

### About that Spring Market...

A recent article I read stated that 77% of homebuyers face unexpected repair costs in their first year of ownership. In the people surveyed for this article, 30% said the repair costs were between \$1k - \$2,500 and 23% paid between \$2,500 and \$4,999 and 13% was north of 5k. Considering that 68% of those surveyed paid above asking price, adding additional and unexpected/unprepared repair costs can certainly lead to anxiety about a buyer's new home let alone "buyer's remorse."

There is no doubt that the 2022 market is even tougher for buyers than the 2021 considering that inventory was down 30% in January year-over-year. Which is going to lead to increased competition, increased emotions, increase anxiety and frustration for everyone involved and of course, a continuing trend of waiving home inspections and other out of the box negotiating tactics that put buyers, especially first-time buyers, on edge.

So, what's the solution? Well...I don't have one. Maybe the market will adjust, and inventory will increase and less competition with traditional offers will return. Most likely it will not, but one can hope! While there is no real solution to the current situation, or at least a quick solution, there are things we can do to assist buyers as much as we can.

As a realtor, understand what to look for when showing houses that could be "red flags" for the buyer that may come up either during the inspection (if lucky enough to get one) or for when the house is theirs. Build a relationship with an inspector so that you can shoot data plates from HVAC systems and water heaters to them and get accurate ages or learn where to find this information yourself. While not a replacement for an inspection, hire an inspector to consult/walkthrough the property during showings if waiving the inspection is on the table. We can provide answers to questions and hopefully identify any major issues.

And finally, encourage a complete inspection after the home closes. While it is true that once it closes the buyers own the problems, at least they will know what those problems are. Too many people are waiving inspections and moving into their new home without ever fully checking it out. Just because you don't know the problem exists, doesn't mean it goes away. This leads to that 77% of home buyers facing unexpected repair costs. At least with an inspection post-closing, the buyer can understand and now budget and prioritize repairs instead of buying all new furniture and THEN get hit with a large repair bill because the roof is leaking.

It's a tough market for buyers and buyer's agents. As it continues, we have to find creative ways to ensure buyers have the knowledge and information needed to feel comfortable with the largest investment they will ever make.

Source: [3 in 4 homebuyers face unexpected maintenance costs in first year \(cnbc.com\)](https://www.cnbc.com/2022/03/03/3-in-4-homebuyers-face-unexpected-maintenance-costs-in-first-year.html)