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Real Estate has changed so much, post-Internet.

Pre-Internet, it was perhaps a good idea for a realtor to work at a franchise company. All such "big box" companies are individually owned & operated...the franchise name is like a logo-umbrella.

With all these individually owned & operated offices, though, there was, pre-Internet, a referral advantage for a realtor to work at such a storefront.

Perhaps someone would walk into a major national franchise name local office in Toronto, for example, and say they were thinking about moving to Salt Spring. That duty realtor would phone or fax a corresponding company duty realtor on Salt Spring & send that potential buyer as a "referral".

Small local offices without that franchise connection would have missed such a referral contact, in pre-Internet days (let's say up until 1999).

(By the way, if that referred to realtor sold that client something, then 25% of that commission would be paid to the referring realtor. This kind of referral business, pre-Internet, was a very important part of a real estate agent's overall longevity business).

Advertising a listing for a buyer's attention, pre-Internet, was print-oriented, & primarily local. In a secondary home/discretionary marketplace, with a non-local buyer profile, it meant advertising by the realtor in non-local venues (expensive) & in building up a referral business (took time). The companies did not create this...it was always the individual realtor at the realtor's own expense, no matter what franchise name was involved. The company name is just a logo on a business card. Any further advantage is always at the individual realtor's expense.

Post-Internet, any advantage to working at a franchise office was erased. The search engines replaced the franchise/referral system.

The internet created Marshal McLuhen's "global village". It erased geography & time...and put the information seeking/& delivery of same into the consumer's hands...and that consumer was global.

The Google eye in the sky never sleeps. Someone, somewhere in the world, is "searching" ....

The consumer no longer needs a realtor to show & tell an area...the consumer can (& does!) search all that background info on the Internet. The consumer is apparently looking at real estate in various areas...so why choose one area over another? The search for background on areas is consumer driven & third party provided. How to target that buyer in such a passive medium...where the buyer has to make the first contact?

Aha! Now, that's an element of the post-Internet world that no one saw coming...it's called choice. Suddenly, "some place" is in competition with "every place". So...that means some indecision. Is this the right place? What about the other place? Hmmm.....

Too much choice means no decisions? No one wants to make a mistake?

It seems that there are always time lags anyway, in finding a buyer in a secondary home/discretionary region, as there is never the impetus of need to buy, but perhaps timelines have been further extended...a result of this delaying factor of too much choice, of having to be sure?

Regardless of market trend in play, it can take one to three years to sell a property in a discretionary/recreational area, and in a downmarket, this can be pushed out to five years. Choice again...a buyer is always in control of the where & the when of a secondary home market purchase. No one has to buy a discretionary property in any particular timeframe...it's about the personal timeline of the buyer, always. Sellers and realtors are no longer in charge of the process.

Research says that a buyer is out there, trolling the search engines, for 14 to 18 months before becoming serious and focusing on a particular area. There may have been no contact with a realtor. When the area to research is chosen, then a deeper search occurs...again, not necessarily a contact with a realtor. Research also shows that the first contact with a realtor may take place 4 to 8 weeks before a purchase. These stats may be a little different for discretionary/resort based regions.

So...essential as a seller to be "out there", on all available Internet sites...you don't know at what point the potential buyer finds him/herself. The seller & the realtor are not in control of the consumer's reactions or timing. Presentation is all that a seller/realtor can do. The consumer is in charge.

Big changes, from a real estate company's perspective, & also from a realtor's impressions. One no longer really needs a traditional office environment...a virtual world has a reality. On an Internet search, the consumer is looking at product...not at a realtor's awards or company affiliation.

One might, off a personal website, full of good content, attract a potential buyer to view one's area...but that prospective purchaser may not have stopped looking in other nearby regions, and will be speaking with a realtor in that area, too. No potential for referral business, then. Suddenly, a good third of a traditional real estate business has been erased. And it is, first and foremost, a business. Without sales, a realtor and a company will be out of business. To have sales, one must have buyers for those listings.

Traditional companies are disappearing, amalgamating, going to online virtual offices...all are substantially changing their formats...anything around before 1999 is either gone or still struggling to upgrade to the "now" requirements. Even the mls system is changing from its information control model & is now allowing mere listings in order to address consumer demand. The mls has serious competition from other information databases...eventually, it may become just one of several search options for a consumer.

The Internet is an open platform, and is consumer driven.

Just some thoughts...and it is good news for the consumer, no matter the business model involved. Ahh...breathe the crisp air of change.

Meantime, back in the world of "what's happening in real estate on Salt Spring & the Gulf Islands & on Vancouver Island"...what is the trend?

Markets do have cycles. It may be that the slowdown in sales in all secondary home markets began in 2006...it was certainly evident by 2007. Then the historic economic collapses of late 2008...with a global outcome. If real estate follows an 8 to 10 year cycle, then 2013 is the year of recovery. Certainly, in the entry level residential category, sales volume has increased dramatically, and did this throughout 2012. Prices remain mixed...some continuing reductions, some multiple offers. It may be that 2013 will see sustained activity in the upper tier priced residential and in the undeveloped land segment, and that prices will solidify. In our resort-based/secondary home/retirement region, the main sales window falls between March Break & Canadian Thanksgiving (early October). It often takes until May to see a clear pattern emerge in sales, in our discretionary area. By the close of 2013, we may see that conditions will have returned in favour of the seller.

The good news right now? The buyer is back, and looking for unique property opportunities...and the Gulf Islands, Salt Spring Island, and Vancouver Island are there to be savoured.

How may I help you to discover your special Island gem?

I look forward to your call!

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