

Agents gear up for a turbulent 2023 housing market

From continuing education to increased advertising spend and fine tuning their businesses, agents are changing their strategies to better suit the needs of current housing market

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The housing market looks a lot different than it did [just 12 months ago](#) in cities and metropolitan areas across the country, and agents and brokers have had to adapt.

“If anyone thinks they are going to [sell real estate in '23](#) like they did in '20, '21 or early '22, they aren't going to make it,” Nick Bailey, the president of **RE/MAX** said.

As of December 18, 2022, the nationwide median for days on market was 70 days, up from 49 days a year ago. The share of homes with price decreases jumped from 26% a year prior to 41% this year, and the Altos Research Market Action Index score fell from a 90-day average of 54.86 to 40.09, [according to data](#) from **Altos Research**.

In addition, [mortgage rates](#) are currently hovering around 6.3% compared to 3.28% a year ago, and **Redfin** reports that [the bidding war rate](#) on offers written by its agents is 44.6%, down 22.7 percentage points from a year ago. It's a tough housing market, and experts don't think it will improve much in the first half of 2023.

“The uniqueness of the COVID market and what it took to be successful in that market, those skills probably aren't going to mean as much going forward,” [Ken Johnson](#), a real estate professor at **Florida Atlantic University** and a former agent, said. “We are going into a cycle where it is very difficult to sell property.”

“All of these things that we kind of took a little for granted we are going back to. We are going back to marketing spans of 60, 120, 180 days. If I am going to take a listing forward, I've got to be good at marketing my property through the MLS and marketing it to other brokers,” Johnson continued. “We are going to see more heavily negotiated sales agreements, whereas before everything was sold as is for really high cash prices with no contingencies. Agents on both sides of the transaction are going to develop or dust off those skills, as they haven't really been used for a few years.”

Or, as Keller Williams' Marc King told **RealTrends** [in June](#): “Right now, we are leaving a speed-based market and entering into a skill-based market.”

For Bryce Schuenke, a [top-producing Re/MAX agent](#) in the Minneapolis-Saint Paul metro area and member of **The Minnesota Real Estate Team**, this has meant spending more time being an educational resource for his clients.

“During this time it will be super important to maintain your prospecting — making phone calls to current and past clients, checking in to see how they are doing and asking any questions they have about the market or inflation, and just calm any fears they might have,” Schuenke said.

Schuenke also noted that it is now more important than ever to set realistic expectations with sellers.

“In the last couple of years, I think people got used to the idea that a home would sell in a day or two, or maybe within a few hours, but that isn’t the case anymore. So it is really important to let clients know what they can expect prior to entering the market and making it clear that marketing is now key,” he said.

Out in the Pasadena metro area, Tracy Do, a local Coldwell Banker agent and leader of the Tracy Do Team, is also increasing her marketing efforts.

“With prices leveling and demand decreasing, we are being mindful of our overall operating budget, but still increasing our advertising dollars,” Do said. “We are doing a lot of social media advertising and then **Google** ads as well and increasing the budgets on those campaigns — and then also making sure our print campaigns are also effective.”

Alison Elder, a top-producing Lake Tahoe-based Berkshire Hathaway Homeservices Drysdale Properties agent, is working on better targeted campaigns.

“We are spending a ton of time reaching into our database and designing and launching advertising that is pertinent as we work to better touch our sphere,” Elder said.

In addition to refining her digital marketing campaigns, Elder said she is using some of the “down time” afforded by the slower market conditions to organize her business.

“It is a good time really for any agent to take a look at their local market and set reasonable goals,” Elder said. “We are setting schedules for seasonal launches, working on better integrating with Berkshire (she moved her operation to BHHS earlier this month), developing our advertising budget, and evaluating all of the programs we have launched and what we are paying for. Are there any wasteful dollars? We are budgeting a profitable business at 20% less than this year.”

In addition to retooling their business plans, many top agents are working on furthering their real estate education through coaching and continuing education courses.

“I think no matter what profession someone is in, even if they have been doing it a long time, I don’t think you can have enough education,” Schuenke said. “Continuously figuring out and learning different things is important to staying on top of the game. Personally, I take as many classes as I can. I have a master’s degree from before I got into real estate, so education has always been a cornerstone of how I started and how I continue to conduct my business. Anytime you can grab a class that is relevant for today’s marketplace, do it.”

While agents know they will most likely never see a housing market like 2021 or early 2022 again, they are grateful that the market shift has provided them with an opportunity to catch their breath.

“I have checked in with everyone on my team about the market forecast for 2023, and after the last couple of years where the work has been so intense, everybody is kind of happy to have a little bit of downtime,” Do said. “If that downtime extends too long, that will be another story, but for now, no one is concerned.”

Scott Michaels, who works in the formerly white-hot city of Austin, Texas, shares a similar sentiment.

“I’ve never experienced anything like what we did from the middle of 2020 through March of 2022 and I wasn’t alone. Realtors all over were saying the same thing,” the **Compass** agent said. “You just did what you could to keep yourself healthy and sane.”

Michaels said the housing market slowdown has freed up time to work on parts of his business that got neglected during the height of the pandemic housing market.

“Farming your area, keeping in contact with past clients, the slowdown has allowed us to refocus on those things that are vital to keep our business thriving into the future,” Michaels said.