

Copyright, Li Read, 2014

May, 2014.



May to October is now our main window of opportunity for real estate viewings/subsequent sales, in our specific secondary home/discretionary marketplace.

Perhaps the two May holiday weekends (Victoria Day & Memorial Day) are the busier May times...June is often a quieter month, until the last few days...the July 1 & 4 holidays begin our summer season...with mid-July to end of September being the busiest months for property showings. Offers may come in at other times, but it's probable that the initial viewings took place in that May to October timeline.

A secondary home market is always about choice. The buyer sets the pace. Sellers & realtors present, & try to attract the buyer side, but it's the buyer who decides the "where" & the "when" of a property purchase in a discretionary region.

Globally, the secondary home/resort-based areas all suffered after the economic meltdowns of late 2008. In many such discretionary areas, the slow-down in sales actually began as early as 2006. Certainly, on Salt Spring Island, & on the other Gulf Islands, sales volume lessened pre-2008 & prices began to soften dramatically. Sellers did not appreciate the downward signs...it was a slow & steady down trend...in the end, appraisers were stating that prices had reduced by 29% to 45%, with 2006 to 2008 as the start dates of this down trend, leading to the close of 2013.

It may be that 2014 will prove to be the year of recovery in the Gulf Islands & on Vancouver Island.

It's a slow pace.

At the moment, at this early May time, the busy segment remains the entry-level priced residential category.

As inventory "thins", we may see a move into sales of raw land...one might be able to buy a lot/build a dwelling for less than a renovation of a dated entry-level priced home. That will signal an authentic market recovery.

Some higher priced residential options are slowly finding interest, although they have markedly reduced in price point & have accepted a still lower price at the point of the offer. As inventory also begins to "thin" in this \$900,000 to 2 million priced segment, we will see price stability build in...this may not be evident till late Fall.

In these beginning days of what has become our main (& very seasonal) sales window, in our specific secondary home/discretionary coastal marketplace, it can be noted that the recovery is softly underway.

Investment properties are also seeing interest from a Mainland Chinese buyer...Sunshine Coast & Vancouver Island communities have benefited from this buyer profile. To date, on Salt Spring, some waterfront residential options have sold to Chinese buyers, & interest in commercial/investment holdings has just begun.

So...poised for recovery, at the beginning of May. The true buyers market has ended.

In the upper tier priced residential properties, there will be "deals" short-term. The key is the inventory clean-out rate.

It's not a sellers market by any means, but neither is it a buyers market. Transitional markets don't last...a market rarely rests in equilibrium...it's either going down or going up. It appears to be an upward trend.

Will be interesting to look back, after the activity of the next 5 to 6 months...my guess: low inventory, stable prices, slow price point uptick.

More information on the market & how you can benefit from the changes? Call me! "Caring expertise...knowledge for you".

Tel: 1-250-537-7647

E-Mail: liread33@gmail.com