

B.C. real estate sales drop from one year ago

31 per cent decline in sales from May 2007

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Vancouver Sun

Monday, June 16, 2008

VANCOUVER - Residential real estate sales hit a big drop in May, the B.C. Real Estate Association reported Monday with both the number of transactions and total value of those sales showing declines.

Across B.C., 8,101 sales were recorded through the Multiple Listings service, a 31-per-cent drop.

Total dollar value of those sales of \$3.9 billion represented an almost 27-per-cent decline.

Average sales prices, however, are still higher, although the pace of price increase slowed to 5.9 per cent in May compared with the same month a year ago, which makes the average B.C. home price \$475,656.

While British Columbia has one of the better-performing economies in the country, BCREA chief economist Cameron Muir said slower growth and bad news out of the U.S. housing recession is serving to erode consumer confidence.

"Rising fuel and food prices are impacting the housing market as many potential homebuyers take a wait-and-see approach out of concern for their household budgets," Muir said in a news release.

The so-called "amenity market," which includes specific recreational properties, are "bearing the brunt" of the decline, according to Muir, because those sales can be more easily delayed.

Muir added that the inventory of unsold properties may edge lower as properties priced in anticipation of a still accelerating market get pulled off the market or re-priced "according to today's market realities."



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A home for sale this spring in Vancouver.

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