



JOHNSON COUNTY

Home Seller's Guide

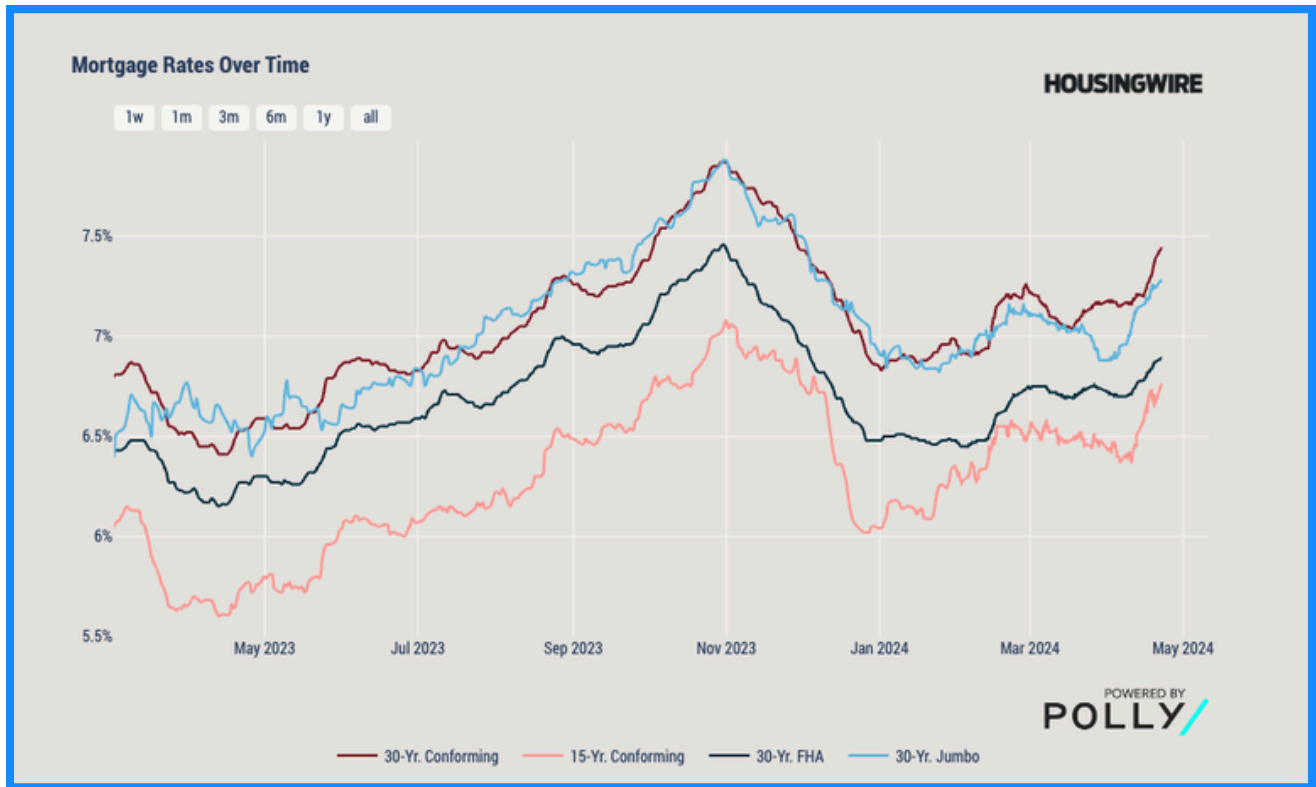
- SUMMER 2024 -

- Sell Now Or Wait Until Rates Drop?
- How To Maximize Your Home's Sales Price
- What To Expect In Today's Real Estate Market



Weichert
REALTORS
Welch & Company

The Market Shift



Mortgage rates **were** projected to decrease this spring and summer...

Now, they're increasing and likely won't drop until the end of 2024. As a result, many home buyers in Johnson County are **on the fence**.

Some homes go pending in a matter of days, others linger for months with several price cuts.

While demand for homes in Johnson County remains strong, many buyers are waiting for mortgage rates to drop.

