



# HomeLight

## Top Agent Insights: Q1 2019 Report

America's top real estate agents weigh in on how to sell homes in today's housing market.



# Seller's Tips and Market Insights From America's Top Agents

Every day, across the country, HomeLight matches homeowners and prospective buyers with thousands of America's top real estate agents.

Our technology compares agents on their historical performance to find the real estate agents that consistently outperform all of the other agents in their local real estate market.

We used our algorithm to find hundreds of the best agents in some of the hottest housing markets in the United States. Then, we asked them for advice homeowners can use as they think about selling their house in 2019 and beyond.

Our Top Agent Insights survey for Q1 2019 spans a wide range of subject matter about the housing market and getting the most value out of your home.

HomeLight plans to release a version of the Top Agent Insights survey on a quarterly basis to cover seasonal and recurring trends in the market.

- ❑ **Over 900 Participating Top Agents**
- ❑ **30 Open-Ended and Multiple-Choice Questions**
- ❑ **Housing Market Trends**
- ❑ **Home Staging & Renovation Insights**
- ❑ **Best Practices and Tips for Selling Homes**



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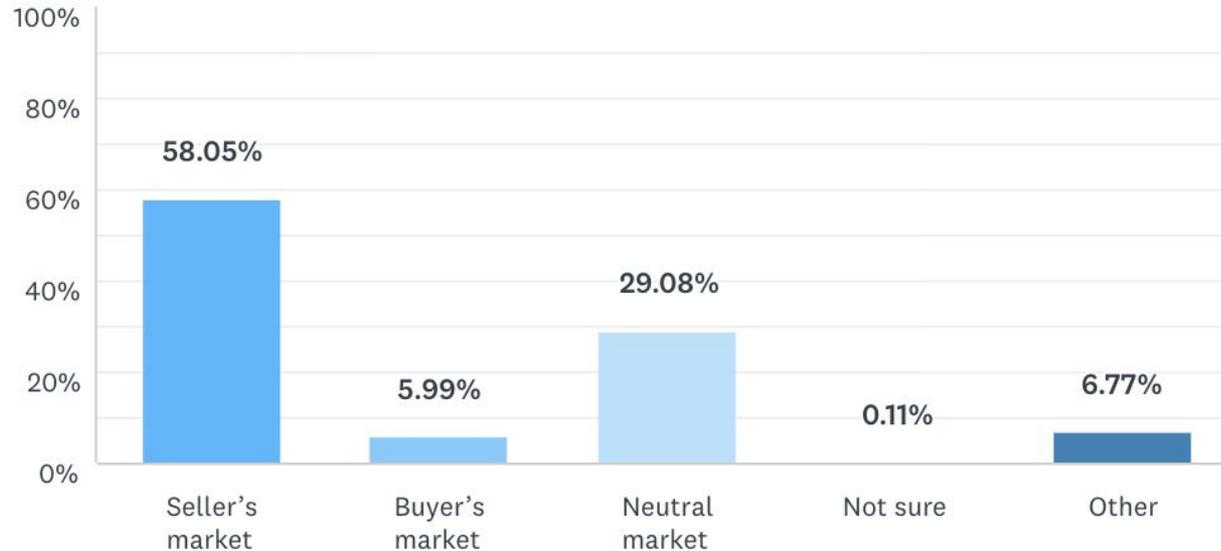
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## Real Estate Market Forecast

Tap into local market predictions for the year ahead and understand common causes for closing delays to plan out your listing strategy.



## How do top agents characterize their current local housing market?



“ *Sellers need to price the home well to attract the buyers of today, and not last spring.*

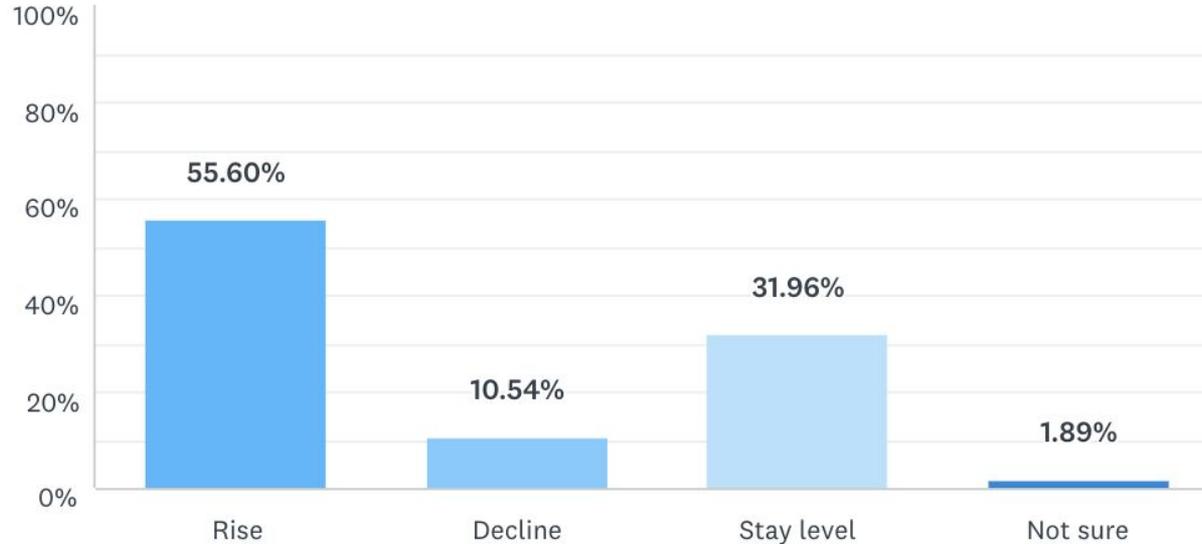
-Survey Respondent and top Dallas-area agent

In the first quarter of 2019, **58% of top agents** characterized their local housing conditions as a seller's market while **29%** reported being in a neutral market.

While sellers cling to their advantage in many cities, the Q1 2019 state of affairs stands in contrast to the white-hot markets that have dominated in recent years.



## Over the next 6 months, top agents think inventory in their market will:



“*Make sure your home is ready to sell. With inventory increasing, there will be more competition and only the top listings will get their desired price.*

-Survey Respondent and top Chicago-area agent

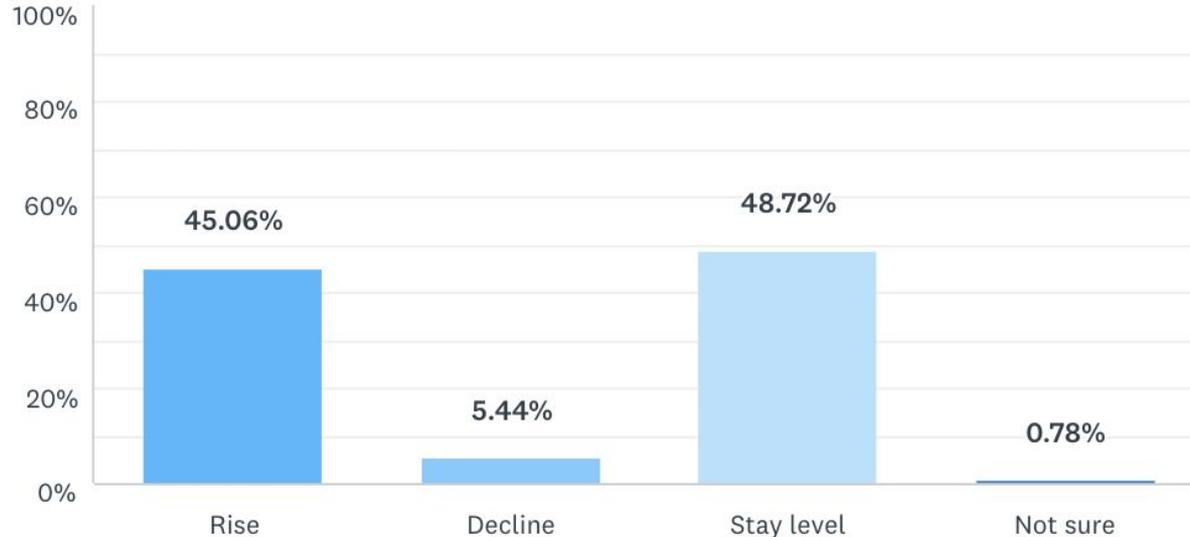
Get ready for more houses to come on the market. That's your competition, sellers!

