



# Creating Urgency:

*How to Get Buyers and Sellers  
Off of the Fence*



**MIDDLETON**  
ELITE COACHING

# Today's Topics

- Refresher – the 5 Predictions
- Trends in Buyer Demand and Seller Supply
- How to Create *Healthy* Urgency
- The Five Signals to Watch
- Live Q&A

\*\* Sources for this session include NAR, Altos Research, and various news outlets. A full list of resources will be provided in the follow up notes. If you re-use these data, please cite appropriately – particularly for NAR data.



# The 5 Predictions (from our Sept 2023 session).

1. Transaction count has bottomed and will likely see modest gains in 2024.
2. Mortgage rates are near their peak and should remain in the 6-7% range for most of 2024.
3. Baby Boomers will continue to have an outsized impact on the market through cash purchases and migration.
4. Hold (rent) and move up will be the best strategy for your local sphere/past clients for their future wealth building.
5. In many parts of the country, inventory will remain a challenge for years.



# Trends in Buyer Demand

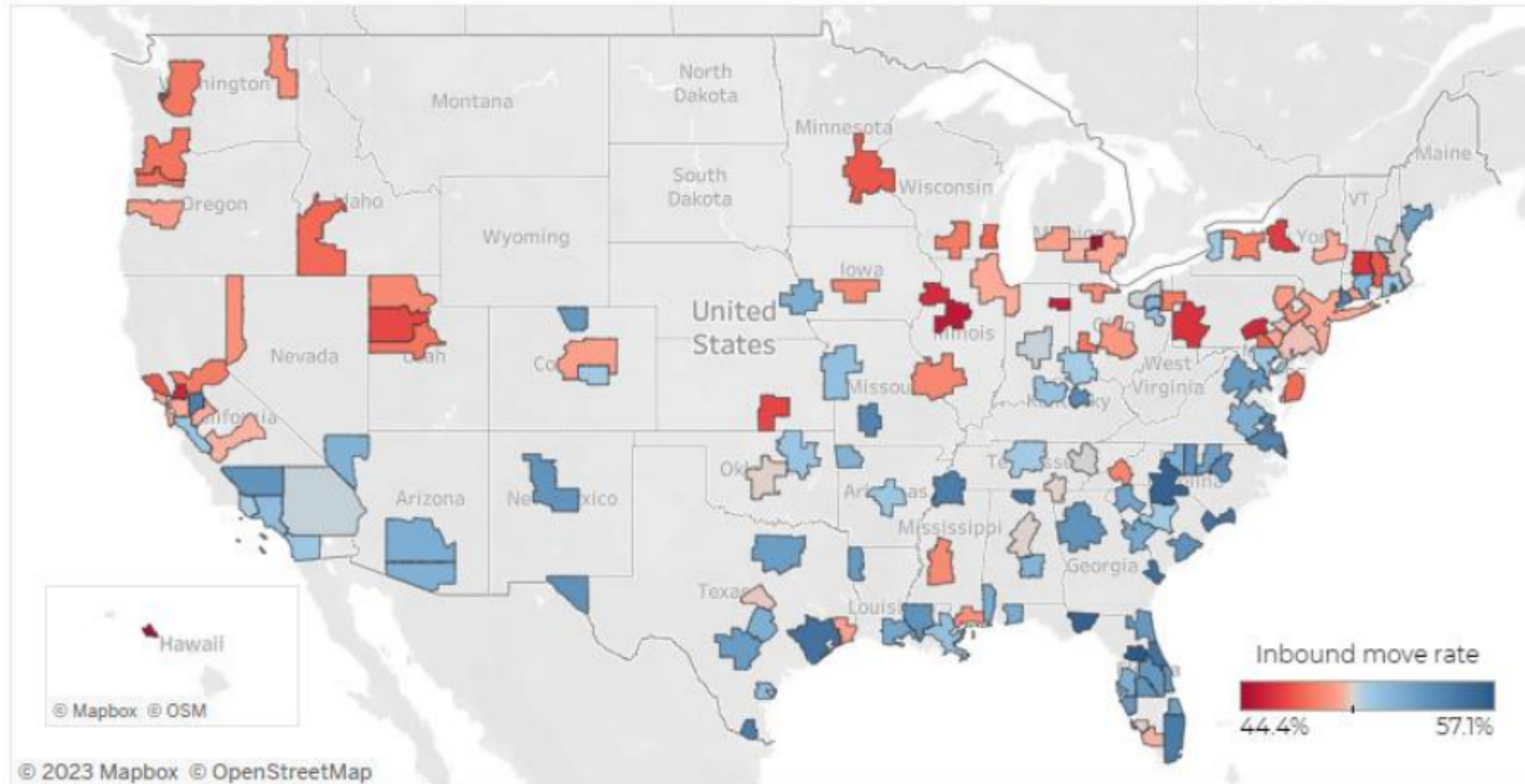
- 1** Net Migration
  - More people moving in or out?
  - Impact of jobs and economic development
- 2** Demographic Waves
  - Millennials & Baby Boomers
- 3** Monetary Policy
  - Interest Rates
  - Tax Incentives/Programs



