedrooms to raise a family. At the end of the day, bedroom count can be as important as square footage. Eliminating a bedroom (or a closet) is almost never a good idea for resale value.

Bright Paint Colors - Paint is often the first impression of a home. Choosing a bright or bold color might make it difficult for potential buyers to envision themselves living in that space. Additionally, neutral colors are more likely to stay in style longer. Buyers won't want to spend the time or money repainting even though it's a relatively simple project.

Swimming Pools - Adding a swimming pool to your home is a double-edged sword.

There are certain situations where a pool can boost the value of your home, but in general, pools don't add as much to the value as what they cost to install. When you add the cost of maintenance, investing in a pool is usually not a good idea unless you're adding it for your own enjoyment rather than to increase your home's resale value.



Texturing Walls Or Ceilings - There's a reason why luxury homes usually have smooth surfaces. Removing outdated popcorn texture from your ceiling will immediately increase the value of your home by making it more appealing to buyers.

Full Carpeting - Many home buyers are turned off by wall-to-wall carpeting because they're concerned it may harbor bacteria and allergens. It's nice to have soft carpet in some areas of a home, but it's not recommended in living rooms or entryways. In general, adding hardwood floors or luxury vinyl is a better investment and is more likely to increase your home's value and appeal to potential buyers.

Buying an Investment Property: What You Need to Know

Real estate investment property can help you build wealth and passive income. But, what are the secrets to success and how should you get started?

First, assess your overall financial picture and how real estate will fit into your overall investment portfolio. Determine what type of initial financial investment you'll make, what type of financing you'll utilize, and what your short and long-term goals are. Consider what the current market rents are for the property type you have in mind in your desired area. You can then determine what your net income on the property would be each month (also remember the tax benefits, if any) after factoring in regular and unforeseen maintenance expenses.

You'll also need to determine your long term strategy for owning the property. Finding a property with an opportunity for long-term equity growth and cash flow makes sense for more people than planning to buy and flip with an eye toward a fast profit.

When it comes to financing, lenders have different requirements when purchasing an investment property rather than a primary residence. Have a firm grasp of what's required for the type of property you're seeking. Mortgage lenders will typically charge a higher interest rate on an investment property than on a primary residence. They will also consider the amount of down payment, previous landlord experience, borrower's income and assets, and the property's income.

A good first step in buying an investment property is to schedule a consultation with an experienced Realtor who can help you create a strategy and will review your short- and long-term goals with you.

Whether you are considering purchasing your first investment property or an additional property to add to an existing portfolio, we'd be happy to help you find a property that matches your needs. Or, if you're thinking about buying an investment property outside of the Long Beach area, we can refer you to an experienced Realtor in the area where you're looking! Simply give us a call at 562-896-2456.

Calculate It!

Cap Rate - This term expresses the ratio between a rental property's value and its net operating income

(N.O.I). [Net Operating Income ÷ Sales Price = Cap Rate]

Gross Rent Multiplier - A simple method used to determine an income property's market value based upon its gross scheduled income. [Sales Price ÷ Annual Gross Scheduled Income = Gross Rent Multiplier]

Operating Expense Ratio - This term expresses the ratio between an investment property's total operating expenses and its gross operating income. [Operating Expenses ÷ Gross Operating Income = Operating Expense Ratio]

Local Spotlight:

Shopping on Retro Row

Retro Row is a vibrant and eclectic shopping corridor along 4th Street, offering a unique mix of vintage stores, indie boutiques, and quirky eateries. This stretch, between Cherry and Junipero Avenues, is a haven for those who appreciate one-of-a-kind finds and love to support small, local businesses.



At the core of Retro Row's charm are its vintage shops. Here, you'll discover carefully curated collections of mid-century furniture, retro clothing, vinyl records, and collectibles. Stores like Meow and

Casa offer a delightful trip back in time, perfect for anyone on the hunt for retro apparel, home décor, or rare music gems. If you're looking to infuse your wardrobe or living space with a touch of nostalgia, this is the place to be.

There's a variety of specialty stores that cater to a broad range of interests. From handmade jewelry at Songbird to the new and used vinyl at Third Eye Records, there's something for everyone. Art lovers will enjoy exploring the local galleries and independent bookstores, which often feature works by local artists and writers. The Assistance League of Long Beach Thrift Store is another place to find all sorts of pre-owned goodies, from vintage t-shirts to jewelry and furniture.

When hunger strikes, Retro Row doesn't disappoint. Coffee shops, craft beer bars, and diverse restaurants line the street, offering everything from artisanal coffee to vegan comfort food.

Be sure to check out Retro Row on the Fourth Friday of each month for "Fourth Fridays." This monthly event features pop-ups from select vendors, live music and other special offerings. Many of the shops have extended hours during this event, along with food and drink specials at the bars and restaurants.

Retro Row isn't just about shopping; it's about community. The area frequently hosts events like vintage markets, art shows, and film screenings at the historic Art Theatre, adding a cultural layer to the shopping experience. Whether you're a local or just visiting, Retro Row is a must-see for its unique blend of past and present.



2024 Holiday Event Calendar



Autumn Festival-A Celebration of Asian Culture

Sat. & Sun., Nov. 16th & 17th, 9 am-5 pm
Highlighting the traditions and cultures of Japan, China, Korea & the Philippines.

Location: Aquarium of The Pacific

Long Beach Turkey Trot 5K/10K

Thu., Nov. 28th, 7-9:30 am
5k & 10k Races plus Kids ½ Mile Wingding
Location: Start/Finish at Rosie's Dog Beach in Belmont Shore

Rancho Voices: A Holiday Celebration

Thu.-Sat., Dec. 7th-9th, 4-8 pm
A festive evening of holiday carols.
Location: Rancho Los Alamitos

A Christmas Carol

Dec. 7th-22nd, 8 pm (2 pm Matinee on Sundays)
Highly theatrical retelling of the Charles Dickens classic.

Location: Long Beach Playhouse Mainstage Theater

40th Annual Belmont Shore Christmas Parade

Sat., Dec. 7th, Starting at 5 pm.
Street closes at 5 pm; spectators can set up starting then.
Holiday parade with marching bands, floats and local personalities.

Location: Second Street from Livingston Avenue to Bayshore Avenue.

Naples Island Christmas Boat Parade

Sat., Dec. 21st, 6 pm
Decorated boats wind through the Naples canals.
Location: All along the canals of Naples island.

For more information on these and other holiday events for 2024 in Long Beach, visit showmehome.com/holiday-events-2024 or scan the QR code.



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6621 E. Pacific Coast Highway #150 Long Beach, CA 90803

Planning a Move in 2025?

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.