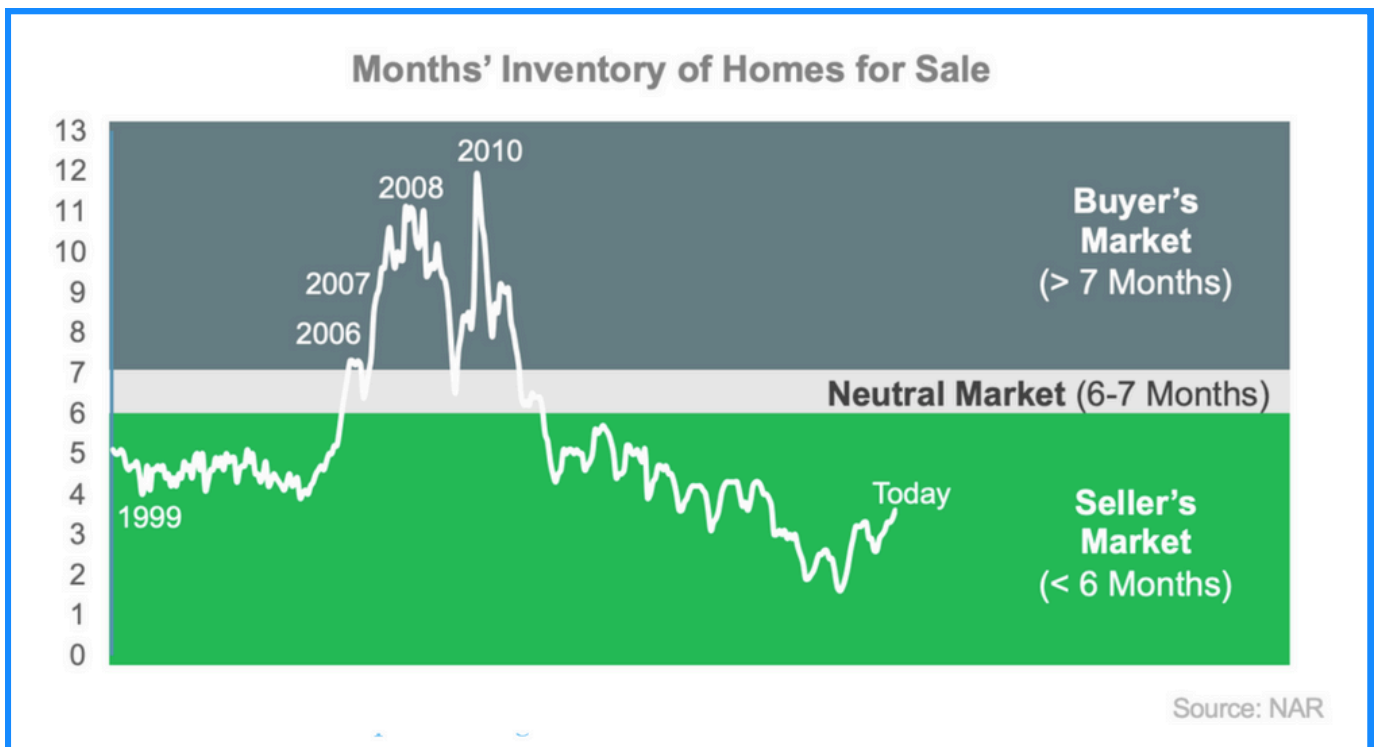
A large number would buy **if** the right property presented itself (more on that later).

#1 - Is Selling Now Worth It?

There's still a massive housing shortage in the Johnson County area.

Even though many buyers are on the sidelines, there are even more **actively searching for homes just like yours**. This is happening even as mortgage rates continue to inch higher and higher.

Here's a graph that illustrates the current levels of inventory:



As you can see, we are still in a **very strong seller's market**.

Even though mortgage rates are high and the market has cooled off slightly since 2021-2023, home prices in Johnson County are still growing.

Demand for homes in your area is strong. You can feel confident about selling your house in 2024 because...

#2 - How Fast Are Homes Selling?

