



## THE LAST WORD

# Tracy Ashfield

# Pay Attention to Homebuying Changes



By Tracy Ashfield  
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This issue of the magazine highlighted many of the ways we are seeing the mortgage lending industry evolve. Articles have delved into remote online notarization, automation/technology, digital mortgages in general, eClosings, appraisals, data intelligence, and more. All of them are looking at the many changes taking place.

I won't attempt to predict the future, but when I consider what might be ahead, I look closely at how the homebuying process itself is changing.

After all, nobody wants a mortgage—they want a home; the mortgage is simply the means to that end.

So let's consider what is changing about the way homes are being purchased. Much like the pandemic was the motivator for a swift adoption of e-signatures, e-notes and the e-vault, the shortage of available homes is prompting an array of new startups.

More than one entrepreneur has capitalized on the impact of having a protracted seller's market. How, you ask? Well, here's what we know:

- Many houses are receiving multiple offers.
- Buyers are bidding over the asking price, waiving contingencies—even giving up the right to an inspection—just to try to be the winning bidder.

- Even more of an advantage is being given to cash buyers.

Along with a shortage of homes to satisfy a boatload of buyers, these bidding wars have made the current housing market red hot.



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### NEW ROAD TO DREAM HOME

So if you happen to be a buyer in Colorado, you might want to consider looking into Accept Inc. The company will offer to buy the house of your dreams and pay cash up front. In doing so, they are taking your dream home off the market and holding it in “reserve” while you arrange for financing.


Naturally, the company will

approve you before they snatch up the dream house for you, but it might be worthwhile to check it out, especially if you are one of those homebuyers that has already lost out on a few dream homes in this seller's market.

Accept Inc. isn't alone; other companies with similar business models include Flyhomes and Ribbon. And there likely will be more joining them in the current market. No, I don't see this trend changing, not with so many investors looking for the next new shiny idea.

### EXPECT MORE DISRUPTION

OK, what else in the housing market is changing? One thing that stands out for me is that the tradition real estate agent model is also seeing disruption. Do you remember when the only alternative was “For Sale by Owner”? Now we have business models like Open Door and UpNest.

Bottom line for credit unions in the mortgage business: Everything about buying, selling and financing a home is changing, and we need to pay attention. 

*Tracy Ashfield is the President of ACUMA. She also speaks at industry conferences and examiner seminars, and keeps current with credit unions by running Ashfield & Associates, a consulting and training business that assists with mortgage lending.*