Most of the top agents we surveyed think that inventory in their market will **rise over the next 6 months.**

That would be in line with the rising inventory trends we started to see take shape in Q1: **total housing inventory rose 3.2%** year over year in Jan. 2019, according to the National Association of Realtors Existing-Home Sales Report.



## Over the next 6 months, top agents think home values in their market will:



“Buyers in this market are savvy and have usually done quite a bit of research before looking at a home. Chances are they are aware of the home’s value and may not even look at your house if they feel it is overpriced.”

-Survey Respondent and top agent in Washington state

49% of top agents believe home prices will **stay level over the next 6 months.**

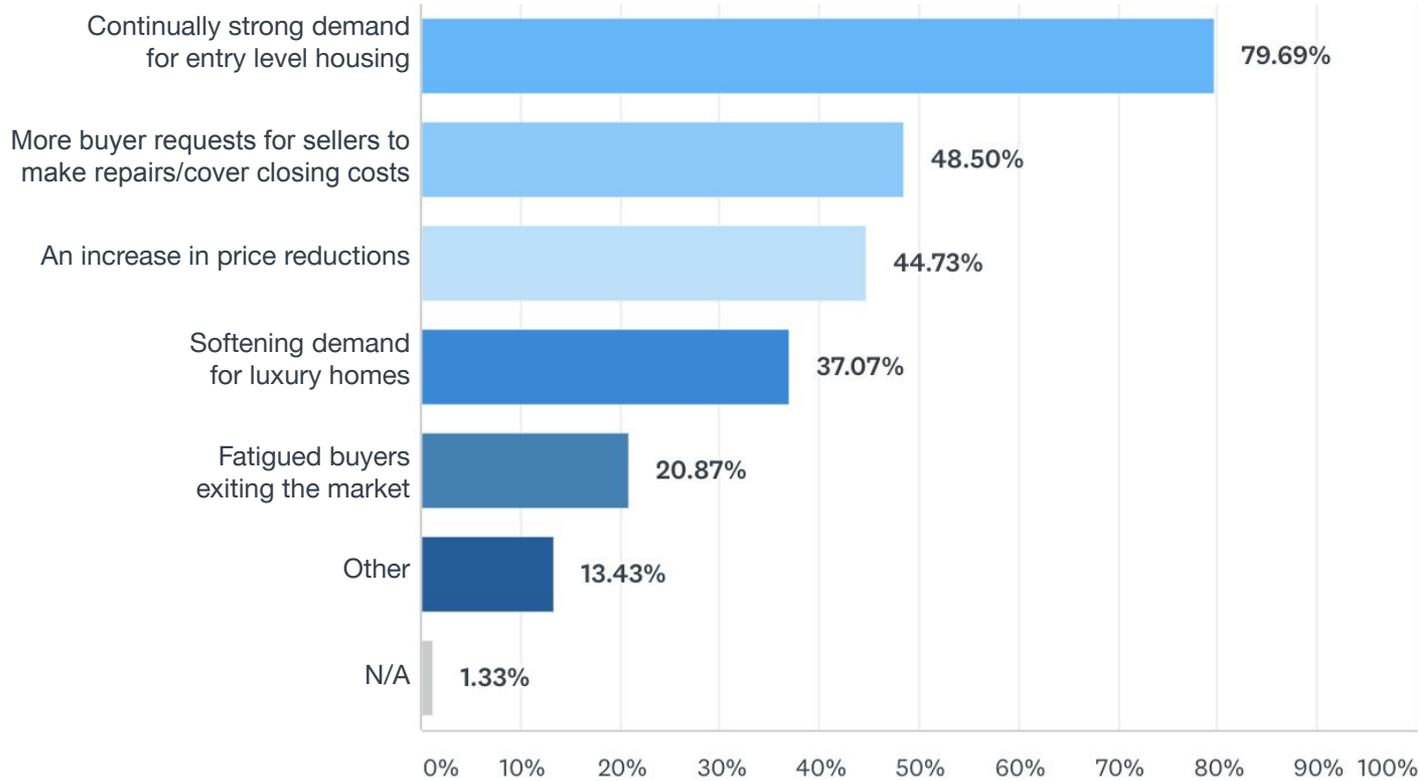
Their moderated projections for price gains reflect analyst predictions that property value appreciation would slow to a steady 2%-3% in the coming years.

NAR reports that the median existing-home sale price is up 3.6% from Feb. 2018 compared to the 5%-7%-plus growth at the height of the boom.

Freddie Mac analysts say tempered interest rates and restrained home price growth are keeping buyer demand strong.



# What trends are top agents seeing in their market in 2019?



Entry-level housing is in the highest demand (NAR says first-time buyers accounted for 33% of purchases in 2018). If you've got a starter home, you're in a strong position to sell!

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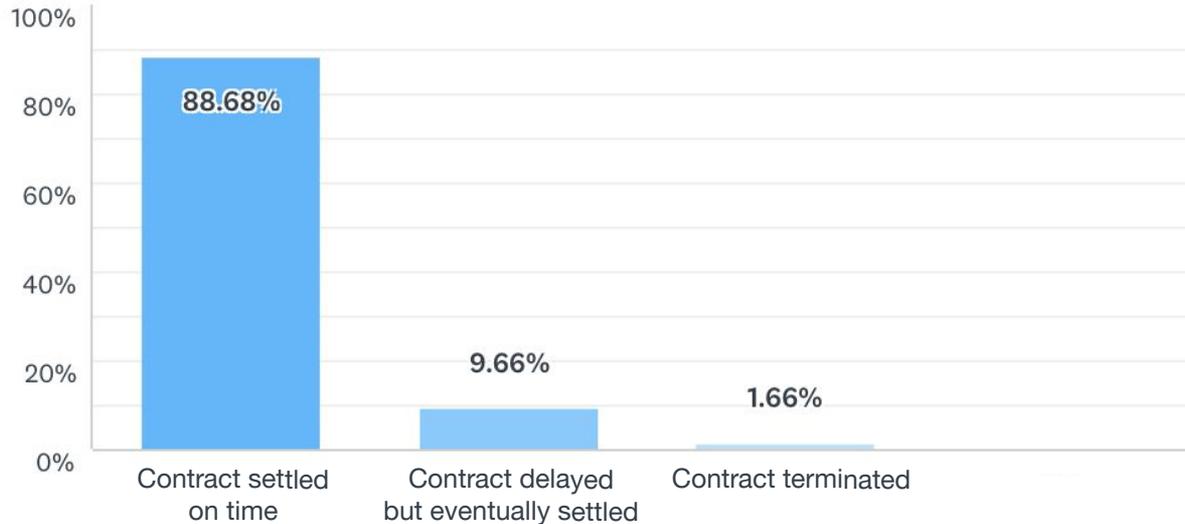
But seller concessions and price reductions are becoming more common trends.

