

MARTY'S market update



Vancouver's
Premier
Real Estate
Team

There have been a lot of changes in our marketplace over the past several months. Since the slowdown in April, prices in our immediate area adjusted 10% and some recent dramatic sales reflect an even higher drop.

Should you be upgrading now? Absolutely! For those who are upgrading to a more expensive property, the marginal upgrade cost has dropped significantly. For example:

	Spring 2008	Price Drop	Today
Sell townhome	\$650,000	\$65,000	\$585,000
Purchase Upgrade	\$1,350,000	\$135,000	\$1,215,000
Upgrade Cost	\$700,000		\$630,000



As you can see by upgrading today, compared to our peak market in spring of this year, you are saving approx \$70,000. There are also additional savings in brokerage fees, and property purchase tax as well with the lower amounts. All in all, you win by upgrading now compared to our inflated market earlier this year.

Should you be selling investments or the family home now? No way! If you are just selling and not re-buying in this market you are losing. The market is an extreme buyers market and selling in a buyer's market costs you. My advice for all our investors or families selling their property is: "Wait until the market recovers". . . and it will, it's cyclical. It always comes back. Be patient, do what you can to carry the property by tenanting it, postponing retirement, etc. by 6-12, or worst case 18 months until we have a stabilized normal market. We can even help you with this part with our popular "Tenant Placement Service" that we launched a couple years ago. The saving grace right now is the 0.3% Vancouver vacancy rate enabling landlords to maximize the rental income on investment property. Sign a tenant up for 6 months if you wish to sell in late spring '09 or an 8 month lease for a fall '09 list. Or if you want to be super conservative sign a one year defaulting to a month to month tenancy for selling during the 2010 Olympics.

Should you be buying now? Absolutely! Everyone will look back at this year and say, "Wow we should have bought in the buyer's market in 2008, there were some great deals!". I have not seen a better time to buy real estate for many, many years. I have personally completed on a number of properties this fall and if I had more money I would buy more. Now is the time to buy!

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Team Profile

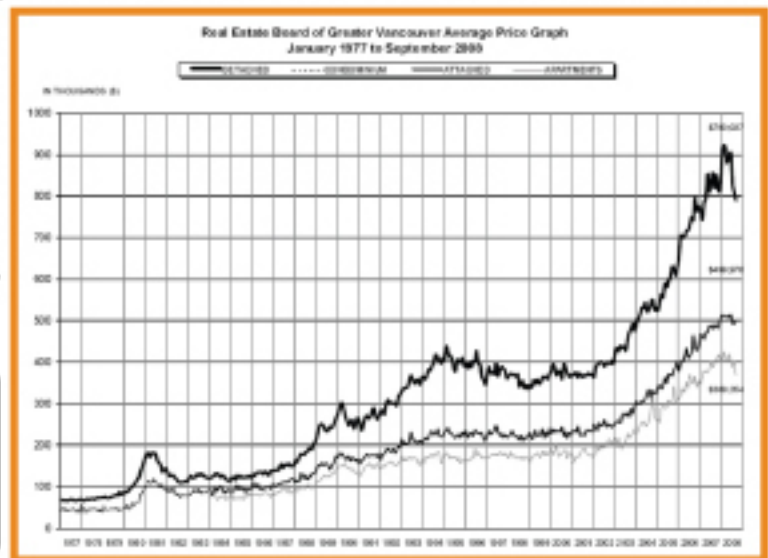
MARTY POSPISCHIL
MARCUS MAIA,
 Client Services Manager
STEPHANIE LIM,
 Vendor Marketing Coordinator
MYRNA IDANG,
 Office Administrator

Ask about our Referral Rewards Program

Will next year be better? No one has a crystal ball - I certainly don't. If I did, I would be retired and floating on one of those air mattresses with the window in the pillow in the Cinque Terra in Italy. As noted in my previous newsletters, the Canadian mortgage markets are much healthier and stable than those of our US counterparts. What is happening in the US cannot happen here for over a dozen reasons. So, if the economic forecasters are correct, the recent \$700B US bailout has a positive impact, the province proceeds with over \$15B in infrastructure upgrades, inward migration rates hold, the Olympic spotlight brings the world's attention to Vancouver, and the Global economy does not collapse, we should hit a point next year sometime where the average consumer will say: "dear we have waited now for 12 months to buy our dream home and prices are fantastic now, maybe we should make that investment in our future and take advantage of this opportunity". When this happens the market begins on its upward journey to recovery. Properties sales volumes increase, the market begins to stabilize, the media gets a hold of it and it hits the paper "real estate prices recovering", and at that point we leave the buyer's market behind and enter into a stabilized normal real estate market (and possibly beyond!). It will come, it's only a matter of when and how quickly the recovery.

MARTY'S FUN FALL FESTIVITIES...

Autumn Fair – October 25th (at Kits House)
 Halloween Skating Party – October 26th
 (at Kerrisdale Arena) **see insert for details...**



today's mortgages

as at Oct. 2/08
 courtesy of
 Paula Siemens
 604-351-7438

closed rates

6 mos.	6.20 %
1 yr	4.70 %
2 yr	5.19 %
3 yr	5.19 %
4 yr	5.39 %
5 yr	5.55 %
7 yr	5.79 %
10 yr	5.55 %
var.	5.50 %

Many investors over the years have simply been relying on the old adage "reason will prevail" on tenant move-outs and damage deposit refunds. Unfortunately, this has become a problem for some when damage has occurred and the landlord did not have any record of the property condition prior to the tenant moving in. On all tenancies, we recommend a "Property Condition Checklist" be filled out and signed by the tenant and



landlord on occupancy in order to eliminate any argument as to damage to the property. Furthermore, it's not a bad idea to have a photo appendix of the unit printed and attached and initialed by the tenant. Just to be safe. The property condition checklist can be found on the RTB website at:
<http://www.rto.gov.bc.ca/documents/RTB-27.pdf>



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 This newsletter is not intended to solicit properties listed for sale.

AUTUMN FAIR October 25th, 2008 at Kitsilano Neighbourhood House 10am to 4 pm



Build a scarecrow, design a costume!
Prizes for the best, most imaginative and most scary scarecrow.

Other events include:
a pancake breakfast, pie eating contest, local food market, carnival games,
mini-olympics, 2010 Olympic mascots, pumpkin patch, music, square dancing
and much more...

DON'T MISS ALL THE FUN!

For more information:
www.kitshouse.org / 2325 W. 7th Ave. / 604-736-3588 ex.27



Marty Pospilchil Real Estate Team cordially invites you to our 2nd Annual Client Skating Party
It is our way of expressing our appreciation to you and your family for your continued support.

Halloween Skating Party and Pumpkin Drive Sunday, October 26th

from 5-7pm at Kerrisdale Arena -5670 East Boulevard



Please note that skate rentals are FREE but we encourage you to bring your own
if you have them and the little ones might want to bring a helmet. There will
be prizes for best costume and free hot dogs and juice for everyone,
not to mention tons of fun!

Pumpkins available by donation – all proceeds donated to
Trafalgar Elementary School "Shake It Up" fundraiser.

Limited space available - call soon to reserve! Bring the kids, grandkids,
neighbours & newpew/nieces, all are welcome! RSVP by October 20th 604.263.1000

