



Demand for housing strong despite rising prices

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A wide range of housing and financing options are fueling home sales in the Vancouver area even as prices continue to rise.

The sale price of a typical single-family home in Vancouver hit \$726,268 in September, a 12-per-cent increase from the same month a year earlier.

At the same time, 2,776 sales were recorded on the Multiple Listing Service, a 10.2-per-cent increase from sales in September 2006.

"There is still very strong consumer demand due to the economy. Rising wages mean that buyers are confident and this is underpinning the market," said Cameron Muir, chief economist at the B.C. Real Estate Association. "There is also a strong mix of housing stock. This variety is helping buyers at the lower end get into the market."

"Six out of 10 sales are multiple-family dwellings [such as attached houses and apartments]. There are also more financing options. Down payments are down to five percent, which can be put on a credit card," said Muir.

Attached house and apartment sales accounted for some of the brightest spots in the September figures.

In Port Moody-Belcarra, sales of attached units in September compared to the same month a year ago skyrocketed by 142 per cent. The number of Whistler-Pemberton apartment sales was up 189 per cent in the same time period. By comparison, the biggest year-over-year gain in detached home sales, in New Westminster, was only 38 per cent.

Across the region, benchmark prices for typical attached and detached properties increased at about the same rate this September compared to last, clocking 10 per cent and 12 per cent respectively. However, while the number of attached property sales jumped 27 per cent in September, the number of detached property sales rose a more modest six per cent.

"There is a great deal of choice in the market for a range of consumers today," Real Estate Board of Greater Vancouver president Brian Naphtali said in a statement.

Eighteen per cent of residential listings are above \$1 million; 37 per cent are between \$500,000 and \$1 million; and 45 per cent of residential units for sale remain priced below \$500,000, he added.

Prices of detached homes in Port Moody led all regions in the Real Estate Board of Greater Vancouver. The percentage increase in the benchmark price of a typical home there jumped 33 per cent to \$778,423 in September compared to the same month last year.

"This is no surprise. There is a larger proportion of houses in Port Moody that are newer. There are more recent additions to the housing stock there and many are fairly luxurious and well appointed. When these get sold back into the market, it can skew the numbers and be a bit of an anomaly," said Muir.

Meanwhile, in the Fraser Valley, the average price of a typical family home reached the highest level ever in September, even as buying and selling activity tapered off after a busy summer. September's record-setting average price for a detached home, at \$535,572, was 8.5 per cent higher than the same month last year. The average townhouse price saw a more moderate increase of 2.8 per cent compared to last year, and the average apartment price increased by 12 per cent.

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