



10 Owners' Options in Today's Market – 2024-2025

United States Owners of Real Property have at least 10 options of what they can do with property they own. By looking at all possible options, owners see CLEARLY which are NOT options for them... and which ARE. Understanding all Options and getting advice from a Professional REALTOR on the pros and cons of each Owners can confidently select the best option for this time in their lives.

This info is limited to 2 pages and there are lots of "details" so... Talk to a Professional.

Option #1 - Keep the property, make the payments if you have any, and live in it. If the home works for you location-wise, size-wise, cost-wise and you're enjoying it now and will continue to during next *real estate cycle*, great. No one is going to make you sell if you're making your mortgage, taxes, and insurance payments. If your current property will NOT work for the upcoming cycle, keep that carefully in mind when choosing one of these options. The market is still decent now but may not always be.

Option #2 - Keep the property, make the payments, and rent it out. If it's been a rental, you can choose to keep it one. If it's been your primary residence and you want to turn it into a rental, talk to a professional property manager and your tax advisor/CPA about what that will mean for your cash flow and tax status for the property. (Discuss Vacancy Rate, Anticipated Repairs, Capital Gains, Depreciation, etc.) Note: If you have fully depreciated the rental property, or if it has upcoming maintenance issues like roofing, appliances, electrical, plumbing, siding, etc., then you may want to consider cashing out NOW or doing a 1031 Exchange into a better (newer) property while the market is still fairly stable.

Option #3 - Keep the property, make the payments (if any), and maintain it vacant, or use it part-time as a 2nd home/vacation home. Again, talk to your tax advisor about what that means to you tax-wise. Also talk to your home insurer as insurance may be more on homes kept mostly empty.

Option #4 - If you have Equity (nearly everyone does) you may choose to sell the property. Price it well (below other competition) and sell it now. You may consider finding **NOW the home you want to live in for the next real estate next cycle, which may be beginning now.** If you have the ABILITY to get where you want to be for the next cycle... our advice is to do it now rather than wait.

NOTE #1: Almost everyone "gets stuck" in the worst of a down market. The trick is to get stuck where you WANT to be, not stuck in a home that won't work for the next several years. The last DOWN market lasted 5 years, but it took another several years to get back UP to the prices at the beginning of the down cycle. If you are not going to be happy where you are for another 4-7 years, then our advice is to make your next move sooner rather than later.

Note #2: Homes ARE selling if they are priced right and accept reasonable offers. **Overpriced homes are not selling.** You MUST price correctly to sell based on current comparable listing and pending prices vice sold prices when the market is shifting! There is NO OPTION to price the home higher than it's worth. If you have equity, it's the same as selecting 1, 2, or 3 above... **You keep the property.**

YOUR COACHING MATTERS



"Success is doing what you said you'd do consistently, with Clarity, Focus, Ease and Grace" -Maria Nemeth

Option #5- If you have equity and have an Assumable Mortgage, you may be able to get more for your house and/or sell faster than the competition. If you have an FHA or VA Loan or have some conventional or private loans, they may be assumable to another buyer. **This can be very attractive and may get you more money for your house.**

Option #6 – If you have Equity, you can choose to sell Wholesale to a Flipper or Investor for under market value. This mostly works well with average to below-average condition properties with an investor, as some investors will buy and hold right now. Flippers want a huge discount when the market is stagnant or going down often over 30% off. **A well-priced property will sell.** Hire an Expert to keep all your equity. Why give your equity to someone else? Talk to a professional Realtor for advice.

Option #7 – If you want to Sell your home using non-traditional Methods, get creative. Consult your Realtor about your options but they may include Auctioning the Property, Holding the Loan for a Buyer (normally gets you more salability and more income in interest over time), doing Reverse Offers to potential Buyers that have seen your home but not offered yet, Equity Sharing with a Buyer, and more. Talk to your most experienced Realtor if you want to do something non-traditional.

Option #8 - If you do not have Equity... Sell the property and bring money to closing to avoid being short. Not many of you in today's market will need to do this. MOST of you have equity. That said, if you bought recently or refinanced to the max recently, and if the market looks like it's going down, it may be your best option. If you need to get out of your home and don't want to damage your credit or future ability to buy, sell, bring your negative to closing and cut your losses before it gets worse.

Option #9 - If you do not have Equity and do not have Cash... Sell via a Short Sale, if your Bank will approve it. The last round of short sales taught banks how to manage this and it's much easier than in the past although it is still onerous on time it takes. If you're in trouble, the sooner you get out the better and if you have ANY equity, go back to Option 4. Important Note: If you have other assets, the Bank may NOT approve a short sale on your property, so keep that in mind and talk to a Realtor®.

Option #10- Do a deed-in-lieu of foreclosure if your Bank will approve it... or allow the bank to foreclose. If you have no equity and cannot get the home sold on short sale, these options are final resort. Both damage your credit, but foreclosure is worse. Be sure to talk to a professional Realtor before doing this. Often there are other options if you will just consult a professional first!

Note#3: Options 1-7 do NOT damage your credit. Options 8-10 do damage your credit to varying degrees. Be sure you understand before choosing an option.

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