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So, expect "good, old-fashioned negotiations" this spring, a March 2019 USA Today report advises homeowners.



## How did top agents' most recent sales contract conclude?



When you get an offer on your house, there's still a long road to closing ahead. The good news is that the majority of transactions go off without a hitch:

Nearly 90% of top agents' most recent contracts settled on time.

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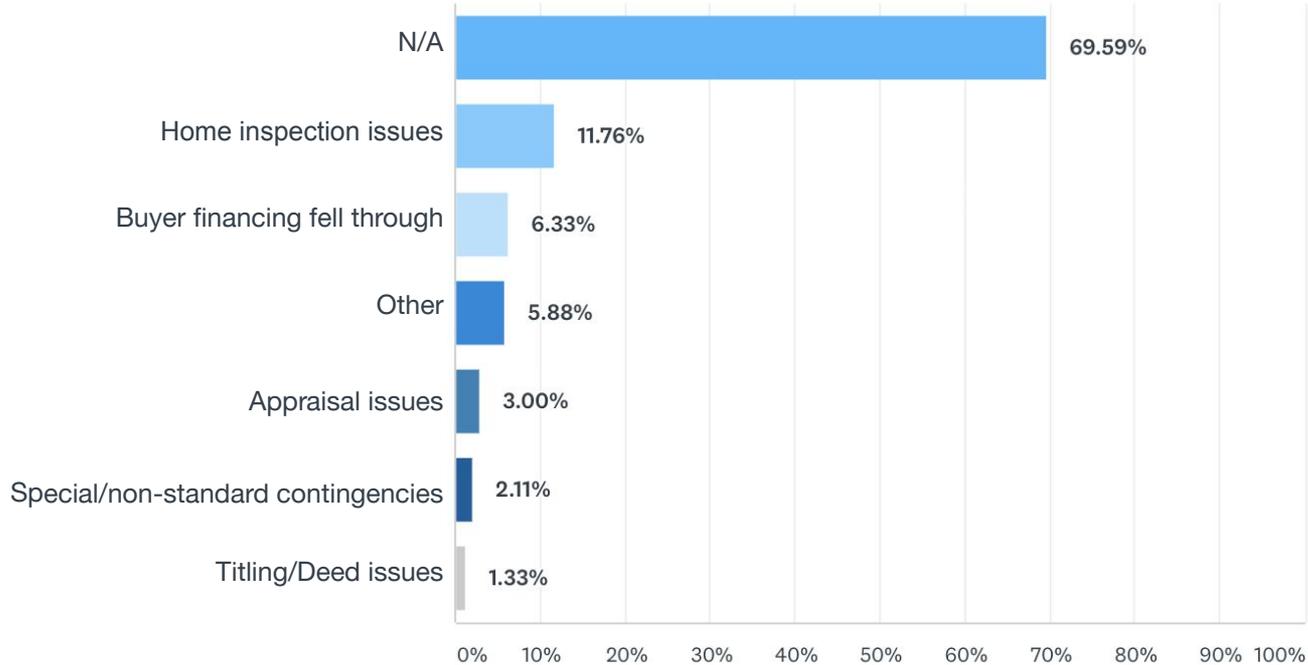
Just under 10% of contracts were delayed in closing, but eventually settled.

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Less than 2% of contracts were terminated.



# What was the primary cause for top real estate agents' most recent delays?



According to top agents, home inspection issues are the most common cause for settlement delays, followed by buyer financing problems, low appraisals, and title and deed issues.

Proper home maintenance and a pre-listing inspection are two ways to combat surprise repair requests stemming from the buyer's inspection.

Trust your agent's pricing strategy so that your home appraises and hire a closing attorney to clear up any title or deed issues if necessary.



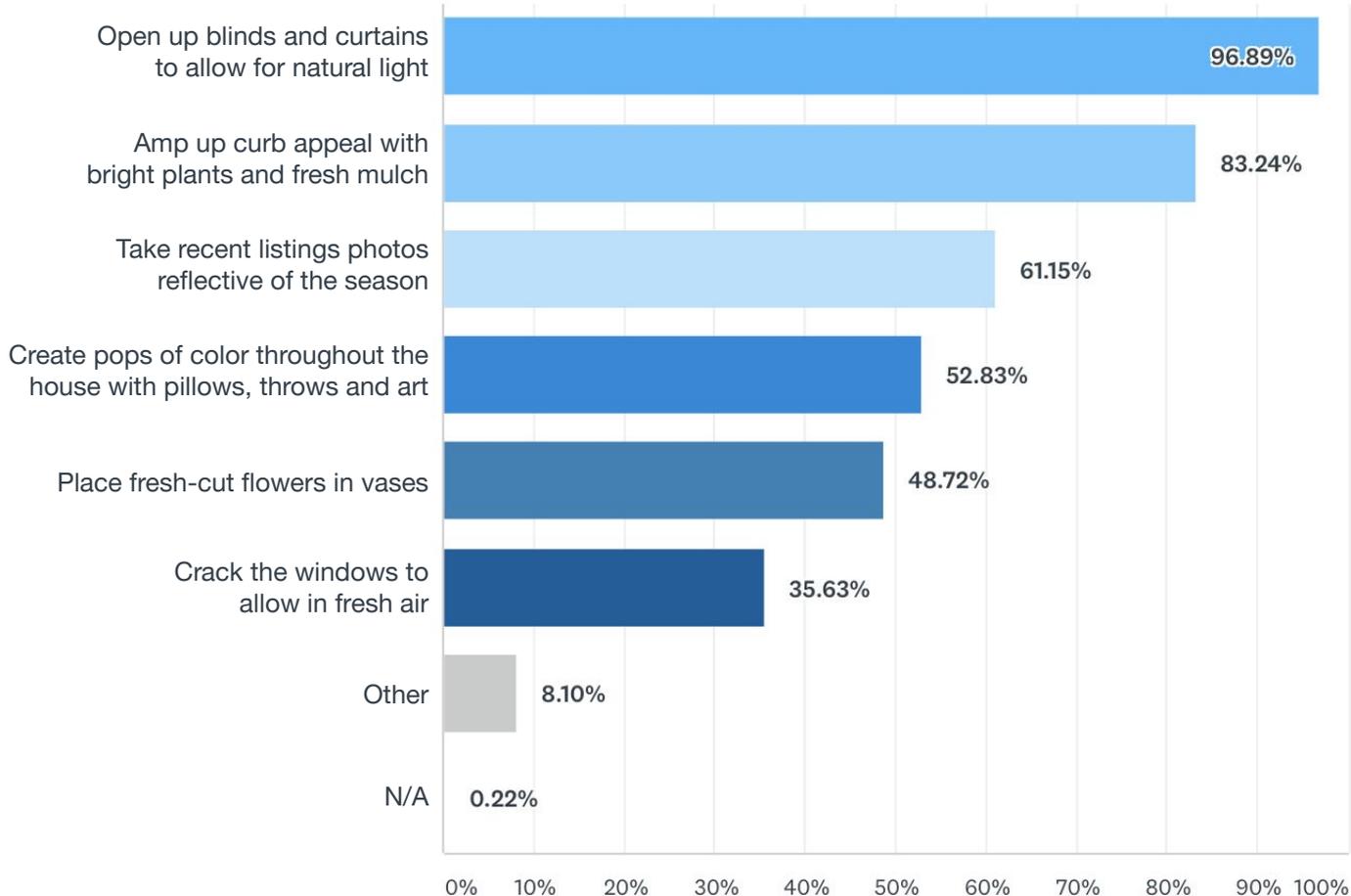
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## Spring into Home Prep

Get tips on seasonal home improvements that add value and attract buyers.