# Inbound Move Rate in 2022

for areas with more than 150,000 households

Hover over the map to see the inbound move rates by ZIP code



Note: Inbound Move Rate=inbound moves / (inbound+outbound moves)  
Source: NAR analysis of USPS data

## Areas with the largest inbound move rates

- Ocala, FL **57.1%**
- Tallahassee, FL **56.6%**
- Charlotte, NC-SC **56.6%**
- Savannah, GA **55.8%**
- Houston, TX **55.7%**
- Deltona, FL **55.7%**
- Myrtle Beach, SC **55.6%**
- Huntsville, AL **55.4%**
- Miami, FL **55.2%**
- McAllen, TX **55.1%**



Domestic Net Migration 2022      Population Change 2022-2021

Florida	318,855	1.9%
Texas	230,961	1.6%
North Carolina	99,796	1.3%
South Carolina	84,030	1.7%
Tennessee	81,646	1.2%
Georgia	81,406	1.2%
Arizona	70,984	1.3%
Idaho	28,639	1.8%
Alabama	28,609	0.5%
Oklahoma	26,791	0.7%
Nevada	20,781	1.0%
Arkansas	18,209	0.6%
Montana	16,003	1.5%
Utah	12,898	1.2%
Delaware	11,826	1.4%
Maine	11,600	0.6%
Kentucky	10,420	0.1%
South Dakota	8,424	1.5%
Wisconsin	7,657	0.2%
New Hampshire	6,303	0.6%
Colorado	5,376	0.5%
Indiana	5,230	0.3%
Missouri	5,024	0.1%
Wyoming	2,152	0.3%
Vermont	1,141	0.0%
West Virginia	474	-0.6%
North Dakota	-2,710	0.2%

