

News Release



FOR IMMEDIATE RELEASE

Residential housing price decline creates buying opportunities

VANCOUVER, B.C. – November 3, 2008 – Housing price reductions across Greater Vancouver over the last six months have eliminated price gains witnessed in the first quarter of 2008.

The Real Estate Board of Greater Vancouver (REBGV) reports that residential benchmark prices, as calculated by the MLSLink Housing Price Index®, declined 8.8 per cent between May and October 2008, resulting in a 3.8 per cent year-to-date price reduction for detached, attached and apartment properties in Greater Vancouver between Octobers 2007 and 2008. In May 2008, the overall residential benchmark price was \$568,411, compared to \$518,668 in October 2008.

“Home sales are not keeping pace with the positive economic conditions in BC,” said REBGV president, Dave Watt. “That’s a direct result of a loss of consumer confidence in the overall market. Accordingly, today’s housing market is characterized by moderating home prices and wide selection. It’s definitely a buyer’s market.”

Residential property sales in Greater Vancouver declined 55 per cent in October 2008 to 1,364 from the 3,028 sales recorded in October 2007.

Active listings totalled 19,257 in October 2008, a three per cent decline from the 19,852 active listings reported in September 2008. New listings for detached, attached and apartment properties increased one per cent to 4,867 in October 2008 compared to October 2007, when 4,819 new units were listed.

Sales of detached properties in October 2008 declined 56.5 per cent to 493 from the 1,133 sales recorded during the same period in 2007. The benchmark price for detached properties declined 4.7 per cent from October 2007 to \$695,962. Since May 2008, the benchmark price for a detached property in Greater Vancouver has declined 9.8 per cent.

Sales of apartment properties in October 2008 declined 52.7 per cent to 647, compared to 1,368 sales in October 2007. The benchmark price of an apartment property declined 3.5 per cent from October 2007 to \$358,359. Since May 2008, the benchmark price for an apartment property in Greater Vancouver has declined eight per cent.

Attached property sales in October 2008 are down 57.5 per cent to 224, compared with the 527 sales in October 2007. The benchmark price of an attached unit declined 1.4 per cent in Greater Vancouver between October 2007 and 2008 to \$448,152. Since May 2008, the benchmark price for an attached property in Greater Vancouver has declined 6.4 per cent.

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Editor’s Notes: The MLSLink Housing Price Index® (HPI) calculates benchmark prices, which represent a typical property within a market. The HPI takes into consideration what averages and medians do not – the price of housing features such as lot size, age, number of rooms, etc. These features become the composite of the ‘typical house’ in a given area. Each month’s sales determine the current prices paid for bedrooms, bathrooms, fireplaces, etc. and apply those new values to the ‘typical’ house model. The HPI measures typical, pure price change (inflation or deflation).

The Real Estate industry is a key economic driver in British Columbia. In 2007, 38,050 homes changed hands in the Board’s area generating \$1.065 billion in spin-offs. Total dollar volume of residential sales set a new record at \$22.25 billion and total dollar volume of all sales set a record at \$22.77 billion. The Real Estate Board of Greater Vancouver is an association representing more than 9,500 REALTORS®. The Real Estate Board provides a variety of membership services, including the Multiple Listing Service®. For more information on real estate, statistics, and buying or selling a home, contact a local REALTOR® or visit www.realtylink.org.

For more information please contact:
Craig Munn, Assistant Manager, Communications
Real Estate Board of Greater Vancouver
Phone: (604) 730-3146 Fax: (604) 730-3102
E-mail: cmunn@rebgv.org

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