# Which spring house showing tips do you recommend?



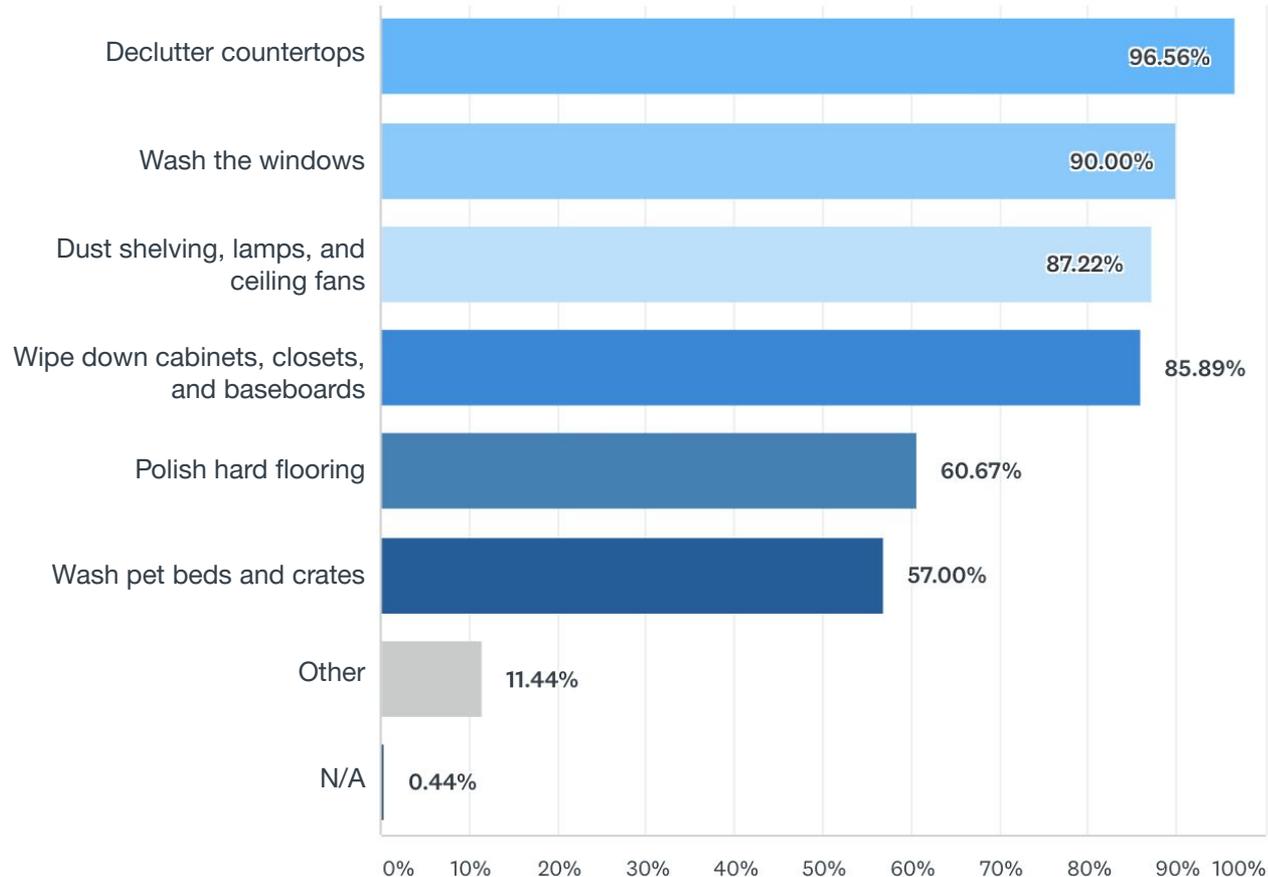
Spring is like wearing the color black: every property looks good in it! 'Tis the season to show your home in its best light.

Most top agents (97%) recommend sellers open up blinds and curtains to let natural light in when showing their house in the spring. No brainer!

Over 83% of top agents say sellers should add bright plants and fresh mulch to boost curb appeal. Pops of color, fresh flowers, and fresh air are also highly recommended.



# Which spring cleaning chores do you recommend to sellers?



The average American home contains [300,000 items](#). So if your kitchen has become one giant junk drawer and you've got mail cluttering every corner, you're not alone. But to sell your home, you have to at least give off the impression of organization.

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97% of top agents urge (beg, even!) sellers to declutter their countertops—it will create the illusion of more space.

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Also: Wash the windows, and and dust, dust, dust the bunnies away.



# What is the estimated added resale value of these common home renovation projects?

- ❑ Deep Clean (\$167 cost / \$1,728 increase / **935% ROI**)
- ❑ Declutter (\$486 cost / \$2,584 increase / **432% ROI**)
- ❑ New Wood Floors (\$4,338 cost / \$6,555 increase / **51% ROI**)
- ❑ Paint Home Exterior (\$2,803 cost / \$4,228 increase / **51% ROI**)
- ❑ Exterior Landscaping (\$3,240 cost / \$3,892 increase / **20% ROI**)
- ❑ Kitchen Upgrade (\$23,140 cost / \$23,122 increase / **-0.08% ROI**)
- ❑ Bathroom Upgrade (\$10,284 cost / \$10,180 increase / **-1.00% ROI**)