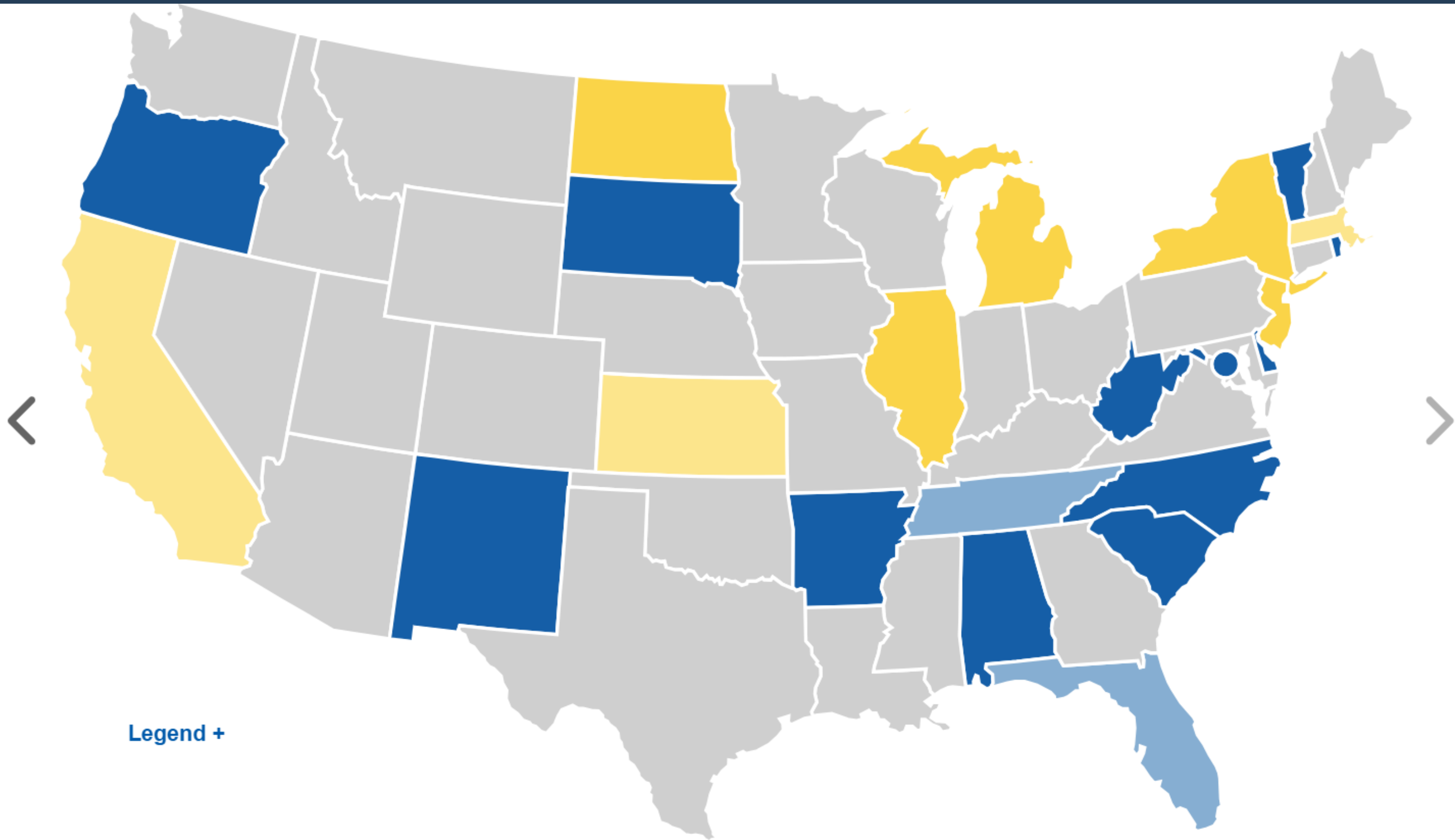
# U-Haul Migration Study

## **Inbound**

1. Texas
2. Florida
3. North Carolina
4. South Carolina
5. Tennessee
6. Idaho
7. Washington
8. Arizona
9. Colorado
10. Virginia

## **Outbound**

1. California
2. Massachusetts
3. Illinois
4. New Jersey
5. Michigan
6. Louisiana
7. Maryland
8. New York
9. Connecticut
10. Oklahoma



