

WHITE ROCK/SOUTH SURREY REAL ESTATE

HOMELIFE BENCHMARK REALTY **January 1/08 to March 31/08**

CATEGORY	2008 SALES	2007 SALES	% CHANGE SALES	2008 LISTINGS	2007 LISTINGS	% CHANGE LISTINGS
Townhouse Sales	85	101	-15.8%	166	157	+7.0%
Average Price	\$489,888	\$486,882	+0.6%			
Apartment Sales	122	133	-8.3%	298	201	+48.2%
Average Price	\$309,570	\$279,941	+10.6%			
House Sales	188	253	-25.7%	568	449	+26.5%
Average Price	\$872,588	\$765,734	+14.0%			
Combined Total	395	487	-18.9%	1032	807	+27.9%

Sales Decelerate But Prices Continue to Rise.

Here we are at the end of the first quarter of 2008 and we are still setting records for prices in White Rock/South Surrey. Last month the average price of a home topped \$900,000 while the year to date figure was a little more understandable \$872,586, 14% higher than last year's first quarter average price. It is not unusual to see drastic fluctuations in month over month comparisons because of the greater possibility that a few unusually high sales prices can skew the average for that month's sales to a greater degree than they can influence the averages for a whole quarter of sales.

The number of house sales actually dropped over 25% for the first quarter and the number of listings increased 26.5%. The sales to active listings ratio for detached homes fell to 15% compared to 45% last March. Townhouse sales also fell off from 101 to 85 and apartment sales dropped 8.3%. Average prices for townhouses and apartments both increased but not as significantly as house prices.

It is taking a little longer to sell most categories of real estate although houses are taking an average of 47.4 days this year compared to 52.3 days last year to gener-

ate an offer. Houses on acreage are taking over 85 days, an increase of 33% over last year while townhouses are taking about the same length of time to sell. Apartments are taking about five more days to lure a buyer than last year.

So overall, we have more inventory and less sales, usually a recipe for declining prices, but we are not seeing hard evidence of that happening. Despite the fewer sales there are still many instances of multiple offers happening. It appears that there is no shortage of buyers for realistically priced properties and likewise no shortage of unrealistically priced properties listed and not selling. The fact that the days to sales statistics are not changing that much bears this out. It would appear that when a well priced property hits the market it is taking about the same time to generate an offer as last year.

Just about all of the real estate industry experts have been predicting single digit price increases and a slight decrease in number of sales for B.C. for 2008. That appears to be the case right now, but there are still nine months to go this year and I have noticed a few somewhat less than optimistic headlines in the paper recently. For example, *Housing Market to Sink after Games: Expert* (March 31 Province) and *The End Draws Nigh for Real Estate Boom* (April 4 Vancouver Sun).

The first article concerns comments made by Steve Pomeroy a housing consultant based in Ottawa, while the other article is by Garth Turner another Ontarian. The first article is a little easier to swallow and historically there has been a lull the year following in cities that have hosted the Olympics, but there has also been a bounce back in the second year following the Olympics.

The Turner article is based on the theory that what is going on in the USA is a harbinger of what is going to happen here. Mr. Turner suggests that our mortgage lending practices are not far from what was happening in the States. Although lending requirements have relaxed considerably in the past few years we are nowhere close to the ridiculously loose lending practices that were so prevalent in the US in the past years.

Hopefully optimistic headlines will continue to outpace the pessimistic ones in future newspaper editions. Nevertheless, hearing opinions from both camps is a much better option to maintain a healthy market than keeping one's head in the sand.

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Figures based on Fraser Valley Real Estate Board Multiple Listing Service Statistics