

WHAT'S HAPPENING WITH PRICES?

Most types of properties had the values level off early this summer. It seems the huge increases we saw in the Spring were all the market could bear. By the middle of August there was somewhat of a decline in the number of inquiries from buyers. The marketplace almost needed this correction so that a more realistic climate was restored. We really were in something of a feeding frenzy type of marketplace for several months prior to that.

When the market was rising, it was prudent to list your property a little higher than the recent market sales comparables indicated you should. Based on the valid idea that if your property was not worth a higher value this month, then it would be next month. So to be sure you got top dollar you'd just ask more, and wait.

Of course, the other method of getting the best price is to ask exactly what it's worth, with little or no negotiating room built into the price. On a strong market that kind of price attracts multiple buyers. A bidding war usually ensues and the Seller often receives more than their asking price.

But now, with the market going from red hot to now just a good market, prices appear to have plateaued. At least for the time being. This means that for Sellers to get offers they should no longer be overpricing. Sellers need to establish what their property is worth presently and set their price accordingly. One good way to know your value is to ask a certified appraiser to do an appraisal. Usually that costs about \$350 to \$400 on a residential property. You can also ask your realtor. As long as you are considering selling in the foreseeable future, your realtor is happy to do this market analysis for you for little or no fee. They'll provide you with an expected sales value range. In my opinion your ideal asking price should be within one to three per cent of that figure.

By mid-October the level of inquiries picked up again and considering the time of year we (realtors) are once again good and busy. But not so busy that prices have begun to rise again. Silver Star condos maybe an exception. Sales so far this season have been fairly brisk and values appear perhaps to be showing increases.

The fact that prices have levelled off isn't going to effect your pocketbook, as long as you sell and buy at the same time on the same marketplace. It is still a good time to buy and take advantage of these low mortgage rates.

It's interesting to note that the inventory of active listings has dropped dramatically. At the end of October the North Okanagan Division of the Okanagan Mainline Real Estate Board showed 1040 listings available. That's down from 1335 in October 2004 and down from 1176 in September 2005. It will be

interesting to see what effect that will have on the first quarter sales in 2006. If there is enough buyer interest and a shortage of listed properties we could see a hotter market again soon.

Jane Field works with Re/Max Vernon. Jane has 29 years experience in the Real Estate business. To suggest topics for future articles or to ask her questions, email her at jane@janefield.com or call 503-3755.