

### **What “days on market” really means**

If you were to go car shopping and saw a model you liked, one that drove well, looked great, and was in your price range, would you care how long it had been on the lot? Probably not. You'd likely feel good about finding it and move forward with the purchase.

What about real estate? When you find the right home, one that fits your needs, does the number of days that house has been for sale make a difference to you?

Some people believe a property that has been on the market for a while must have serious problems. Others believe that a house on the market for a long period means that the seller is desperate and will accept a low offer.

I'm not saying that buying a car and buying a house are the same thing – far from it. I am saying that the time a home has been on the market is not necessarily an indicator of a property's desirability or the seller's state of mind.

### **Nothing's wrong ... honestly**

Excluding overpricing, which is the most common reason a home will linger on the market, there are several reasons a quality piece of property may not sell quickly.

The statistic days on market (DOM) is the number of days a property listing has an active status in a listing service. Normally, the property's status is changed to pending during the period between the seller's acceptance of an offer and the actual closing. The DOM will reset if a contract falls through, but if the agent fails to update the status, the DOM continues to rise, even though the home was ostensibly off the market. This happens, and through no fault of the homeowner, the property may now have a deceptively high DOM.

Some houses are listed before they're 100% ready to sell – perhaps the seller put the house on the market despite the fact that it's undergoing remodeling or repairs. In this case, the home was listed too early and probably won't show well. The days on market will go up, but after weeks of renovations, it's not the same house, and it will show a great deal better.

There are also situations where the sellers are not particularly motivated. Maybe they don't need to sell and are just testing the market. Perhaps they've got a price in mind and are willing to wait for the market to catch up with that number.

A number of properties simply go unnoticed – obviously a roadblock to a successful and timely sale. Maybe the listing price is \$149,900 and the seller is missing buyers whose searches range from \$150,000 – \$200,000. Some homes may be tenant occupied; others may not be marketed well, especially on the Internet.

### **It's perfect – where do I sign?**

Sometimes property is too specific for most buyers. It may have an amenity or quirk that just doesn't work for 99 people out of 100 – you can use your imagination here. When that 100<sup>th</sup> person comes along, though, and sees that the house has this unconventional feature she appreciates, she'll probably make an offer.

### **It's all about you**

Just like any statistic, DOM information may be useful for overall market analysis, but in any given case it may have absolutely no significance. The bottom line is that, regardless of the state of the real estate market, there are many reasons a property may linger, and all that really matters is what *you* think.

A Texas Realtor can help explain why certain homes have spent a lot of time on the market and guide you through the process of buying a home. For more information about buying or selling real estate in the Lone Star state, or to find a Texas Realtor, I encourage you to visit [TexasRealEstate.com](http://TexasRealEstate.com).

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