

“Did You Know?”

from Ken LeMay

35 Plus Years of Experience

Your Source for Real Estate Information

Homeowners: Your Home Must Be Sold TWICE

September 2017



Follow us on Facebook

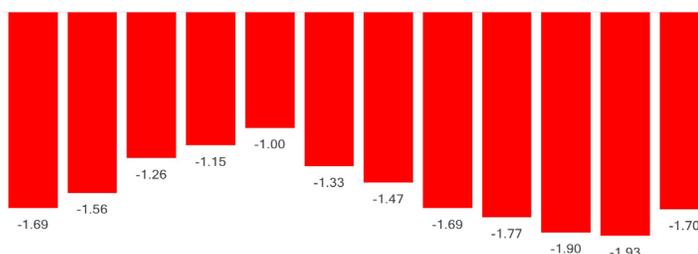
Get more tips, news, information or to sign-up for our newsletters at www.kenlemaysteam.com



Ken LeMay's
T E A M

Kitsap Peninsula Associates RE PPM
A Division of Associates Referrals, Inc.

Appraiser Home Value Opinions Compared to Homeowner Estimates



Last 12 Months

Month	Percentage Difference
Aug	-1.69
Sep	-1.56
Oct	-1.26
Nov	-1.15
Dec	-1.00
Jan	-1.33
Feb	-1.47
Mar	-1.69
Apr	-1.77
May	-1.90
Jun	-1.93
Jul	-1.70

Quicken Loans

In today's housing market, where supply is very low and demand is very high, home values are increasing rapidly. Many experts are projecting that home values could appreciate by another 5%+ over the next twelve months. One major challenge in such a market is the bank appraisal.

If prices are surging, it is difficult for appraisers to find adequate, comparable sales (similar houses in the neighborhood that recently closed) to defend the selling price when performing the appraisal for the bank.

Every month in their *Home Price Perception Index (HPPI)*, Quicken Loans measures the disparity between what a homeowner who is seeking to refinance their home believes their house is worth, as compared to an appraiser's evaluation of that same home.

Bill Banfield, VP of Capital Markets at Quicken Loans urges anyone looking to buy or sell in today's market to remember the impact of this challenge

"While a 1 or 2 percent difference in home value opinions may not seem like a lot, it could be enough to derail a mortgage."

A homeowner [or a buyer] could be forced to bring more cash to closing in order to make a mortgage work if the appraisal is lower than expected. On the other hand, if an appraisal comes in higher, they could be surprised with more equity than they had planned. Either way, if owners are aware of their local markets it will lead to smoother mortgage transactions."

Every house on the market must be sold twice; once to a prospective buyer and then to the bank (through the bank's appraisal). With escalating prices, the second sale might be even more difficult than the first. If you are planning on entering the housing market this year, meet with an experienced professional who can guide you through this and any other obstacle that may arise.

—Need More Information,
Call Ken, 360.509.7800