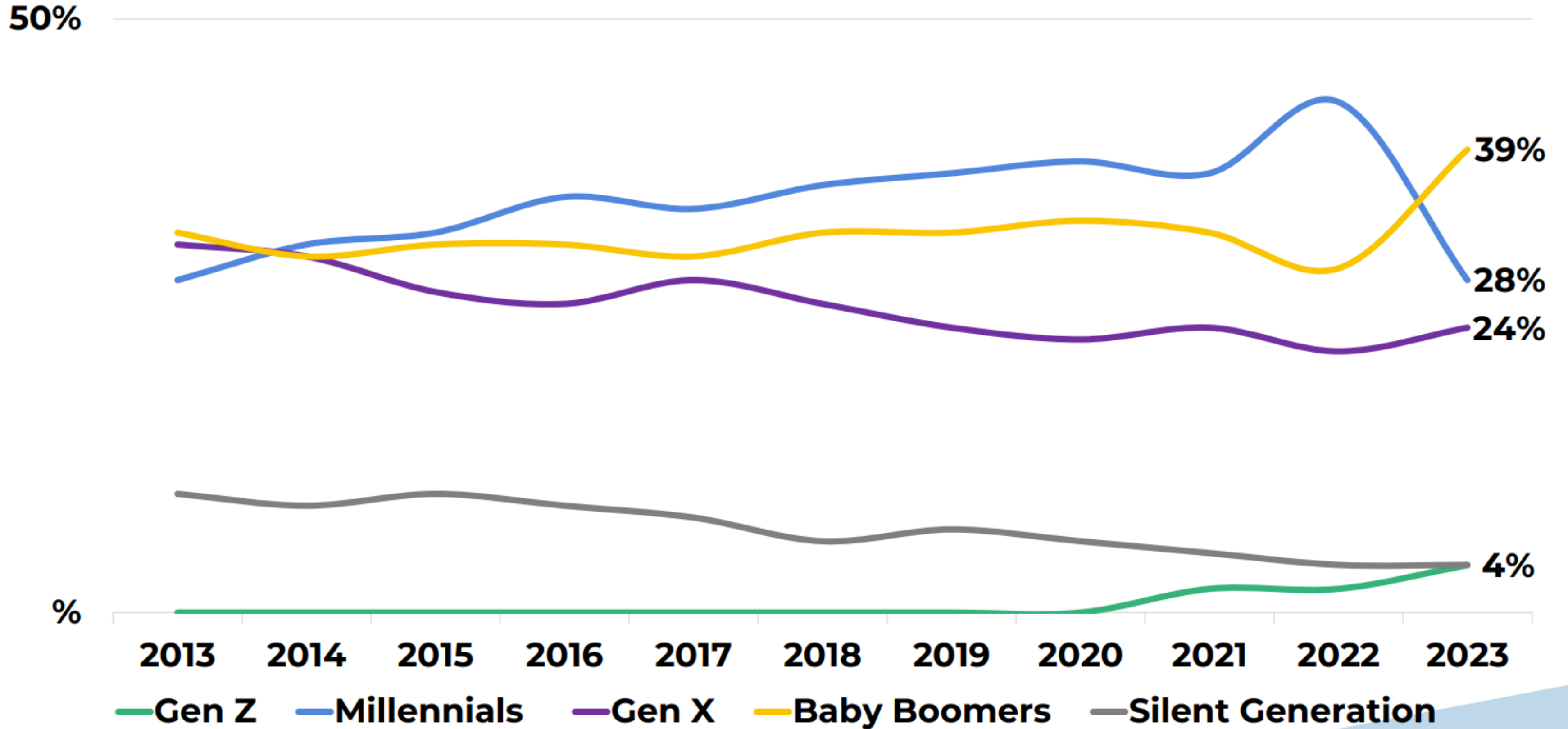
Legend +

Embed this Map

Data courtesy of United Van Lines Movers Study © 2024  
Demographic data only available for 2014 through present.



# Share of Home Buyers in Each Generation 2013-2023



**Observation:**

2024-01-11: **6.66**

(+ more)