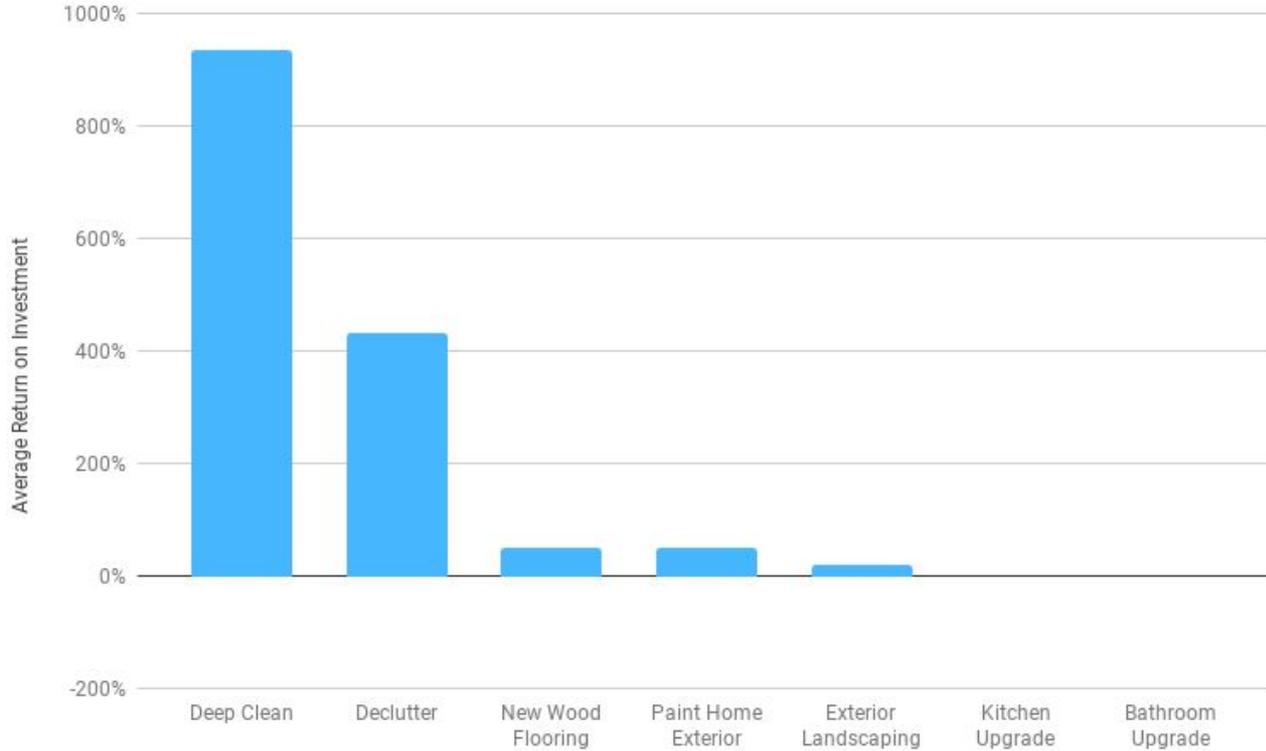
For each of the following home improvement projects, we provided respondents with an estimated average cost for completing that project based on data collected from HomeAdvisor.com.

We then asked respondents to provide **an estimate of the likely dollar value** they believed the project would add to a house at resale.

In comparing the average cost to top agent estimations, we then calculated the estimated ROI for each house project.



# Smaller projects like decluttering and deep cleaning are the most cost-effective



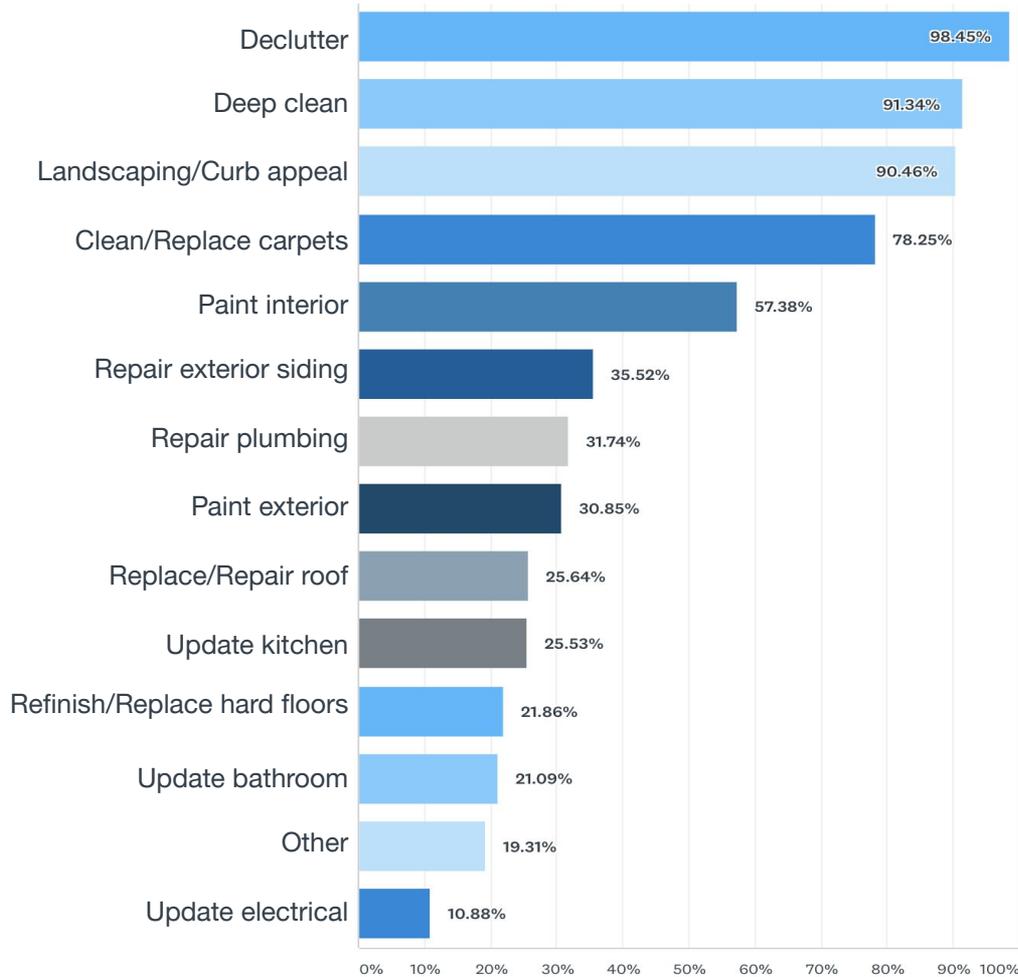
Cleaning and decluttering no doubt help your home show better, but top agents also say these simple tasks literally add to your bottom line. Pass them up and you'll leave thousands of dollars on the table.

Other than that? You might make money if you replace the floor or paint the outside of the house, depending on what your home needs.

Kitchen and bathroom upgrades are essentially a wash. There's a greater chance of losing money on these huge projects.



# Which home improvement projects should homeowners tackle before selling the house?



Again, of all the home projects you could do, the one you should tackle with gusto is the one you hate most: decluttering.

Once your stuff is put away, it'll be easier to deep clean like you're expecting royalty.

Top it off with some budget-friendly curb appeal: rake up leaves and debris, mow the lawn, and make sure your front entryway looks fresh.



