

## Correction Does Not Mean Disaster

Reading some commentators one might believe that "Chicken Little" was too great an optimist. No, an adjusting market is not a disaster - like strenuous exercise, some discomfort does lead to a healthier, sickness-resistant organism. Indeed, an anxious seller may well be "giving back" a little to a canny buyer or do we as a society favour existing property owners over those wanting to buy? I do know though that it is cold comfort for the August 2008 seller to hear that the March 2008 seller did well with 10% of the stress.

How to deal with today? Fact, lots of property on the market. The figures below show W/Van inventory up over last year by 50% and N/Van up over double in all property segments. If one has to sell, accept (i) that the property will sell for less than it would have 4 - 6 months ago and (ii) that any real urgency to effect a sale may dictate a further reduction. Appropriate asking price and property condition are the key to achieving the speediest and highest sale result. Consider the following - if one property were selling on average every 5 days and there are 110 on the market (ignoring new listings) that would mean that this inventory will be fully sold in about 1 ½ years! If one has truly the average home, in average condition, in a middling location, it could take approximately 9 months - hardly an exciting prospect! One has little control over one's existing location but condition and price are "adjustable". The buzz word for "sale condition" is now "staging" - a concept which may connote something distasteful for some as in creating an illusion for increased sale price.

True condition is fortunately hard to fake. We are no longer in a phase (sellers' market) where anyone could say "I have a property to sell" - it's a bit rundown, but since the demand is so high (and supply low) - you'll just have to take it as is. Remember, the well maintained and well presented will be easier to sell than the properties where work has been deferred.

For the buyer, the time is now to start looking seriously - no pressure to compete, time to consider rationally, and a significant breadth of supply. Work with an experienced Realtor who has encountered this sort of market and remember that Calgary's 7100 detached home inventory end of May'08 became June'08's 6500. Now is the time buyers! The comment has been made - "why would it be called a 'buyers' market if so few of them are making the decision to buy!";

Predictions - Continued leveling off of values this year and (I agree with CMHC) some increase in values once 2009 rolls around.

Again, visit my website to see and "hear" the new developments. I continue my commitment to keep you - [www.OnTopOfTheMarket.ca](http://www.OnTopOfTheMarket.ca). This work in progress strives to be the "go to" site for North Shore Real Estate analysis and jumping off point for FULL market listing information.

To join the group getting the e-mail version of this "update" - send a request now to [alanskinner@shaw.ca](mailto:alanskinner@shaw.ca) and you'll be assured receipt; phone me at (604) 988-7368 or visit [www.OnTopOfTheMarket.ca](http://www.OnTopOfTheMarket.ca)