Updated: Jan 11, 2024

**Units:**

Percent,  
Not Seasonally Adjusted

**Frequency:**

Weekly,  
Ending Thursday

1Y | 5Y | 10Y | Max

2023-01-11

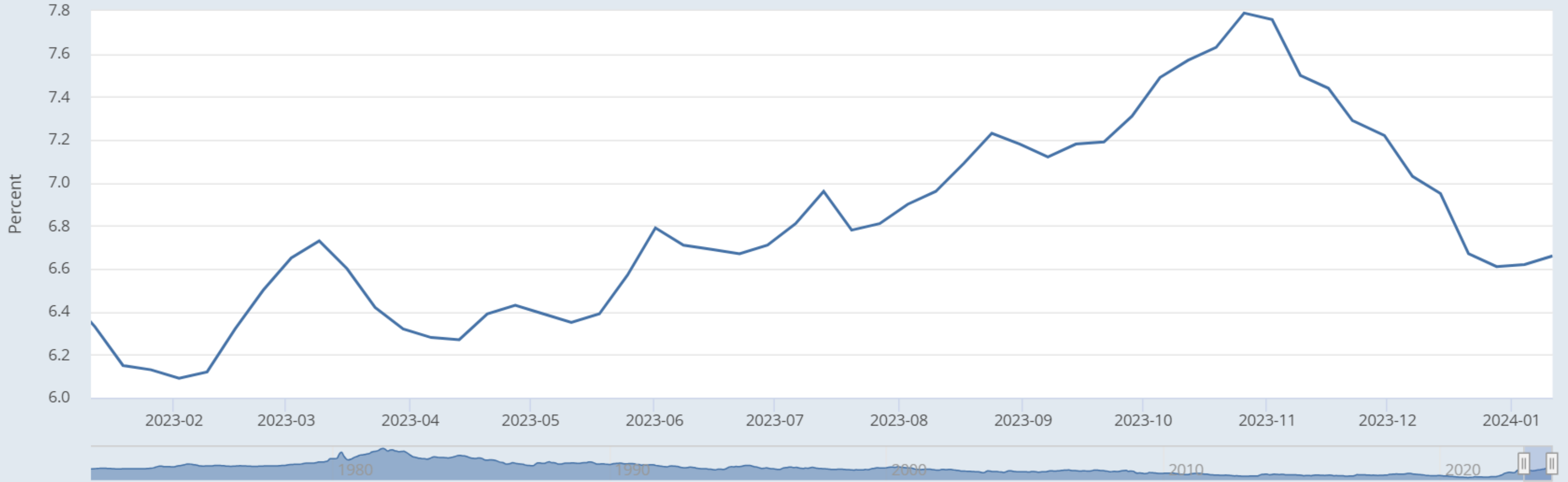
to

2024-01-11

EDIT GRAPH



— 30-Year Fixed Rate Mortgage Average in the United States



Shaded areas indicate U.S. recessions.

Source: Freddie Mac

fred.stlouisfed.org



# Interest Rate Forecasts for 2024:

6.0% – Moody's Analytics

6.1% – Mortgage Bankers Association

6.1% – Morningstar

6.3% – Goldman Sachs

6.3% – NAR

6.7% – Fannie Mae

6.9% – Morgan Stanley



# Interest Rates: an example

## \$500k loan amount

5.0%	-----	\$601 + 2,083
5.5%	-----	\$547 + 2,292
6.0%	-----	\$498 + 2,500
6.5%	-----	\$452 + 2,708
7.0%	-----	\$410 + 2,917
7.5%	-----	\$371 + 3,215

*People are being more reactive to the changes in rates than the absolute value of those changes.*

