A NEWSLETTER PROVIDING USEFUL NEWS AND INFORMATION TO THOSE WHO LIVE IN OR LOVE THE TOWN OF WELLFLEET, MA - ISSUE #7

What the heck is DOM?

1) What is DOM?

In the practice of Real Estate, **DOM is an abbreviation for "Days on Market."** It is a measure of the age of the listing. In other words, it is the time that a property has been actively listed on the market. It begins from the day the listing is placed on the multiple listing service and ends once the sellers have received an accepted offer and its status is changed from active to pending.

The average DOM for a geographical area provides a good measure of the time it takes to sell a home in that area. For example, the average DOM for the 197 single family homes sold in the past 3 years in Wellfleet is 132 days (i.e., a little more than 4 months). The average DOM in the past 3 years for Eastham is 103 days and 170 for Truro.

2) Is it true that in Wellfleet, the more days a home has been on the market, sellers will have to settle for a lower price (OR buyers get a better deal)?

Buyers often believe that if a home has been on the market for a long time, they can come in with a low offer and it will be accepted. Is this true? Chart 1 below shows that yes indeed, **as the DOM increases, selling prices decline**. On average, in Wellfleet, new listings (i.e., homes with one week or less DOM) sell for more than their list price. If the home sits on the market for 6 months to a year, that percentage drops to 93.2%. For a home listed at $500,000, for example, that's $34,000 less money that the seller will receive from the buyer.

Chart 1 – The Average Ratio of the Sales Price to the Final List Price by Days on Market in Wellfleet for Single Family Homes During the Past 3 Years

DOM	Average Ratio of Sales Price to Final List Price*	Resulting Average Selling Price of a Home Listed at $500,000
≤ 7 (One week or less)	100.19%	$500,950
8-31 (Between 1 week and 1 month)	98.39%	$491,950
32-93 (1 to 3 months)	97.28%	$486,400
94-183 days (3 to 6 months)	94.23%	$471,150
184-365 (6 months to one year)	93.20%	$466,000
≥ 366 (More than one year)	92.04%	$460,200

** **Note:** If a home sells for more than the list price, this ratio is greater than 100 percent and if the home sells for less than the list price, the ratio is less than 100 percent.*

3) Is it true that in Wellfleet, more expensive homes take longer to sell than less expensive homes?

Not necessarily. As shown in Chart 2, the homes that sell the fastest in Wellfleet are those priced below $300,000 or between $801,000 and $900,000. Those that take the longest to sell are listed between $701,000, and $800,000. Homes in the $401,000 to $500,000 range also take a relatively long time to sell.

Chart 2 – Wellfleet Days on Market by Listing Price of the Home in the Past 3 Years

Listing Price of Home	Average DOM
<$300,000	74
$300,000 - $400-000	123
$401,000 - $500-000	162
$501,000 - $600-000	125
$601,000 - $700-000	142
$701,000 - $800-000	176
$801,000 - $900-000	76
$901,000 - $1,000-000	125
>$1,000,000	122

4) What types of properties experience longer and shorter DOM?

Chart 3 shows that the properties that take the longest time to sell in Wellfleet are residential land parcels. The chart also shows that single family homes sell faster than condominiums. The types of single-family homes that take the longest time to sell are Capes and Colonials. Antiques and Contemporaries sell the most quickly. Surprisingly, single-family homes with water frontage take more time to sell than those not on the water. (This is likely because the list prices for waterfront properties are ofen higher.)

Chart 3 – Wellfleet Days on Market by Type of Property in the Past 3 Years

Type of Property	Average DOM
Single Family Home	135
Condominium	162
Land - Residential	295
Antique	98
Cape	169
Cottage	116
Colonial	159
Contemporary	101
Ranch	122
Waterview single family	134
No water view single family	135
Waterfront single family	151
Non-waterfront single family	131

Bruce Katcher, Realtor®
Helping People Move on With Their Lives

BERKSHIRE HATHAWAY HomeServices
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5) How does time of year impact DOM?

If you want to sell your home quickly, my research indicates that the best months to list are February and December. Homes that take longer to sell are listed in March and September.

Chart 4 – Wellfleet Days on Market by Month Listed for Single-Family Homes Sold in the Past 3 Years

Month Listed	Average DOM
January	134
February	77
March	151
April	89
May	100
June	125
July	112
August	125
September	144
October	92
November	114
December	83

6) Are DOM longer or shorter in Wellfleet than they were in the past?

Based on the results available so far this year, days on market have declined greatly in the past few years. On average, homes this year are taking less than 2 months to receive an acceptable offer, compared to approximately 6 months in 2016. This is, undoubtedly, due to lower inventory.

Chart 5 – Wellfleet Days on Market by Year Listed for Single Family Homes

Year	Average DOM
2016	177
2017	100
2018	110
2019*	57

**Thru mid-June 2019*

7) I want to sell my home quickly for as much money as possible. How can I get my asking price or more and keep my DOM to a minimum?

My research demonstrates that to obtain an offer closest to your asking price, set the price so that it has a good chance of selling within the first few weeks.

To review, the homes that have sold the quickest in Wellfleet in the past 3 years were:

- Antiques and Contemporaries;
- Listed in 2019;
- Listed in February or December;
- Priced at less than $300,000 or between $801,000 and $900,000; and
- Not located adjacent to water.

There is another important point to remember:

The key to keeping DOM to a minimum, no matter what type of property, what time of the year, or what the economic conditions, **is to price your home correctly.** That involves looking at all of the sold and active comparable properties and considering the most current market trends.

Contact me *and I will be happy to provide you with a no-obligation assessment of the current market value of your home.*

A Message From One of my Recent Clients

My mother passed away this year and I needed to sell her Cape Cod home. I live in Delaware and was not looking forward to all of the work, hassle, and trips back and forth to the Cape that would be required in order to sell the home.

My plumber referred me to Bruce Katcher of Berkshire Hathaway Cape Shores Real Estate. When I met with him, he said, *"No worries, I will take care of everything. You won't need to come back to the Cape."*

In addition to pricing the home, marketing it, holding many Open Houses, and negotiating the sale, Bruce found vendors for work that was needed, provided me with several quotes, and coordinated the installation of a new septic system, new oil tank, connection to the town waterline in the street, and a smoke/CO detector. He also took care of managing the many inspections, repairs, and servicing that were needed (i.e., the furnace, plumbing, chimney, electrical, and termites.) He recommended a good real estate attorney to whom I gave power of attorney so that I would not have to attend the closing.

Bruce kept me informed throughout the process and, just like he said, I never needed to come back to the Cape. If you are looking for a full-service Realtor®, not just someone who will put a sign in the ground, place the listing on the multiple listing service, and pray, Bruce is the person you should choose to list your home. He helped me move on with my life. I recommend him whole-heartedly and without reservation.

Georgia Brereton
Wilmington, Delaware

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- If you would like to receive this newsletter via email, please email me your name and email address.
- If you no longer wish to receive this newsletter simply contact me and I will sadly take you off this mail list.
- If you have a brokerage relationship with another agency, please disregard this newsletter.

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