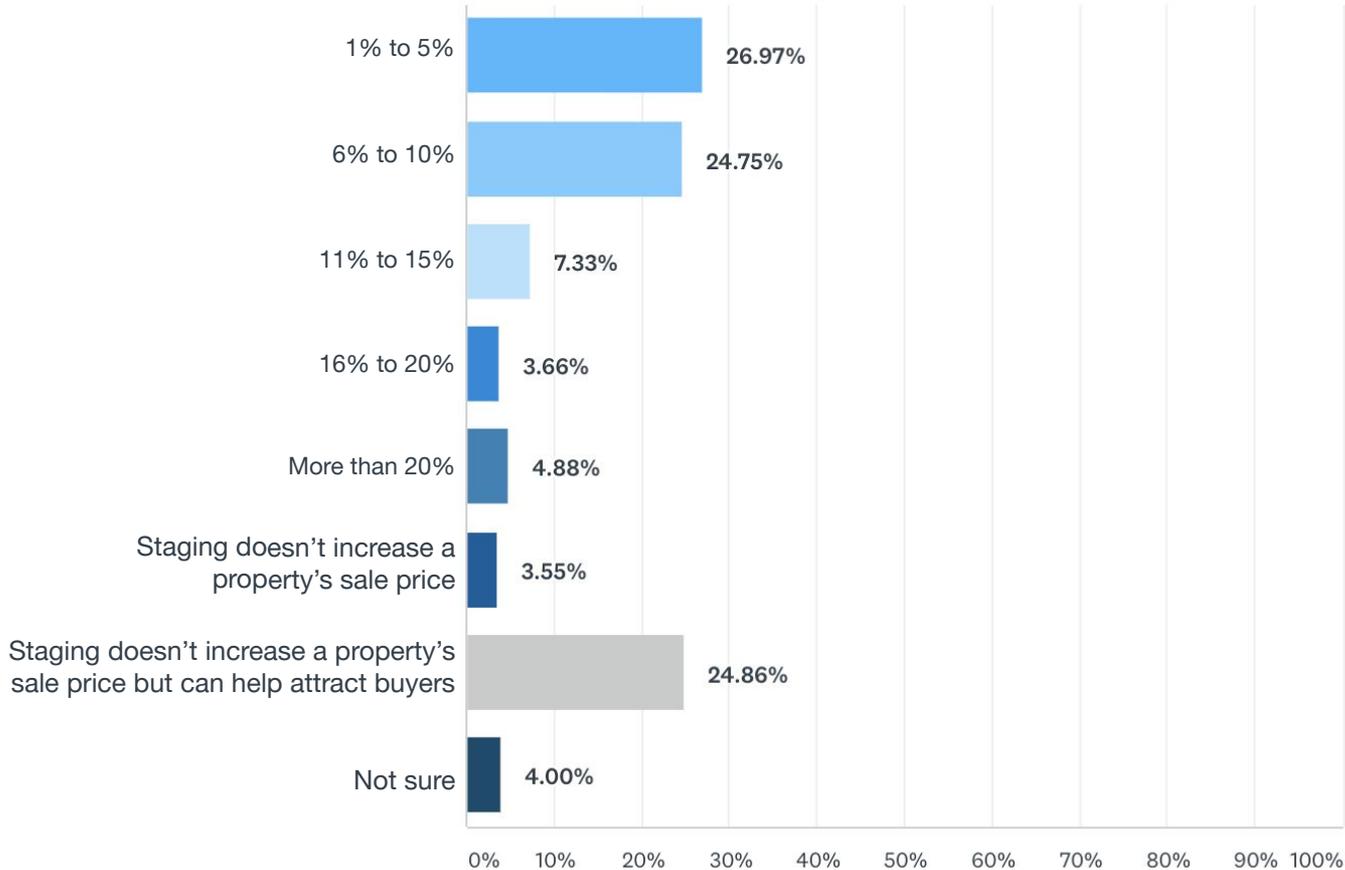
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## Set the Stage for Success

Maximize the benefits of home staging by targeting key rooms and setting your budget.



# How much does home staging increase a property's sale price on average?



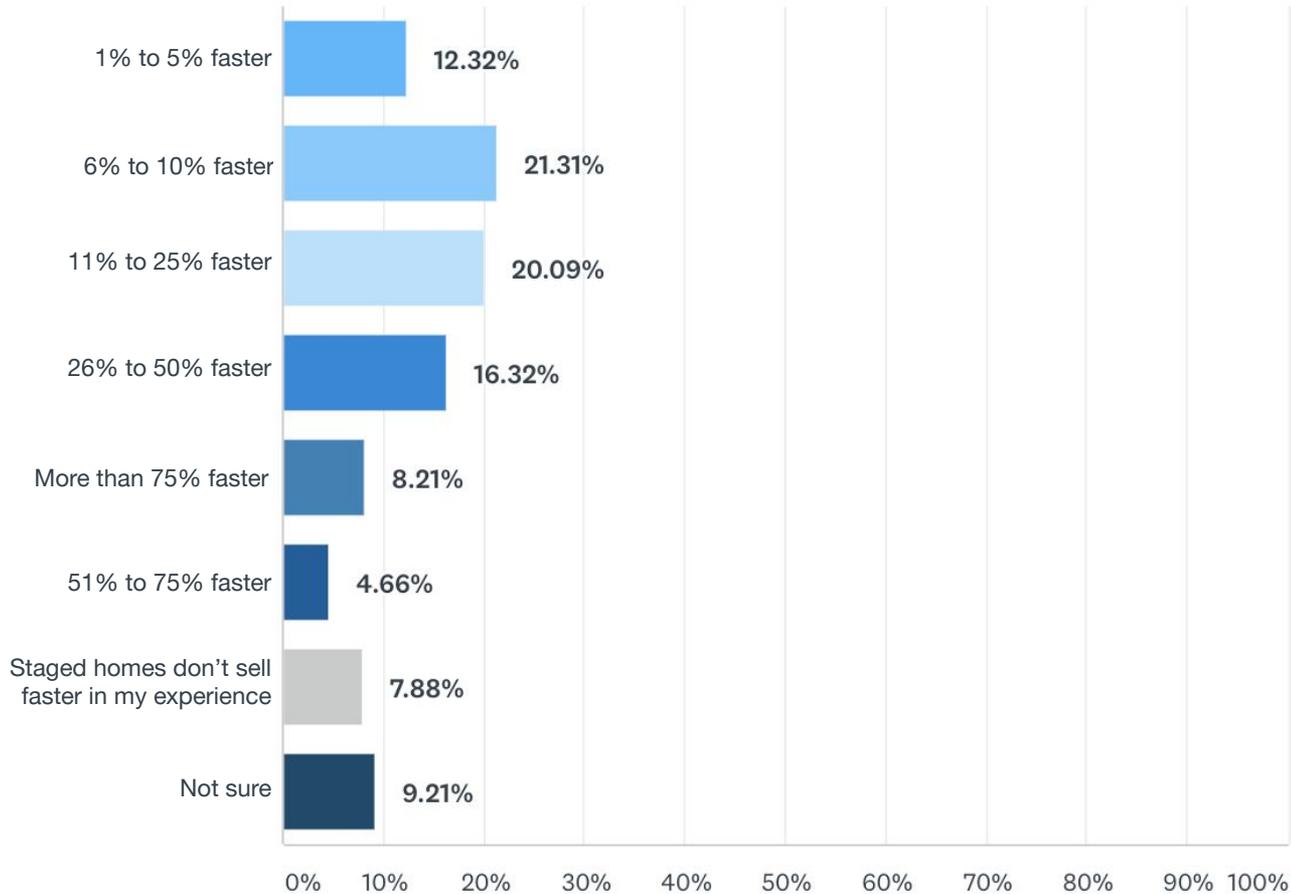
Virtually all top agents agree that **staging is beneficial**, with over 67% of agents saying **staging increases the sale price of a home** to some extent.

**25%** of top agents say that staging doesn't increase sale price but helps attract buyers.

According to the National Association of Realtors, 83% of buyer's agents said staging helps buyers visualize themselves in the home.



# How much faster do staged homes sell compared to unstaged properties?



Nearly 83% of top agents say that a **staged home will sell faster** than an unstaged home.

