

Real estate: No sign of summer cooling

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There is simply no quit in B.C.'s residential real-estate market.

Despite heavy price increases, eager buyers are still pouring into the market. With no sign of the traditional summer cooling in sight, double-digit price increases remain the order of the day, Royal LePage Real Estate Services said in a survey released yesterday.

Across the Lower Mainland, the detached bungalow has been the star housing performer, increasing an average 22.3 per cent, year-over-year, to \$708,000.

Not far behind, a standard two-storey property rose by 19.4 per cent to \$792,375. The average price of a standard condominium rose 18.8 per cent to \$369,000.

Yet buyers seem impervious to the numbers. Last month, Vancouver sales reached 3,951 units, the second-highest June ever for the Real Estate Board of Greater Vancouver.

And the Fraser Valley Real Estate Board reported 2,126 sales in June, slightly below the 2,517 sales last year, for the best June and second-best performing month on record.

"While residential real-estate sales are lower than last year, you have to put that into perspective," said board president David Rishel.

"Last month's sales still out-performed all other Junes except for last year, indicating demand in the Fraser Valley still remains healthy after more than four years of growth."

Market conditions in Vancouver are persistently tight as buyers remain active and a shortage of inventory continues, said Chris Simmons, president, Royal LePage Westside, Vancouver.

Credit Union Central chief economist Helmut Pastrick sees little immediate hope for any price relief.

"Generally, it will remain a tight market although we should see some increase in supply next year," he said. It will be 2008 before there is any significant move back to a more balanced market with inventory catching up, Pastrick added.

Housing starts in B.C. this year are forecast to reach 38,500 units, rising to 40,000 in 2007, Pastrick says.

Peter Simpson, CEO of the Greater Vancouver Home Builders Association, also sees no immediate relief on the supply front. "Our contractors are telling us they are flat out and the demand is out there."

"The good news is that some municipalities now are moving to or considering allowing smaller lots and other innovations such as rear-lane-entry homes and secondary suites."

The major pressure area is single family homes in the Fraser Valley, where land prices are expensive.

But if you think things are bad here, spare a thought for your neighbours across the Rockies. In Calgary, the average price of a standard two-storey house jumped by almost 55 per cent from a year ago to \$397,86.

The rest of the country remains in positive territory but its performance was pallid compared with the West.

Quebec, Ontario and Atlantic Canada showed moderate price increases. A standard two-storey house in Toronto rose by 4.4 per cent from a year earlier to \$474,766.

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MEDIAN VANCOUVER & LOWER MAINLAND SELLING PRICES

Detached house Townhouse Apartment

June '06 June '05 change June '06 June '05 change June '06 June '05 change

Abbotsford \$369,900 \$319,900 15.6% \$252,500 \$191,000
32.2% \$157,000 \$128,000 22.7%

Burnaby \$610,500 \$519,500 17.5% \$375,000 \$353,500 6.1%
\$276,500 \$252,900 9.3%

Coquitlam \$554,750 \$450,000 23.3% \$337,400 \$274,000 23.1%
\$228,940 \$188,500 21.5%

Delta - North \$428,000 \$340,000 26% \$252,500 \$185,000 36%
\$119,000 \$136,500 -13%

Delta - South \$547,500 \$450,000 21.7% n/a n/a - n/a \$243,950
-

Langley \$439,900 \$390,000 12.8% \$286,500 \$226,000 26.8%
\$188,000 \$161,000 16.8%

Maple Ridge - Pitt Meadows \$416,750 \$343,250 21.4% \$260,000
\$226,750 14.7% \$201,650 n/a -

Mission \$334,500 \$283,000 18.2% \$169,900 \$188,000 -9.6%
\$125,000 \$113,000 10.6%

New Westminister \$525,000 \$421,375 24.6% n/a n/a - \$228,500
\$177,450 28.8%

North Vancouver \$719,500 \$655,000 9.8% \$481,700 \$436,500
10.4% \$295,000 \$257,500 14.6%

Port Coquitlam \$430,000 \$399,000 7.8% \$347,500 \$286,500
21.3% \$200,000 \$167,400 19.5%

Port Moody - Belcarra \$689,500 \$563,000 22.5% \$347,000
\$270,000 28.5% \$311,500 \$213,400 46.0%

Richmond \$615,000 \$504,500 21.9% \$389,900 \$320,000 21.8%
\$275,000 \$214,500 28.2%

Squamish \$384,500 \$392,000 -1.9% \$302,500 n/a - n/a n/a -

Sunshine Coast \$385,000 \$318,000 21.1% n/a n/a - n/a n/a -

Surrey \$465,000 \$371,500 25.2% \$293,000 \$239,500 22.3%
\$161,900 \$199,400 -18.8%

Vancouver East \$585,350 \$488,000 19.9% \$446,750 \$355,507
25.7% \$262,250 \$208,000 26.1%

Vancouver West \$1,174,000 \$897,000 30.9% \$566,500
\$498,700 13.6% \$380,000 \$341,000 11.4%

West Vancouver - Howe Sound \$1,281,000 \$1,130,000 13.4%
n/a n/a - \$580,000 \$511,000 13.5%

White Rock \$636,000 \$526,666 20.8% \$334,900 \$309,500 8.2%
\$244,000 \$206,000 18.4%

Sources: Fraser Valley Real Estate Board, Real Estate Board of
Greater Vancouver

Ran with fact box "Median Vancouver & Lower Mainland selling
prices", which has been appended to the story.

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