post-04-stale-inventory

Grenada Real Estate: The Real Problems — Post 4 of 14.

Why Grenada Listings Sit for Years (And What That Does to Buyers)

Overpriced. Handled by six uninvested agents. No comparable sales to correct against. Put those three things together — covered in the first three posts of this series — and the result is predictable: a property listed above what the market will bear doesn't get corrected. It just sits.

No data, no proof, but a clear pattern

Grenada doesn't track or publish days-on-market figures, so there's no official statistic to cite here. But from personal observation, and from people I know personally who have had properties listed for years without a sale, it isn't an exaggeration to say a meaningful share of listings on this island simply don't move. Ask around and most people involved in property here can name at least one listing that's been up for three, four, five years.

Why stale inventory poisons the whole market

A property that sits for years doesn't just fail on its own terms. It changes how buyers treat every other listing they see.

Once a buyer learns that asking prices here are frequently disconnected from what a property will actually sell for, they stop trusting any asking price at face value. Every offer starts from a position of skepticism and gets negotiated down hard, regardless of whether the specific listing in front of them is realistically priced or not. Sellers who priced fairly from the start get pulled into the same discount conversation as sellers who never adjusted a wildly optimistic number.

Illiquidity discourages the buyers who'd fix it

A liquid market — one where properties sell in a reasonable window at fair prices — attracts investment buyers, because they can model an exit. An illiquid one does the opposite. Buyers who might otherwise bring capital and demand into the market can see, just by browsing listings, how long things sit here. That's a deterrent before a single offer is ever made.

The compounding effect

This is the piece that makes the problem self-reinforcing rather than self-correcting. In a healthy market, an overpriced listing eventually adjusts — the seller lowers it, or a persuasive comparable sale forces the issue. Here, there's no comparable data to force anything, no agent invested enough to push for an adjustment, and no market pressure strong enough to correct the number. So the listing just stays where it is, sometimes for years, adding to the pile of stale inventory that teaches the next buyer not to trust asking prices either.

None of this is unique to any one seller's stubbornness. It's what happens when every mechanism a healthy market uses to self-correct — data, representation, accountability — is missing at once.

Next: Post 5 — the transaction costs that quietly make Grenada sellers price for what they need instead of what the market will pay.