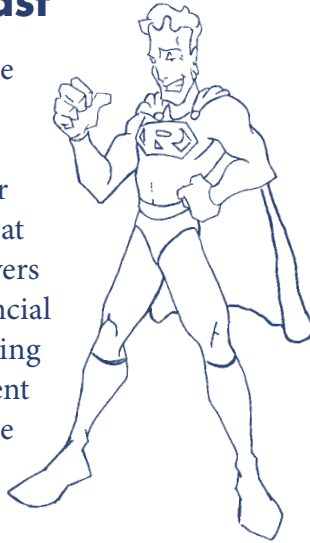


Burlington & Area REAL ESTATE NEWS & TREND FORECASTING

FALL 2005

Market Conditions and Fall Forecast

To Quote Robert Fulford from the National Post, "My house is making more money than I am". I've said for years, real estate is a forced savings plan and that comment is ringing true today. Looking at the year over year stats for September, we're up across Burlington 6.7%. That's great news for home owners, especially those move up buyers who wish to jump into the detached home sooner. Financial leveraging is just smart money management. Borrowing has been so cheap, it's the foolhardy who continue to rent when they can afford to buy. Sales over the summer, in the city, were blistering, imitating our scorching weather. The average sale price rose from \$277,797 to \$296,472 and average days on the market dropped to 41 from September a year ago. Are we ready for a bit of a downturn? Well, the weather is just now starting to turn now as we head toward our cooler months. As always, we see a bit of a dip this time of year as the buying frenzy starts to ease off and thoughts turn toward holiday season. We pick up again in January for the spring market start up, so, if you're thinking of listing, you have a few months yet to get your house ready. Give me a call if I can help!



'FSBO' (Pronounced *Fizbo* in Real Estate Lingo)

Can a home owner sell without utilizing the services of a Realtor? Sure. Will he save the equivalent of the selling commission? He could. He may also not and here's why.

- Most buyers buy through a Realtor who is typically paid by the seller. The bargain hunting buyers who seek out the "For Sale by Owner" homes, are expecting to save the same commission the 'FSBO' hopes to save. Buying for less is their primary concern, and this is reflected in typical low-ball offers.
- Opportunistic speculators and investors offer less for a 'FSBO' home. Without a Realtor to represent the owner's interests, sellers may end up accepting a below-value offer.
- Real Estate Professionals are knowledgeable about the local market and know the highest price a home is likely to bring. Advice to the seller on the right balance between the highest price and the fastest sale is critical to maximizing profits.
- Real Estate Professionals have experience with lenders and can help find financing with lower monthly payments, thereby making a higher sale price feasible for the buyer.
- In contract negotiations, a real estate professional not only is trained in negotiation techniques, but also is psychologically in a better position than an emotionally involved seller. The result is often a more profitable contract for the seller.



The bottom line? Business is business, I wouldn't even attempt to treat a leg fracture, I'd seek out my doctor's advice.

Just some food for thought. If you need help, I have 30 years of experience in the business.

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BURLINGTON & AREA

Calendar of Upcoming Events

Oct 20—**Health & Wellness Trade Show** to be held at the Seniors' Centre 2285 New st.- in Central park.
From 11am-3pm
For more info call 905-335-7888 ext. 5

Oct 29—**Coyote Howl** - Bronte Creek Provincial Park 905-827-6911
Pre-registration recommended - 6-7 pm
A howling good time! \$12 max per car load. www.brontecreek.org

Nov 08—**Paletta Mansion Wine Series** Paletta Lakefront Park 905-632-7809 ext 3 \$25 per person
- Experts from top Ontario Wineries speak about history and development of their wines.

Nov 20—**Art in Action**
259 Plains Road West 905-523-9251
Tour of local studios featuring artists demonstrating and selling their work.

Nov 27—**Christmas Sale & Soup Bowl** Burlington Art Centre 11am-12pm
Soup, salad and bread, take the bowl home. Register 905-632-7796
www.burlingtonartcentre.on.ca
info@burlingtonartcentre.on.ca

Dec 04—**Christmas Parade** 2-4 pm
Over 80 entries including floats, antique vehicles, clowns, bands and Santa
905-335-7704

Dec 04—**Lakeside Festival of Lights**
Spencer Smith Park - Thousands of lights and holiday figures.
905-333-9868

Dec 04—**The Jingle Bell 5k Run**
Downtown Burlington 9:30am
Kelly Arnott -
905-639-8053 www.vrpro.ca
Gourmet breakfast after run

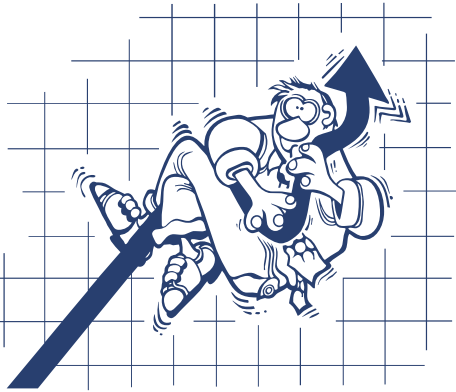
Dec 31—**New Year's Eve Family Skate** - Bronte Creek Provincial Park
- Enjoy skating to music under a starry sky. Coyote howl hike every 1/2 hour between 6:00pm and 7:30pm. Kids countdown to New Years at 8:15pm.