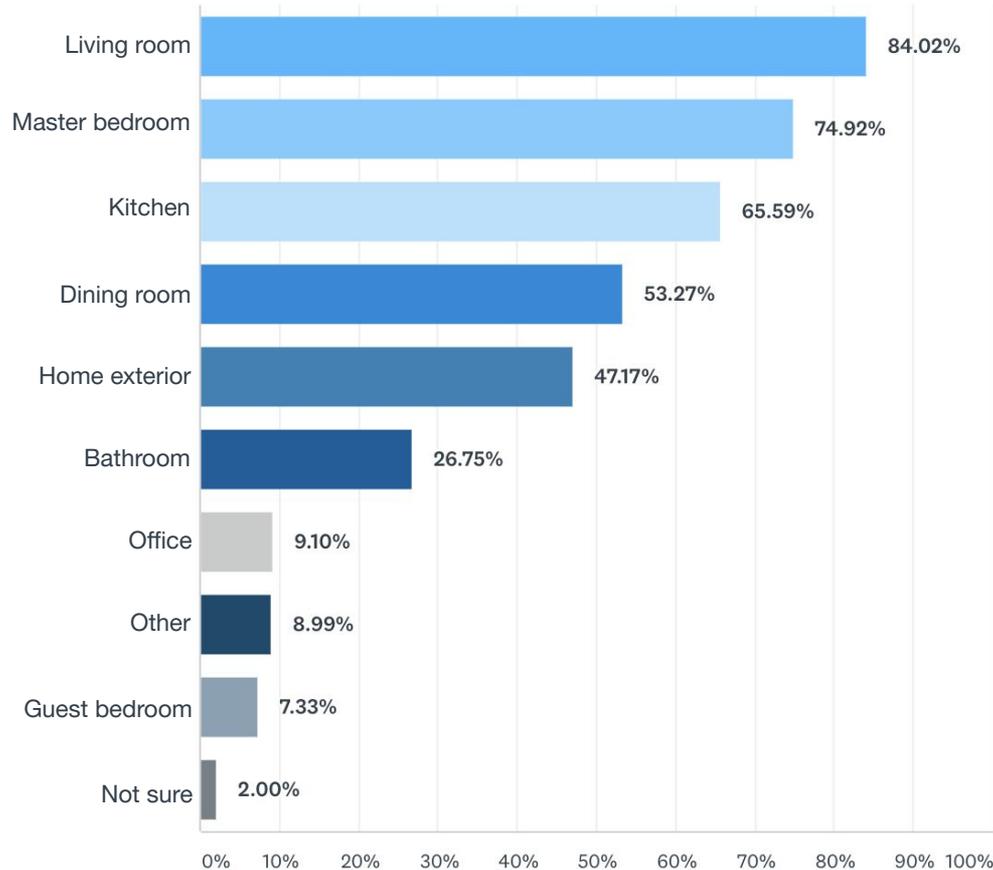
Over 21% of agents (the largest grouping) said staged homes sell 6% to 10% faster.

To put that in perspective, the average days on market (DOM) for homes was 49 days as of Jan. 2019, according to NAR.

On the typical home sale, then, staging could theoretically shave up to nearly a full workweek (anywhere from 3 to five days) from your DOM.



# What do you believe are the most important rooms for a seller to stage?

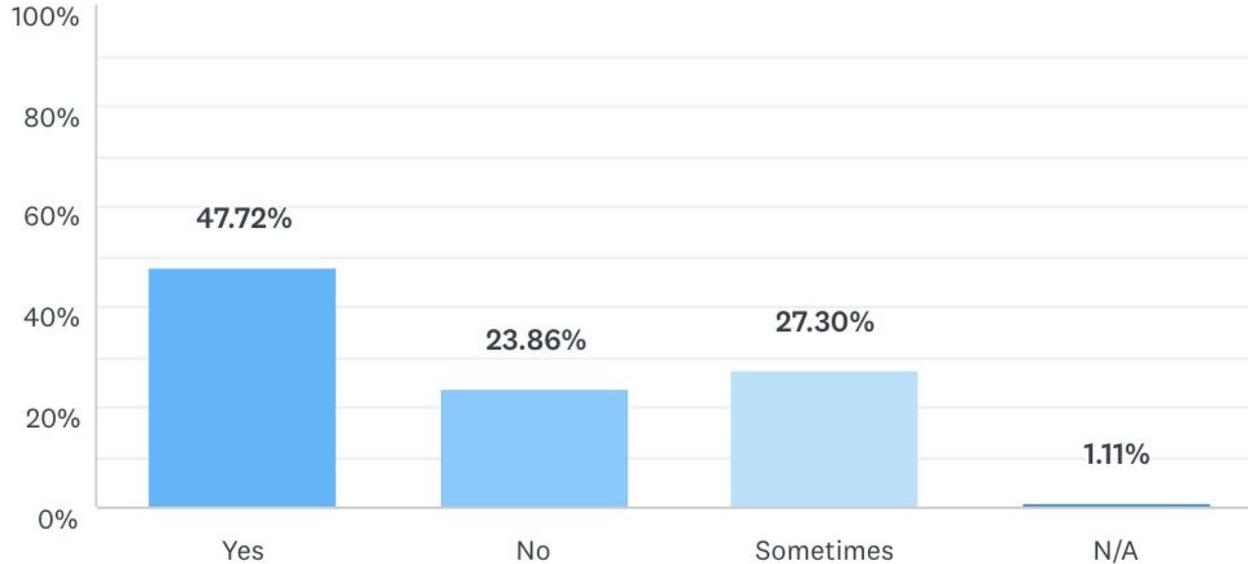


The top three most important rooms to stage are the **living room, the master bedroom, and the kitchen.**

If you're on a budget and decide to stage only a few rooms, stage the spaces where people spend the most time. Leave spare rooms up to the buyer's imagination.



## Do you provide your sellers with complimentary home staging services?

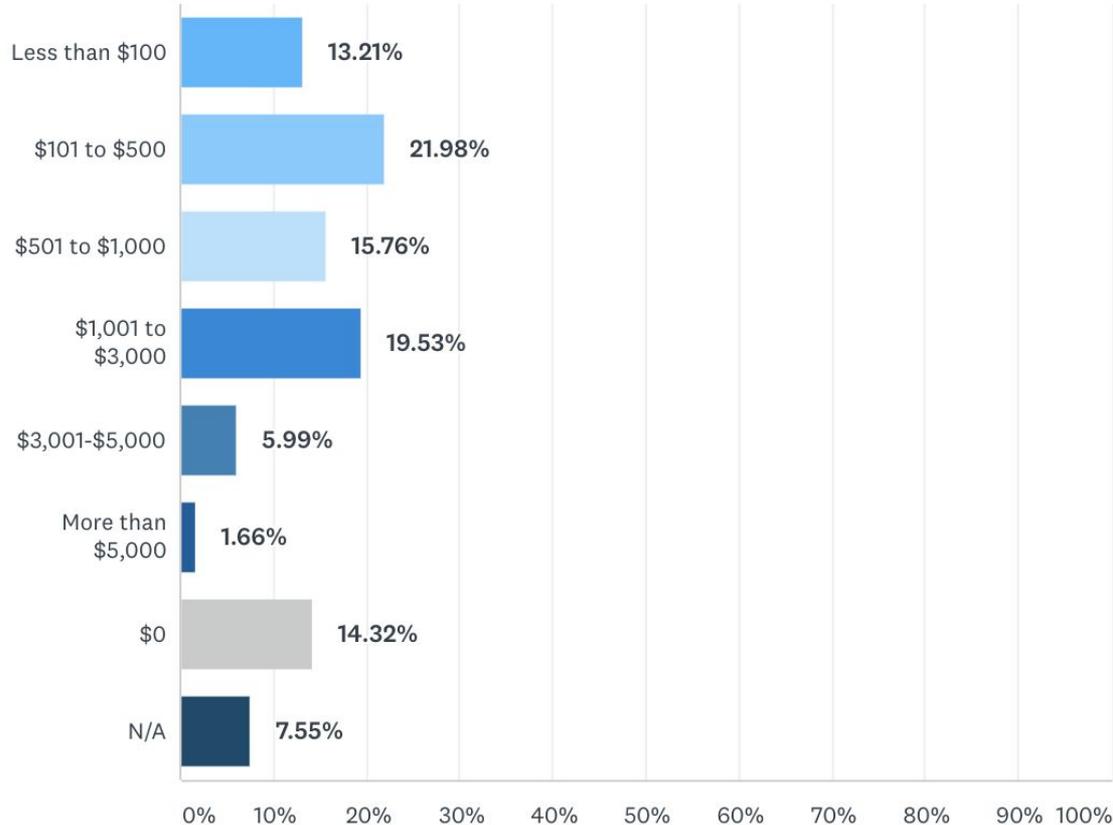


Over 75% of top agents have provided sellers with **complimentary home staging services**.

