

What to Expect in 2021

Overall Market

1. Repeat of 2019 and 2020
 - a. Low Inventory and Competitive Sales
2. Lack of homes for sale
 - a. Tough Listing Appointments
 - b. Houses don't sell themselves
3. Expect lots of Multiple offer situations for buyers
 - a. Class online at MyPhilly.House/Courses!
4. Market
 - a. Suburbs are going to be in extremely high demand
 - i. 2020 showed a flight from the City and that will continue through all of 2021
 - b. Condo buildings in the city are going to continue to struggle through 2021
 - c. Areas of the city with outdoor space will be in high demand
 - i. Manayunk / Roxborough
 - ii. East Falls
 - iii. Fox Chase and the North East
 - d. Sub \$300,000 houses will be in very high demand
 - e. Houses in the \$550,000 - \$800,000 will have the highest demand
 - f. White Collar Jobs survived and are going strong. Low end workers are the hardest hit with COVID.
 - g. If we see an increase in foreclosures, it will likely be in investment properties (where rent wasn't paid to the owner) and in blue collar neighborhoods.
 - h. There could be a large increase in listings once forbearance comes to an end.
 - i. Forbearance will likely not lead to foreclosures
 - ii. I just sold a house with forbearance, but the market is so strong, they still walked away ahead.
 - iii. Strong likelihood the government will step in to alter forbearance from the current setup, where all payments are due in a balloon, to extending those mortgages on the backend.
 - i. Homes will continue to appreciate in value
 - i. I expect homes to appreciate at a slower rate than 2020, but still continue to rise.
 - ii. Expect a 3%-5% increase in home prices over 2020 sales
5. It's going to be a long year
 - a. COVID isn't going away
 - i. The worst is here, now
 - ii. Business has changed... but it is not 100% virtual and isn't going to be
 - b. Interest rates will likely start to rise by the end of the year
 - c. Prepare for ebbs and flows of business
6. Systems will be EXTREMELY important this year
 - a. When busy, the systems in place will help you stay on top of everything

- b. Used our TC and rely on them to help you with the process
 - c. Compass Conveyancing is AWESOME
 - d. Set up a consistent weekly prospecting system
- 7. Be sure to spend at least 4 hours a week prospecting
 - a. If you don't have that many people in your pipeline use the time to think about how to build your pipeline
 - i. Instagram Advertising
 - ii. Professional networking
 - iii. Reaching out to people in your sphere
 - iv. Continuing education – Pick up a Realtor Designation and a specialty
 - v. Farm a neighborhood
 - vi. Join a social club
- 8. Don't ride the business Roller Coaster
 - a. Keep prospecting even when you're busy
 - b. Don't fall into the trap of working in your business and not on your business
- 9. Set High but achievable goals
 - a. Set up a Business Planning meeting with Colin and I
 - b. Complete the Business Plan
 - c. Raise your price point
- 10. More Competition
 - a. There are TONS of new agents
 - b. They are hungry and they want to work since other jobs are tight

Sellers

- 1. Listing Appointments are going to continue to become more competitive
 - a. Prove your value
 - b. Bring Colin or I if you need too
 - c. Use the MyPhilly.House Listing Presentation
 - d. Sell the "Listing Packet" mentioning it won me a listing 2 weeks ago
 - e. Push hard on digital marketing
- 2. Houses are going to sell themselves less in 2021 than they did in 2020
 - a. Buyer demand has been so high that even crappy homes have sold themselves, this will be changing
 - b. Do the legwork on listings
 - i. Always get Professional Photos
 - ii. Take room measurements
 - iii. 3-D tours on listings higher than \$300,000
 - iv. Staging is important, put money into it
 - v. Use Compass Private Exclusives... It works!
- 3. Compass Concierge should be a big part of your listing presentations
 - a. I charged 6.5% and took home 4% while giving 2.5%
 - b. It is really easy and it can go a long way selling a house
 - c. It should be really easy to win a listing with concierge

Buyers

1. Prepare your buyers for a busy market
2. Inventory is insanely low right now.
 - a. Look at Christine's weekly Manayunk report. Barely anything new to the market
3. When new inventory comes up, Buyers need to be ready to move
4. Use a good mortgage broker and have your clients already pre-approved
5. You will need to get creative with your buyers to get deals closed
6. Don't be pushy, buyer's will come to their own conclusion