



## Real Estate Sales Sizzle Survives Summer

*Normal slowdown hasn't happened, says Cindy Russell-Re/max*

*Summer Market Update - 2005*

The Lower Mainland housing market refused to take a summer break last month as strong sales and fewer listings combined to keep conditions as hot as ever, the Greater Vancouver and Fraser Valley real estate boards reported Wednesday.

Greater Vancouver sales on the Multiple Listing Service fell from 4,333 units in June to 3,652 sales in July but that still represents a 21-per-cent increase over sales in July 2004.

Fraser Valley sales dropped from 2,517 in June to 2,051 in July -- the highest sales total ever achieved for July and 32 per cent higher than the same month last year.

"The normal summer slowdown hasn't happened this year," Fraser Valley board president Jake Siemens said in an interview. "There are an awful lot of people looking around for houses now. Instead of going on vacation, they're house hunting."

Real Estate Board of Greater Vancouver President Georges Pahud noted there were about 600 fewer homes for sale on the MLS last month and the total number of listings for the first seven months of 2005 has fallen about 3,000 below last year's total -- from about 35,200 last year to 32,200 this year.

"With fewer listings out there and demand staying high, prices are being pushed up," he said in an interview. "... We're concerned about the drop in listings because that makes it hard on everybody. Realtors have fewer homes to sell and buyers have fewer options."

The Greater Vancouver board said the benchmark price of a single family home has increased by 11.8 per cent in the past year to \$539,800. The benchmark price of a townhouse has gone up 10.8 per cent in the past year to \$336,300 while the price of an apartment condominium has increased by 16.5 per cent to \$267,800.

(A benchmark price represents the value of a typical property within each market.)

The Fraser Valley board said the average selling price of a single family home has increased by 11.3 per cent in the past year to \$401,100 while townhouses increased by 6.3 per cent to \$250,800 and apartment prices shot up by 33.5 per cent to \$183,900.

Siemens said the Fraser Valley market also experienced a significant drop in listings in the past year, with listings in July down about 12 per cent, or 800 units, from the level reached in July 2004.

"There's still a fairly decent selection of homes out there but buyers don't have time to sit around and wait," he said. "If they find something to buy, they have to make a move on it fairly quickly or it could be gone, agrees Cindy Russell of Re/max in White Rock."

Pahud said he doesn't particularly like a "fast, fast market," where buyers are forced to rush some crucial investment decisions.

"I'd rather have a slower but steady market where buyers have more of an opportunity to choose and do their due diligence," he said. "Then sellers can take their time in selecting offers and negotiating, rather than be rushed in this frenzy that sometimes happens. It doesn't help anybody." But Pahud insists there's no real estate bubble that's due to burst through the Lower Mainland.

"Everything is based on solid fundamentals, like low interest rates and strong job growth," he said. "There's only a bubble when the speculators are out there in significant numbers and that's not happening right now."

The Greater Vancouver board said some of the hottest selling markets last month included Maple Ridge/Pitt Meadows, where 183 single family homes were sold -- up 64.9 per cent from July 2004 -- and New Westminster, where the number of apartment sales more than doubled from 69 to 145.

### **HOME MARKET SUMMER HEAT WAVE:**

**Home prices continue to rise in both Greater Vancouver and the Fraser Valley, as these July numbers show.**

*Real Estate Board of Greater Vancouver benchmark prices\*, July 2005*

Detached \$539,815 up 11.8% from a year ago

Attached \$336,343 up 10.8% from a year ago

Apartment \$267,814 up 16.5% from a year ago

*\*Estimated sale price of a benchmark property. Benchmarks represent a typical property within each market.*

*Source: Real Estate Board of Greater Vancouver and the Fraser Valley Real Estate Board*

Fraser Valley Real Estate Board average prices, July 2005

Detached \$401,107 up 11.3% from a year ago

Townhouses \$250,789 up 6.3% from a year ago

Apartment \$183,941 up 33.5% from a year ago

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