- **Mike Simonsen, Altos Research**



# Trends in Seller Supply



## Resale Homes

- Areas of Net Outbound Migration
- Currently 3.7 months of inventory per NAR



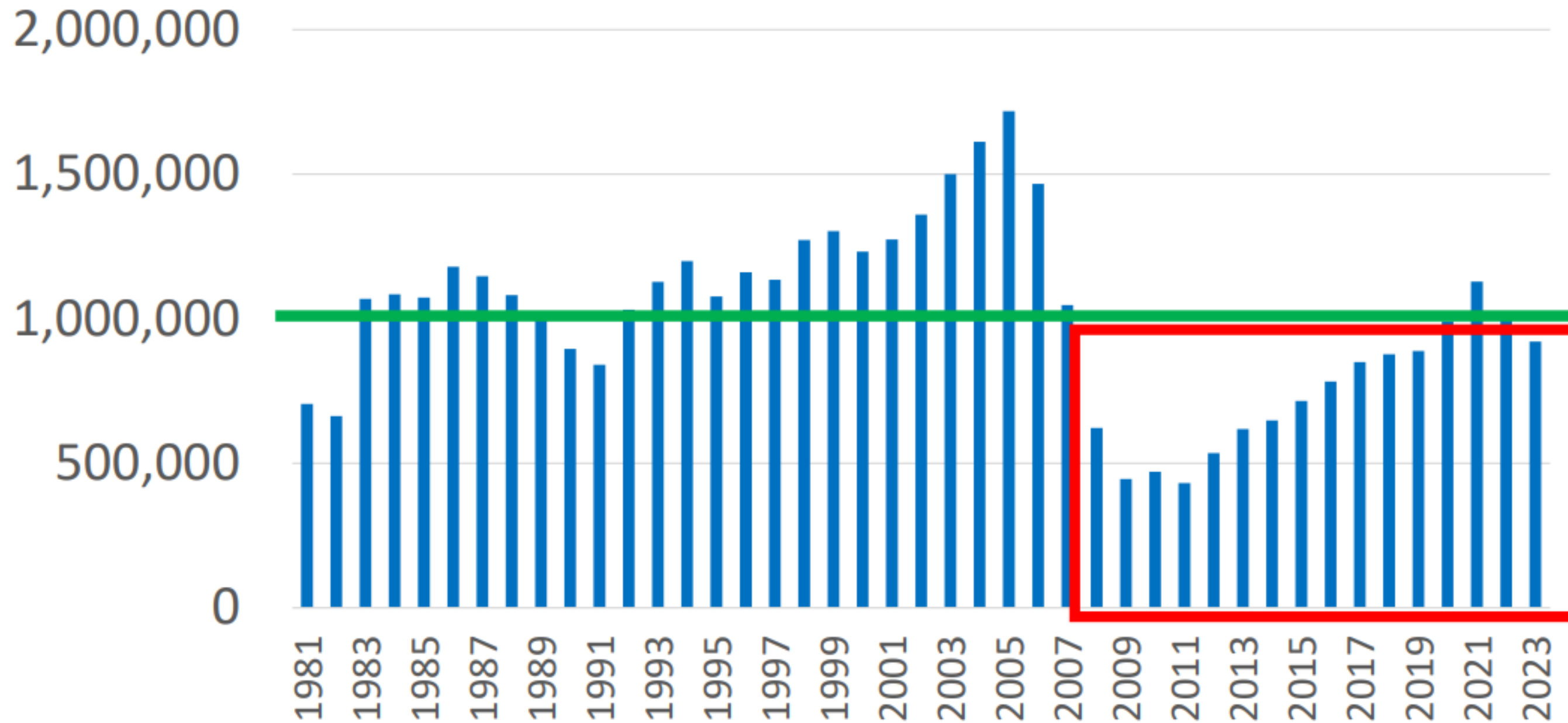
## New Construction

- Short Term Trends
  - NAHB predict housing starts down double digits in 2023, slowly recovering in 2024.
- Long Term Shortages



# Single-family Housing Starts

Trying to return to normal after a decade of underproduction



Source: NAR forecast and HUD

# Creating Healthy Urgency.

## The Four Phases of Emotional Decision Making

1. **Positive Present** – “everything is fine”
2. **Negative Present** – “maybe everything isn’t as good as I thought it was”
3. **Negative Future** – “I hadn’t thoughts of that... and I don’t like the sound of it.”
4. **Positive Future** – “that makes sense... I hadn’t thought of it that way. Let’s do it.”