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ARE SALES COMMISSIONS TOO HIGH?



It seems every potential client I come in contact with wants a 'deal'. While I've been faced with many ethical dilemmas in this business, it never ceases to amaze me that real estate, with all the positive changes

occurring, has, essentially stayed the same when it comes to selling commissions... and a client's perception of how much I earn... or, stand to earn by procuring a successful sale. First, let me say, no professional Realtor is going to break the law for one deal. Popular opinion aside, we're not all 'shady'. Most of us actually enjoy this business. We chose the profession, not necessarily to get rich, but, because we loved the challenge and entrepreneurship. Let me tell you the reality. I work hard. Typical days are 15 hours, and, that's about 6 days a week, I work 7. I carry a blackberry with me at all times. I'm continually honing my skill level to remain 'in the game' by utilizing the most recent technological advances and taking refresher courses. As an independent, I can't wait for someone to tell me what I need to do to stay competitive. I must sift through the trends, newest tools and methods to discover

what might work best in the framework of my business. Most times, that means being willing to spend some money to stay ahead of my competitors. Being at the 'bleeding edge' as I affectionately call it, costs money. In order to earn money, I must spend. It's the Realtor who first exposes a property to the market who usually has the most money to lose. If a home does not sell during the marketing contract period and I get 'fired' by the seller, I lose money. In some cases, that's a fair chunk when you consider the costs involved in virtual tours, advertising and internet services and the bitter pill is that the second Realtor often benefits from the reduction in price I've already recommended. Do you have any idea how much gas prices have affected the Realtor? Every time you call another Realtor because yours is not available and have me show you one of my properties, you've taken me away from my clients. Every professional Realtor will have another taking care of business she cannot. Ask why your Realtor has left no-one to cover. On the other hand, you should be willing to understand if the Realtor simply cannot miss her daughter's ballet debut. As one of those professional Realtors, I'd like to think I'm chosen to act on someone's behalf because of the excellent reputation and skill level I've worked so hard to offer, not because I may be willing to re-negotiate my fee at the table to pull the deal through. If I can assist in your next sale or purchase, give me a call!

STATS

| SEPT. | # of homes listed during month | # of homes sold during month | Average Sales Price | Days on market | Sale to list ratio |
|-------------|--------------------------------|------------------------------|---------------------|----------------|--------------------|
| 1988 | 381 | 231 | \$173,587 | 44 | 97% |
| 1990 | 533 | 133 | \$189,411 | 78 | 93% |
| 1992 | 521 | 223 | \$180,589 | 77 | 93% |
| 1994 | 450 | 110 | \$178,926 | 54 | 95% |
| 1996 | 376 | 193 | \$186,324 | 60 | 94% |
| 1998 | 332 | 210 | \$201,474 | 48 | 96% |
| 2000 | 372 | 220 | \$212,567 | 57 | 96% |
| 2002 | 307 | 253 | \$240,522 | 40 | 97% |
| 2004 | 358 | 259 | \$277,797 | 42 | 97% |
| 2005 | 442 | 276 | \$296,472 | 41 | 98% |

PLANNING AHEAD

The spring market is a very busy time for the real estate industry. The flurry of activity you'll see is due to the level of real estate transactions at any time of the year, plus the additional activity of families that want to move in time for the new school year. When does the spring market start? JANUARY. Yes, you read right. As a seller, you want the best price for your home. This requires that you market your property to the largest number of qualified and interested buyers. You'll also have to present your property favourably. Today, buyers want to learn more about homes and price trends in a community so they can reach a confident decision to purchase with an educated mind rather than an emotional heart. A great deal of information is available via the internet. You should be aware of differences in what information is published online, how it is gathered and when it is updated. In a changing market, figures a month old can be outdated. This is where your Realtor's experience comes in. Having the latest information is critical when you have to reach a decision whether to accept or decline an offer. Your Realtor will provide you with regular updates on prices and availability of listed homes. In addition, we can provide a host of services that will help you present and market your property in its best light. From marketing, to showing, to hosting open houses, to counselling you when an offer comes in, we can provide a 'seamless' transaction. If you need my help, call!