

# 'Remarkable' year sees residential sales setting new records

Housing remains affordable due to interest rates

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To absolutely no one's surprise Greater Vancouver and the Fraser Valley racked up a record year for residential sales in 2005.

Both Vancouver and the valley, riding the wave of a continuing economic boom, set staggering, multibillion-dollar sales numbers as confident Lower Mainlanders jumped into the market armed with low interest rates.

In Greater Vancouver housing sales topped the 40,000 barrier, finishing at 40,530. That was worth \$17.5 billion and surpassed the previous best of 37,816 in 2003.

The Fraser Valley was just as buoyant, ringing up record sales of 21,282 sales worth \$6.4 billion and trouncing the previous selling record of 20,600 sales set way back in 1992.

"Last year was truly remarkable, with sales exceeding 40,000 for the first time and the largest dollar volume of sales achieved in our board history," Georges Pahud, president of the Real Estate Board of Greater Vancouver, said.

"Many factors contributed to this accomplishment -- mainly economics, of course -- interest rates, confidence in the economy, international and inter-provincial migration and employment, but mainly people and their continuing faith in real estate."

"We sold almost 20 per cent more condos, townhomes and detached homes in 2005 compared to the previous year," said Jake Siemens, president of the Fraser Valley Real Estate Board. "Very competitive interest rates and housing affordability remain key factors in our sales growth. Even though prices have risen steadily over the last couple of years you can still get into the Fraser Valley market for less than \$250,000," he said.

Both are adamant that despite double-digit price increases over the past year -- expected to moderate into the single digits this year -- housing remains relatively affordable due to low interest rates.

Pahud pointed out that more than 64 per cent of the homes sold in Vancouver last year were under the average price of \$427,469.

In the Fraser Valley the average price of a detached home increased 17.5 per cent to \$410,246 from a year ago. © The Vancouver Province 2006