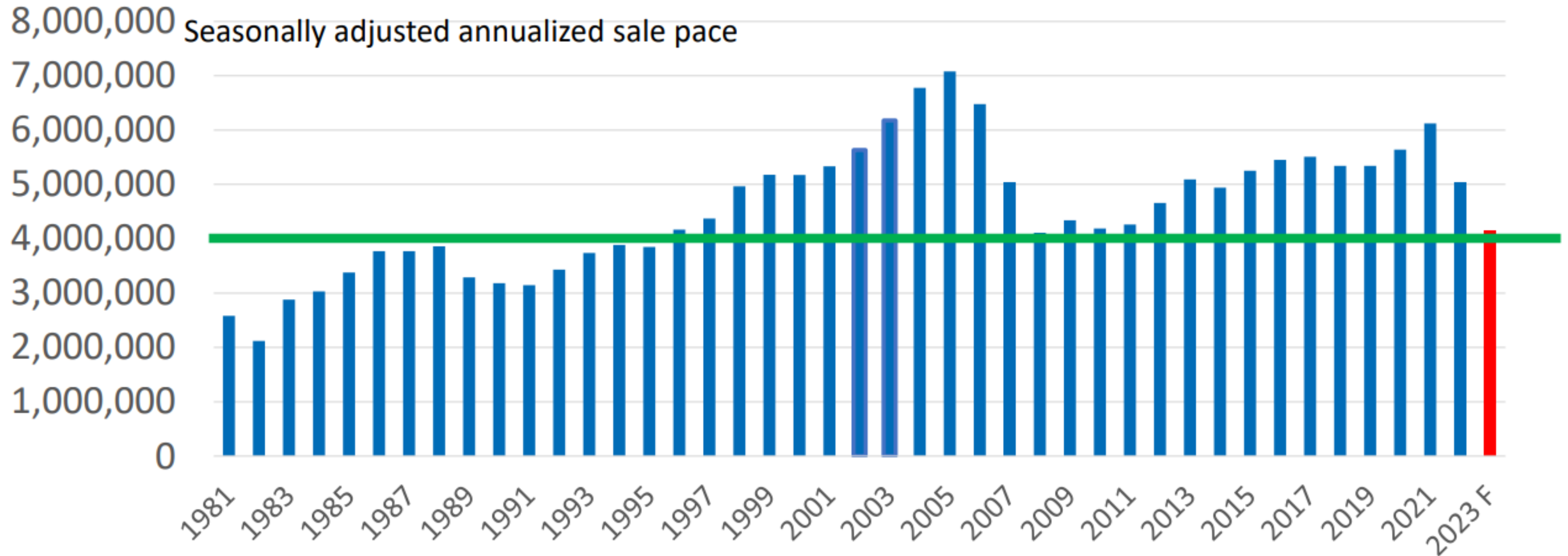


# Questions for Healthy Urgency.

- Are they clear about what they want?
- Am *I* clear about what they want?
- Are they capable of doing that?
- How motivated are they do do that? 1-10?
- What does \_\_\_\_\_ mean to them?
- What obstacles (real or imagined) are in the way of them doing that?
- What can I do to educate/problem solve/encourage them through those obstacles?
- \*The difference between telling them, showing them, and them telling themselves.



# Annual Existing-Home Sales: Likely 18% Decline, On track for the worst year since 2008 or since 1995



Source: NAR

# Local Market Update – November 2023

A RESEARCH TOOL PROVIDED BY TRIANGLE MLS



## Wake County

**+ 3.1%**

Change in  
New Listings

**- 9.7%**

Change in  
Closed Sales

**- 2.1%**

Change in  
Median Sales Price

### November

### Year to Date

	2022	2023	+ / -	2022	2023	+ / -
New Listings	1,102	<b>1,136</b>	+ 3.1%	20,655	<b>16,703</b>	- 19.1%
Closed Sales	1,294	<b>1,168</b>	- 9.7%	17,538	<b>14,647</b>	- 16.5%
Median Sales Price*	\$470,000	<b>\$459,990</b>	- 2.1%	\$470,290	<b>\$473,000</b>	+ 0.6%
Average Sales Price*	\$539,162	<b>\$568,046</b>	+ 5.4%	\$542,486	<b>\$557,834</b>	+ 2.8%
Total Dollar Volume (in millions)*	\$697.7	<b>\$662.9</b>	- 5.0%	\$9,513.0	<b>\$8,168.9</b>	- 14.1%
Percent of Original List Price Received*	96.1%	<b>98.1%</b>	+ 2.1%	102.5%	<b>98.1%</b>	- 4.3%
Percent of List Price Received*	98.5%	<b>99.2%</b>	+ 0.7%	103.1%	<b>99.6%</b>	- 3.4%
Days on Market Until Sale**	29	<b>24</b>	- 17.2%	13	<b>25</b>	+ 92.3%
Housing Affordability Index	63	<b>60</b>	- 4.8%	63	<b>59</b>	- 6.3%
Inventory of Homes for Sale	2,889	<b>2,328</b>	- 19.4%	--	--	--
Months Supply of Inventory	1.9	<b>1.8</b>	- 5.3%	--	--	--

\* Does not account for seller concessions. | \*\* Resale properties only. | Activity for one month can sometimes look extreme due to small sample size.

# The 5 Signals to Watch

1. Migration - in, out, magnitude?
2. Demographic Waves - changes in behavior patterns, specifically of Millennials and Boomers
3. Monetary Policy - specifically, changes in rates
4. Resale inventory trends - seasonality (relative to buyer demand)
5. New construction inventory trends - what are builders doing and is it enough?



# LIVE Q & A

To learn more about our upcoming group coaching programs and in-person training events, visit:

[middletonelitecoaching.com](https://middletonelitecoaching.com)