Homes in Johnson County are still selling fast *and* for over the asking price...**but not in every price bracket.**

Here's data from all homes sold in March and April of this year:

<i>Sale Price</i>	<i>Days to Sell, Median</i>	<i>Close Price to Original Price Ratio</i>
\$0 - 200	14	87.0%
\$200 - 300	2	101.5%
\$300 - 400	2	103.1%
\$400 - 500	2	102.3%
\$500 - 600	2	102.1%
\$600 - 700	3	100.8%
\$700 - 800	9	98.3%
\$800 - 900	4	100.1%
\$900 - 1,000	10	98.9%
\$1,000 - 1,250	17	94.2%
\$1,250 - 1,500	83	91.6%
\$1,500+	10	151.8%

Homes prices between \$200,000 - \$600,000 are selling in a median of 2 days, while higher priced homes may take longer.

Verdict: This indicates that if your home is priced and marketed well, you can expect to go under contract in as little as a weekend or as much as a few weeks.

However, real estate is hyper-local and this can vary widely from one neighborhood to another. Which is why you might be wondering...

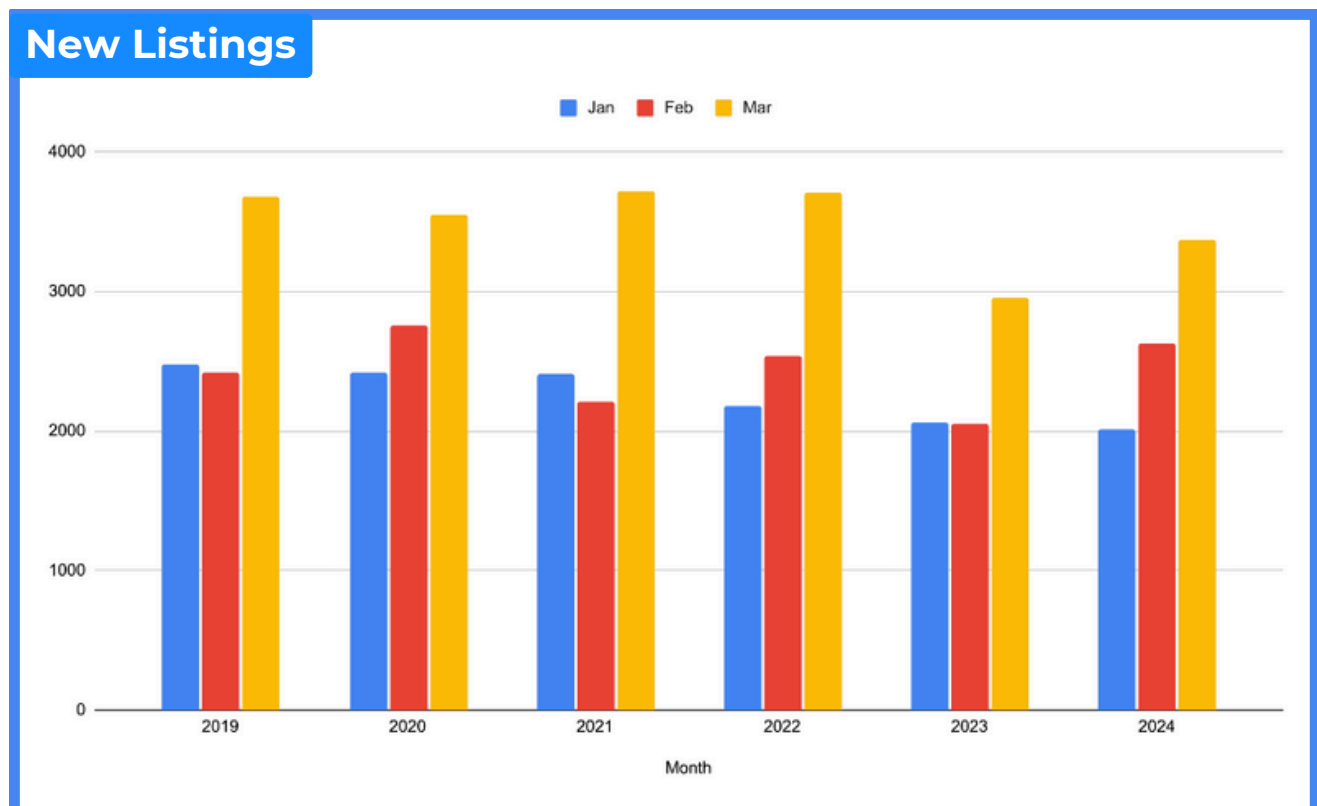
#3 - Should I Sell Now Or Wait?

