

WHITE ROCK/SOUTH SURREY REAL ESTATE

HOMELIFE BENCHMARK REALTY *January 1/07 to March 31/07*

CATEGORY	2007 SALES	2006 SALES	% CHANGE SALES	2007 LISTINGS	2006 LISTINGS	% CHANGE LISTINGS
Townhouse Sales	101	86	+17.4%	157	109	+44.0%
Average Price	\$486,882	\$372,673	+14.5%			
Apartment Sales	133	162	-17.9%	201	194	+0.03%
Average Price	\$279,941	\$256,667	+9.1%			
House Sales	253	244	+3.7%	449	378	+18.8%
Average Price	\$765,734	\$707,007	+8.3%			
Combined Total	487	492	-0.01%	807	681	+18.5%

How long will it take to sell?

Just one of the many questions that a realtor is often asked relates to the length of time it will take to sell one's house. As luck would have it, our industry manages to track just such a statistic. It is called "Days to Sale". Before examining and interpreting particular figures, the exact manner in which these numbers are arrived at should be explained.

Firstly, the beginning date is the "effective" date of the listing agreement. The date that the industry uses to determine the "sold" date is when an unconditional agreement is arrived at by the Seller and Buyer. Usually this is the actual date when the final subject clauses are removed or waived. So if a property is listed with an effective date of March 1, 2007, and an offer, written and accepted on March 7, 2007 has its final subject clause removed by March 14, 2007, the number of days to sale is considered to be 14, even if the actual completion date may be months away. If an offer is written and accepted without any subject clauses on March 7, 2007, then the number of days to sale is 7.

So, back to the question, how long will it take to sell? Well, in most in-

stances, nobody can predict how long a property will take to receive an unconditional offer. Factors like List Price and Market Conditions are two of the most important things to look at in estimating days to sale.

Generally, the higher priced the home the longer it takes to sell. This is simply due to the fact that less people can afford to buy the more expensive homes. Properties that are listed higher than market value will also take longer to sell if they sell at all. In normal market conditions, properties usually sell within five percent of the list price. Properties that are listed at or below market value are more likely to sell within mere days of the effective date in a normal or Seller's market.

Some agents actually list properties in a hot market substantially below market value to encourage multiple offers. Typically, they will allow showings for a week and perhaps have an open house during that week with the stipulation that no offers will be entertained until the end of the week. The hope is to create a bidding war at the end of the time period, which may result in an accepted offer for at least market value in a short period of time.

Of course it is obvious that the days to sale will be less in a Seller's market

than in a Buyer's market. To illustrate this, let's look at this statistic in both markets. 2006 was one of the busiest years ever in White Rock real estate, definitely a Seller's market. The average "days to sale" figure for all categories of real estate during that year was 41.8. The year 2000 was definitely a Buyer's market with a DTS of 87. The average figure for a balanced market will usually be around 60. The average days to sale for 2007 as of March 30 is 49 days.

So if you are planning on moving make sure that you get your property on the market in ample time to meet your needs. For example, if you want to be in your new home by September 1, 2007, you should allow for about 49 days before you have an unconditional sale and perhaps another 60 days before completion of the sale. That's a little over three months if everything goes according to plan. But to be on the safe side, I would recommend you plan on another 20 or 30 days to give yourself some leeway.

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Figures based on Fraser Valley Real Estate Board Multiple Listing Service Statistics