

Compliments of Beverly Shoaf



250-860-1100

July 2009

ABSORPTION RATE

First of all, what does it mean? Absorption Rate (also referred to as Consumption Rate) is the number of months it would take to sell the current inventory at the present rate of sales. Knowing this rate in your marketplace will allow you to track current real estate trends and should be done on a regular (i.e. monthly) basis to do so and to understand the current market conditions.

How is it calculated? First thing you'll need are two sets of data:

1. Current inventory (# if listings currently on the market)
2. Number of sales in the past month

FORMULA: Current inventory / # of sales = Rate

Using the current sales provided by the Okanagan Mainline Real Estate Board—let's calculate some of these rates in the Central Okanagan. For this exercise, we've segmented the market by property type and price for June.

Single Family Residential—Kelowna Only

Under \$350,000
99 listings / 31 sales = 3.2 mos.
\$500,000—\$750,000
326 listings / 42 sales = 7.8 mos.

Condo/Apartment—Kelowna Only

Under \$200,000
113 listings / 23 sales = 4.9 mos.
\$200,000—\$300,000
279 listings / 26 sales = 10.7 mos.

Single Family Residential—West Kelowna

Under \$350,000
45 listings / 12 sales = 3.8 mos.
\$500,000—\$700,000
126 listings / 10 sales = 12.6 mos.

Condo/Apartment—West Kelowna

Under \$200,000
18 listings / 2 sales = 9.0 mos.
\$200,000—\$300,000
34 listings / 3 sales = 11.3 mos.

If no other property in the sample price points come onto the market—based on June sales only, it would take the indicated number of months to deplete the supply.

A declining rate indicates the inventory is decreasing as more homes are being sold than are coming onto the market. A rising absorption rate implies that there are more homes coming onto the market than there are buyers willing to buy at the market prices.

SALES BY PRICE YEAR TO DATE

Price Range	2009	2008
\$0 to \$200,000	4	0
\$200,001 to \$240,000	14	4
\$240,001 to \$280,000	20	18
\$280,001 to \$320,000	61	21
\$320,001 to \$360,000	120	56
\$360,001 to \$400,000	141	131
\$400,001 to \$440,000	117	167
\$440,001 to \$480,000	81	152
\$480,001 to \$520,000	94	143
\$520,001 to \$560,000	51	127
\$560,001 to \$600,000	40	88
\$600,001 to \$999,999	87	199
\$1 Million and over	4	24

ACTIVE LISTINGS

Res.	Mobiles	Strata	Lots
1725	229	1088	739

**If you are thinking of
BUYING or SELLING
please give me a call.**

SUMMARY OF RESIDENTIAL SALES YEAR TO DATE

TYPE	2009	2008
Acreage	8	16
Acreage/House	36	54
Acreage (Waterfront)	1	2
Business	5	15
Townhouse	232	270
Condo	319	523
Duplex	47	66
Farms	7	7
IC & I	12	24
IC & Lands	1	16
Lots	33	105
Leases	28	51
Lots (Waterfront)	0	1
Multi-Family	1	1
Multi Plex	5	3
Mobile Homes	74	149
Recreational	4	7
Residential	839	1134
Residential (waterfront)	10	14
Timeshares	0	1
TOTAL	1662	2459

A FEW MORE REAL ESTATE STATS!

Average House Price in June 09	\$ 454,391
Median House Price in June 09	\$ 425,000
Number of houses listed last month:	485
Number of lakeshore homes sold last month:	4
Average Mobile Home Price:	\$ 122,765
Dollar value of sales in June 2009 :	\$169,963,840
Dollar value of sales in June 2008.	\$166,577,936

Helping you is what we do.™



Royal LePage has partnered with Parks Alive to deliver accessible, high caliber, live entertainment to various locations within the city. This series is FREE—see you there!

6:30-8:30 p.m.

July 14	- Strathcona Park - Fun in the Sun
July 21	- Whitman Glen Park - Blues
July 28	- Kinsmen Park - Family Fun
Aug 4	- Main Street/Compass - Rock N' Roll
Aug 11	- Ben Lee Park - Oldies but Goodies
Aug 18	- Knowles Park - Kickin' Country
Aug 25	- Whitman Glen Park - Variety Night

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