If you're thinking about selling your current home in order to purchase a new one, it may be **more advantageous to act sooner rather than later**.

Many experts predict that once mortgage rates drop, droves of home buyers are going to jump into the market. More competition leads to higher prices and an even harder time finding your new home than what you'd experience right now.

In fact, the amount of homes in Johnson County is increasing compared to the last few years (see the graph below). That means **more opportunities and less competition while rates are still high**.

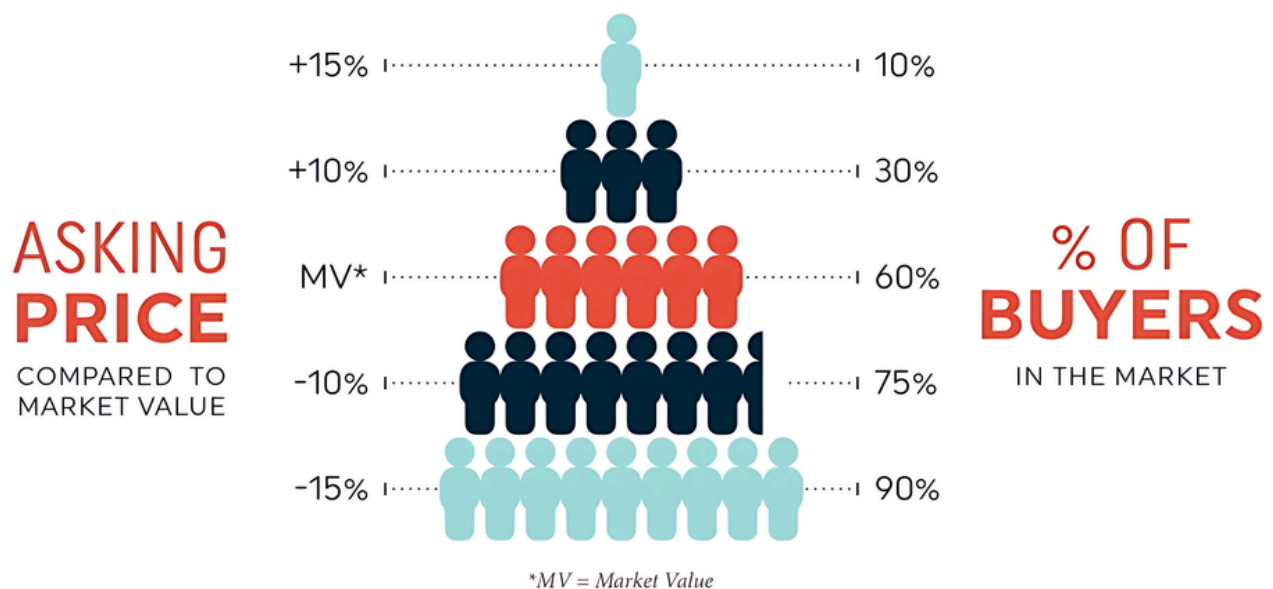
Many lenders are offering low-cost or no-cost refinances. That means you could lock in a lower price, deal with less competition, and a better rate once the dust settles.



Pricing Strategies

There are three pricing strategies you can use to price your house. Keep in mind that **list price is merely a marketing tool**, especially in this competitive market.

The goal is to use it to make your home stand out as the best value in the market. Below is a visual representation of how it works:



Strategy #1 - Bidding War

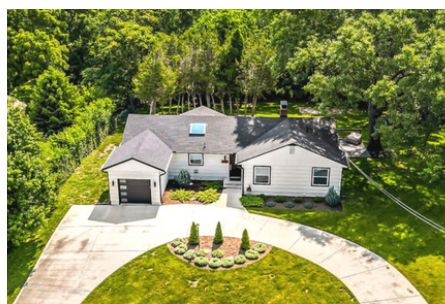
Everyone wants a good deal, especially when mortgage rates are over 7%. Pricing a house 5-10% below market value is the fastest way to create a bidding war because everyone wants to see it and showings are usually overlapping or back to back.

