



House hunters see a slender ray of light

Prices ease slightly as unsold properties are up by 54 per cent over '07

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Lower Mainland house hunters are now in a buyer's market with prices that have eased slightly off of earlier-year highs, according to the latest report from the Real Estate Board of Greater Vancouver.

The region saw 2,425 sales registered through the Multiple Listing Service in June, the board reported, a 43-per-cent decline from the same month a year ago.

At the same time, owners listed 6,546 properties, an 18-per-cent increase from the same month a year ago. On June 30, Greater Vancouver's inventory of unsold properties stood at 18,260, a 54-per-cent increase from a year ago.

And while so-called benchmark prices in June were still up over the same month a year ago, in many markets typical prices were down slightly from benchmark prices in May.

The Greater Vancouver benchmark price for a detached house was \$765,654 in June, up 7.3 per cent from the same month a year ago, but down from the May benchmark of \$771,250.

"When a market is in buyer's market conditions, there is little upward pressure on home prices," which is reflected in those May-to-June changes Cameron Muir, chief economist for the B.C. Real Estate Association said in an interview.

However, Muir doesn't see any factors that would drive prices down.

Consumer confidence is lower than it was a year ago and Vancouver's high prices have squeezed some buyers out of the market, Muir said, but the region's overall economy remains strong with solid job creation and positive levels of population migration.

"There is no indication, at this point, of any kind of substantial decline in prices," he added.

Dave Watt, president of the Real Estate Board of Greater Vancouver, said the homes that are selling are still selling relatively quickly, but the market is becoming increasingly competitive.

"The buyer sure knows about your competition, because of the power of the Internet," Watt said. "For sellers today, you'd better know about your competition."

Maple Ridge realtor Ron Antalek, with Re/Max Ridge Meadows, said it is the sellers who still try to set new all-time highs with their prices that are watching their properties sit.

"In general, the average [price] is reasonably stable, but not really showing any price increases," Antalek added. "We're seeing sale prices, in some occasions, equal to last year."

Watt said realtors are starting to see more sellers reduce their asking prices. Fraser Valley markets also showed a slowing of sales and rising inventories that pushed the region into buyer's territory.

Fraser Valley realtors recorded 1,418 MLS sales, a 31-per-cent decline from the same month a year ago.

At the same time, 3,236 new listings hit the market, bringing the valley's total inventory of unsold homes to 11,295, a 47-per-cent increase from the same month a year ago.

The Fraser Valley's average detached house price hit \$561,771 in June, a six-per-cent increase from the same month a year ago.

Muir added that he expects to see some balancing out in the market as the year progresses as sellers readjust their expectations and either re-price their properties given today's realities, or pull their listings off the market.

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BUYER'S MARKET

Metro Vancouver's real estate markets are officially in favour of the buyers looking for new homes following another month of declining sales and rising inventories, the Real Estate Board of Greater Vancouver has confirmed in its latest report. Some of the numbers are below.

REAL ESTATE BOARD OF GREATER VANCOUVER*

TOTAL

SALES: 2,425 -43% from June, 2007

Active listings: 18,260 +54% from June, 2007

Benchmark price: \$564,982 +7.3% from June, 2007

DETACHED HOUSES

Sales: 918 -43%

Benchmark price: \$765,654 +7% year-over-year

TOWNHOUSES

Sales: 450 -42%

Benchmark price: \$476,585 +8% year-over-year

CONDOMINIUMS

Sales: 1057 -43%

Benchmark price: \$388,722 +8% year-over-year

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