



Greg Kalyniuk

Okanagan's Home Team

Home Run Update

250-549-4161

okhometeam.ca

February 2009



GOOD THOUGHTS TO START YOUR YEAR

What we all need are some good thoughts to start the year, so here are a few to start your year off right. How about this; **we live in the best city on the planet!** Vernon is an idyllic paradise with beautiful lakes, rivers, mountains, clean air, and wide-open spaces. We have the best lifestyle on the planet: plenty of food to eat, clean air to breathe, the best water to drink, and of course the best housing in the world. **We live in the best country on the planet!** Canada has the best infrastructure, government, and health care of any other country. So, when you start to get caught up in all of the bad news from the media take a moment and look outside. We are the luckiest people on the planet and that is a good thought.

SELL OR BUY FIRST?

If you are considering looking for a new house, and are a current home-owner, then chances are you're wondering what your strategy should be: do you wait to find the perfect new home before you put your current home on the market, or do you sell first and then look around? You have a few options. Use the following as a guide to explore what might be the best move for you.

Sell First:

There are several benefits to selling your current house before searching for your next home. First of all, once you have sold your house, you will know precisely how much money you have to work with. With a concrete price range, you'll be able to narrow the pool of houses before you begin looking, and negotiate accordingly. This will allow you to immediately make firm offers on houses that you are serious about purchasing. You can be first in line with an unconditional offer you know you can afford, and this will grant even further negotiating leverage as Sellers tend to take unconditional offers more seriously.

The flip side of this scenario, however, is that if you don't find the right property before the closing date of the house you've already sold, you may have to look for temporary housing until you do find what you're looking for.

Buy First:

Buying a new house without having sold your current home may occur if you are interested in a specific property and will only sell your current home if this property comes on the market. It may be a matter of timing—grabbing hold of the home before it's too late. The same might be said of a property you haven't had you eye on previously, but that catches your attention due to its uniqueness or unbelievable price. If buying first means you don't miss out on the real estate opportunity of a lifetime, it may be the best move.

However, be careful. If you buy another property and aren't able to sell your current home quickly enough, you could end up having to finance both homes and shoulder the extra debt until you sell. You can get a financial appraisal or market evaluation of a home prior to selling, but this doesn't guarantee the price you'll ultimately receive for the home after the negotiation process has run its course. Since your selling price will be an unknown, jumping into a purchase could be a gamble, particularly if your budget is tight.

Conditional Offer:

An additional option involves making your offer to purchase conditional upon the sale of your current property within a specified period. Conditional offers usually include a clause that allows for the Sellers to keep their property on the market and remain open to other offers while you try to sell your home. If the Sellers receive another attractive offer before you've sold your home, they may accept and ask you to either remove your condition and firm up your offer, or to back down from the offer. A conditional offer forms a kind of middle ground, an area of compromise, for those who are afraid to sell or buy first—but doesn't hold the advantages of the other two options.

HOME RUN TEAM QUICK MARKET UPDATE

The number of single family homes available for sale has dropped from a high of 845 in September to just above 600, but is still much higher than last January's inventory of 368. It's taking longer for homes to sell with the average increasing to 101 days from 69 days in 2007. In the last half of 2007, the peak of our market, the average sale price of a home in Vernon was \$414,200 and the median was \$364,000. The average price of a home in Vernon has fallen to \$385,702 about a 7% drop and the median also fell to \$353,000.

Buyers continue to "wait" on the sidelines for some good news; however this phenomenon is bound to create pent up demand. No matter what shape the economy is in, people continue to get married, have children, retire plus all the other life events that lead people to realize that their current accommodations are not adequate. Those events continue to happen daily, but when people don't act it creates pent up demand that must be released at some point when buyers tire of waiting and start to buy again. Of course the question no one knows the answer to is "when"?

SPECIAL HOME RUN TEAM VALUE ADDED COUPON



a style for every point of view®

Call **Doug Hartry** at 250-309-4373 for your Free In-Home Consultation

\$500 OFF!

Select Signature Series CELLULAR SHADE on orders over \$1500

Offer valid through February 2009

Phone 1-877-928-3438

www.budgetblinds.com

RE/MAX Vernon

5603 27 Street, Vernon,
BC, V1T 8Z5

Greg Kalyniuk 250-503-3758

greg@okhometeam.ca