This creates a profound sense of urgency, generates multiple offers, and the price can escalate quickly (sometimes way more than you'd think)!

We used this strategy on the house pictured below. Every other home on the market and recent sale was around \$330,000.

Using the bidding war strategy, we listed it below market value and received SO many showings there was a traffic jam!

My clients accepted a final offer for \$381,001 and didn't have to worry about an inspection or an appraisal—all within 3 days.



5001 Lamar Avenue, Mission, KS 66202

MLS#: **2437275** Status: **Sold**

County: **Johnson, KS**

L Price: **\$324,500**
S Price: **\$381,001**

Residential

Area: **310 - N=Wy Co Ln;S=75th;E=State Ln;W=Switzer**



Sub: **Jessup 2nd Subd**

Bed: **3** Full Bath: **2**

Above Grade Fin: **1,248**

Below Grade Fin:

Lsz: **22,502 - Square Feet**

Lgl: **JESSUP'S 2ND SUBDIVISION BG 55' N SW CR LT 38 N 125' X E 180' MIC 4423**

FP: **Yes** RP: **No** CA: **Yes**

Maint Provided: Attached: **Yes**

Direction Faces: **West**

Type: **SINGLE**

Half Bth: **0**

Source: **Public Records**

Yr Blt: **1955**

Gar: **Yes**

Bsmt: **Yes**

CDOM: **2**

DOM: **2**

Total SF: **1,248**

Source:

Age: **51-75 Years**

Brk ID: **CHAR**

Agt ID: **413518666**

1 / 22



Strategy #2 - Market Value

This strategy involves pricing the property at $\pm 5\%$ of true market value. Sometimes under-pricing a property is too big of a risk.

What if there aren't enough active buyers to bid the price up to a profit you're happy with?

This is exactly what we did with the property pictured below. My clients had to relocate, sell earlier than expected, and needed to get a specific price in order to purchase their next home.

We identified the true value of their home, including the updates they had done, and landed at a list price of \$565,000.

We got about 21 total showings and after 7 days on the market, received 2 offers. Using one offer as leverage, **they sold for full price with the exact close date they needed.**

It's important to note, it will take a little longer to sell when pricing at fair market value compared to the bidding war strategy above.



1560 N Keeler Street, Olathe, KS 66061
MLS#: **2476954** Status: **Sold**
Residential
Area: **330 - N=I-435;S=135th;E=Pflumm;W=Moonlight Rd**

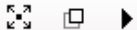
County: **Johnson, KS**

L Price: **\$565,000**
S Price: **\$565,000**



Sub: **Woods of Mahaffie** Type: **SINGLE** CDOM: **7**
Bed: **4** Full Bath: **4** Half Bth: **1** DOM: **7**
Above Grade Fin: **2,504** Source: **Public Records** Total SF: **3,104**
Below Grade Fin: **600** Source: **Owner** Source: **11-15 Years**
Lsz: **13,328 - Square Feet** Yr Blt: **2013**
Lgl: **WOODS OF MAHAFFIE LT 12 OLC 165 7A 12**
FP: **Yes** RP: **Yes** CA: **Yes** Gar: **Yes** Brk ID: **GWA01**
Maint Provided: **No** Attached: **Yes** Bsmt: **Yes** Agt ID: **413518666**
Direction Faces:

1 / 39



The staging definitely helped on this one! Along with the beautiful drone shots and interior photos.

Strategy #3 - Pricing High

Have you ever seen a property sit on the market far longer than all the others?

Maybe they've dropped the price a few times, maybe they're holding strong. Either way, it's because only the smallest section of buyers in the market are willing to look past that higher price.

The result is fewer showings, a longer time on market, lower offers, low-ball offers, and usually selling for a lower price than strategy #1 or strategy #2.

In the end, there's far more to lose than to gain, especially when you'll get fewer eyeballs on the property in the beginning.

I hope you found this guide helpful! If so, we have plenty more resources for you:

- [Access the our full guide on preparing your house to sell for a premium.](#)
- [Set up a quick phone call and make all of this specific to you.](#)
- [Get the target sales price for your current property.](#)



Nick Massa

816-591-5340

nick@nickmassagroup.com

Visit: kcsuburbs.com