



The Market Timing Playbook

Time of year factors: There are 5 things that drive the seasonal timing swings:

- 1. Taxes: There will be an increase of purchases in the early part of the year in the price ranges where tax returns factor into down money. This tends to be for entry level homes on the low end of the market.**
- 2. School Registration: A. People with school age children often try to put their homes on the market in time to settle right after school is out for summer so they don't have to move the kids while class is in session. These people tend to list in April and May. B. People who want to use the summer weather to prep the home and want to be into their next home before school starts back in. These people tend to list in June and July. There is a distinct lull in September because so much of the market is focused on "back to school" activities.**
- 3. Daylight Savings: When the clocks change in the fall we lose 5 of the 7 shopping days each week because it's dark when people come home for work. Sales tend to dip in time with daylight.**
- 4. Relocations: Many of the corporate relocations take place at the end of the year for tax purposes.**
- 5. Late holiday rush: There is a late rush in October for people who want to get into their next home before the end of year holidays.**

Time of Month factors:

- 1. Because settlement takes 30 to 45 days, look for most offers in the last 2 weeks of each month. People tend to**

try to get under contract in the second half of the month to reduce the amount of pre-paid interest they have to bring to the settlement table.

- 2. Because real estate agents and mortgage brokers are commissioned sales positions, they tend to push harder to get things to settle for the monthly numbers. This is another reason why late month tends to produce more offers.**

Day of week factors:

- 1. People tend to do most of their tours on weekends. Because it takes a few days to get a listing up online, it is best to list early in the week so there is time to get exposure before the weekend. Listing too late causes flat showings the first weekend and drives up days on market.**
- 2. Week day showings tend to be in the evening during dinner time. Consider a coming soon period for the first few weekdays and start showing on the weekend to avoid weekday disruptions.**

Financial Logistics:

- 1. Underwriting takes between 30 and 45 days. People tend to favor going under contract in the last week or so to avoid the higher down payment requirements. Look for offers in the last 2 weeks of the month.**
- 2. Home sale contingencies are tricky to time. To create options consider negotiating flexible settlement dates to avoid being “in between” houses.**
- 3. It typically takes 7 to 10 days to get a home under contract “once you hit the right price” and then it takes 30 to 45 days to close after that. Consider this when timing your move.**

Style of home factors:

- 1. Although it's certainly true that “anyone” could buy a home with “any number” of bedrooms, the larger 4 plus bedroom homes are especially attractive to people with school age children. These larger homes**

will often sell fastest during those early spring and summer periods when that buyer class is most active.

- 2. Small/affordable homes don't really have a seasonality. Because (with the exception of school deadlines) the “trigger events” that drive moves tend to happen year round. Small/affordable homes tend to always be in demand with “some” ebb and flow caused by the daylight savings factor previously mentioned.**
- 3. Ranch style homes tend to move well all year round because such a large portion of the population find 1 floor living desirable.**