Ask your agent if they cover the costs of staging either with their own design skills and props or by partnering with a staging pro in the area.



# On average how much do your seller clients spend on home staging?



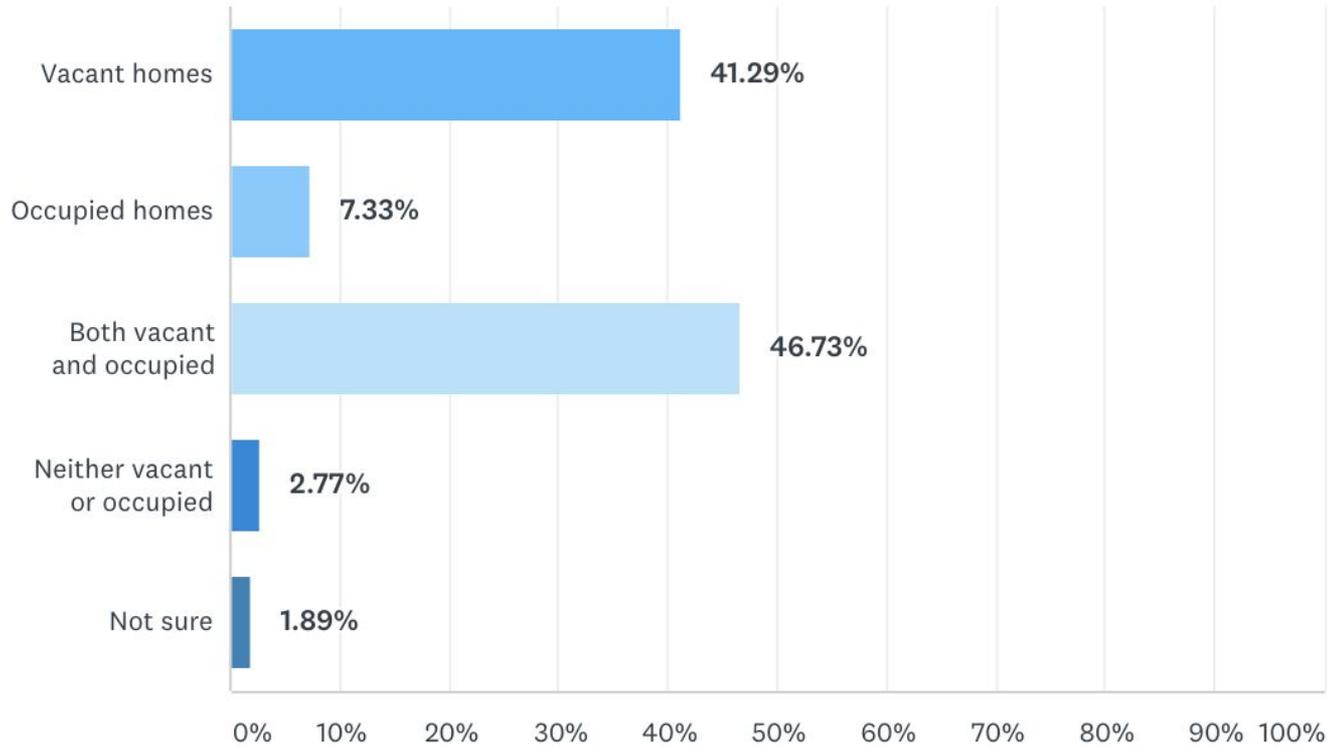
Home staging has a reputation for being pricey. Fixr.com puts the national average cost of the service between \$2,300-\$3,200.

But a few staging touches can go a long way.

50% of sellers who pay for home staging **spend less than \$1,000**—a small price to ultimately sell your house faster and for more money.



# What types of properties benefit the most from home staging?



Nearly 50% of agents say that staging is important for **both vacant and occupied properties.**

But vacant homes especially benefit from the life, color, and purpose home staging brings to a bare-bones property, say 41% of top agents in our survey.

Whether you're living in your house while selling it or miles away, talk to your agent about staging your home.



# Which paint colors have the widest buyer appeal?

**Winner!**



## Agreeable Gray by Sherwin-Williams

### Honorable Mentions:

1. Revere Pewter by Benjamin Moore
2. Accessible Beige by Sherwin-Williams
3. Repose Gray by Sherwin-Williams
4. Kilim Beige by Sherwin-Williams
5. Off White by Behr



Agreeable Gray was the landslide swatch of choice with 137 votes from top real estate agents.

Gray and beige are the go-to colors for interior wall paint, so Agreeable Gray is the perfect “greige” blend.

Other common swatches recommended by top agents include variations of beige, gray, and white by Benjamin Moore, Sherwin-Williams, and Behr.



# Methodology

Agents were selected to participate in HomeLight's Top Agent Insights Survey for Q1 2019 based on the same performance data HomeLight uses to identify top real estate agents across the country for hundreds of thousands of buyers and sellers.

Top performing agents were identified by comparing a number of metrics including average days on market, total number of sales, average sale to list price ratio, and other proprietary data points.

Agents identified by HomeLight as ranking in the top percentiles of their market were invited via email to take the survey.

Over 900 agents responded to complete the entire survey of 30 open ended and multiple choice questions. The questions spanned an array of topics relevant to people selling houses and the industry at large—including the state of the real estate market, spring home-selling tips, the impact of home staging, and home improvement project ROI at resale.



# About HomeLight

HomeLight empowers people to make smarter decisions when buying or selling a home. Through analyzing public and proprietary data on millions of transactions, HomeLight connects home buyers and sellers with the top local real estate agents who are likely to get them the best offer on their properties.

HomeLight's complementary Simple Sale™ marketplace, with over 100 pre-vetted iBuyers, lets home sellers and agents compare and request instant offers for homes. Simple Sale also gives agents a tool to refer clients to instant buyers, skipping the traditional listing process while earning the industry-leading commission on the sale.

Since launching in 2010, HomeLight has connected thousands of clients with top local real estate agents, investors and online resources. With offices in San Francisco, Seattle and Phoenix, HomeLight conducts business nationwide. HomeLight is backed by Zeev Ventures, Menlo Ventures, SGVC, Citi Ventures, Bullpen Capital, Crosslink Capital, Montage Ventures, GV, Innovation Endeavors and more. For more information, visit [www.homelight.com](http://www.homelight.com).

