

Dig Out the Mittens - December Offers the Best Home Buying Bargains

By: Jann Swanson | Mbn, Nov 30 2020, 11:12 AM

While this COVID-19 positive year has certainly been an exception, **spring is usually considered the optimum time**, on both sides of the transaction, to buy or sell a home. A new study, by ATTOM Data Solutions, indicates that one side of the equation could be losing money. Indeed, the company says, "Buyers willing to close in December and January avoid prices well above market value."

The company looked at any calendar day over the period of 2013 to 2019 where there were 10,000 single-family or condo transactions and found 362 days that matched that criteria with the exceptions being all holidays - January 1, July 4, November 11, and December 25. They then compared the median sales prices of homes that closed on that day with the automated valuation model (AVM) for those same homes at the time of sale. There were more than 27 million single-family home and condo sales included in the seven-year analysis.

According to ATTOM, **buyers who close on December 4th or January 26th** will get the best deal and pay exactly market value for a property, as opposed to above market value in an extremely competitive market that has seen prices rapidly moving higher.

The best day was December 4. The close to 90,000 homes that sold on that day had a median sales price of \$202,000, precisely the median AVM. The same ratio was true for January 26, with the median of \$185,000 only \$64 more than the median, still a 0 percent premium. The other two "best days" were December 6 and December 26, both of which had sales prices only 0.5 percent higher than the AVM.

December was considered the best month to buy on a national basis, with a 1.5 percent premium over AVM for the entire month, but **November wasn't bad either**. The premium for the month was 2.0 percent and two days, November 2 and November 19 also had 0.5 percent premiums. The January premium was 2.5 percent and by February the spring market appears to be looming. The premium that month was 3.4 percent. The month of June had the highest premium at 6.9 percent.

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