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Fall 2009

## Keeping in Touch

Welcome to this year's Fall edition of "Keeping in Touch". This issue looks at the BC Real Estate Association's Market Report which indicates a surprising turn-around compared to CMHC's original outlook for 2009. A quiet winter has given way to a busy spring and summer with stabilized prices and low interest rates driving the market. I've just set up a Facebook page at "Dave Lynn Victoria" to help keep in touch. As Mister Rogers used to say, "Will you be my friend?" As usual we have the latest in sights and sounds from our contributing writers and a continuation of my fishing stories in "Tacks & Tales". You can also find the past newsletters at [www.davelynn.com](http://www.davelynn.com). **Don't forget, there is still time to enter our Referrals Contest to win a trip to Mexico.**

*Dave Lynn*

### BC Home Sales Brightest Light in Economy

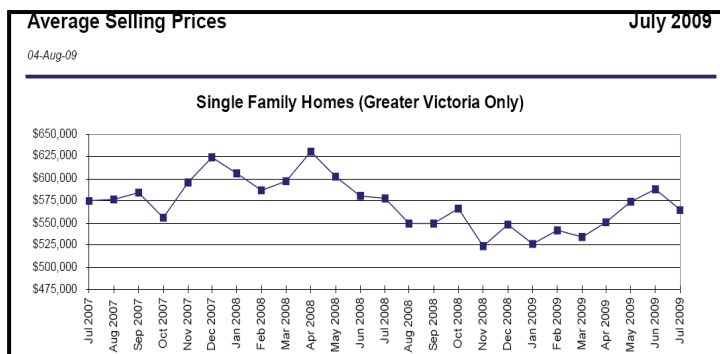
Vancouver, BC – August 27, 2009. The British Columbia Real Estate Association (BCREA) released its Forecast Update for the third quarter of 2009 today.

BC Multiple Listing Service® (MLS®) residential sales are forecast to climb 15 per cent from 68,923 units in 2008 to 79,400 units this year, just below the ten-year average of 82,800 units. Residential sales in 2010 are forecast to rise an additional 6 per cent to 84,200 units. For comparison, a record 106,310 units were sold in 2005.

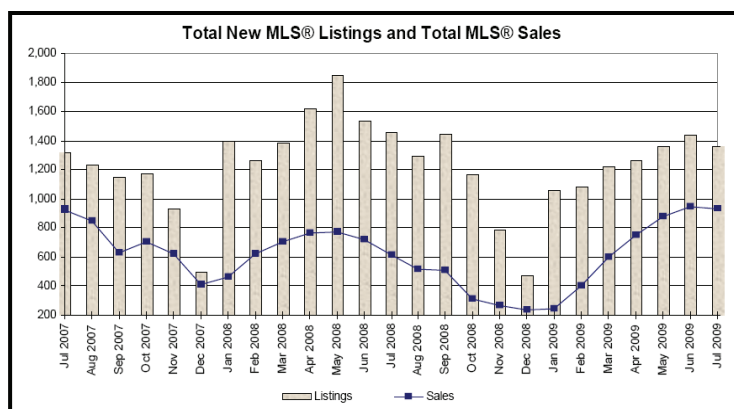
"After 12 months of significant volatility in BC's housing markets, greater stability is expected through 2010," said Cameron Muir, BCREA Chief Economist. "Robust housing demand is a strong signal that the economy is coming out of the recession, with a recovery in the broader economy expected to develop over the next three quarters."

"Home sales have doubled since January, with prices edging higher in Metro Vancouver and Victoria in recent months," said Muir. The average annual MLS® residential price in the province is forecast to reach \$451,200 in this year, down 1 per cent from a record \$454,599 in 2008.

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**Prices have leveled off**



**With listings stabilizing and sales increasing, it follows that prices may increase in the near future**

“Market conditions vary depending on the region of the province,” added Muir. “While the Metro Vancouver and Victoria markets have rebounded sharply, interior markets are demonstrating a more gradual trend toward balance between supply and demand.”

BC housing starts are forecast to increase 25 per cent to 18,500 units next year after a dismal 2009. Housing starts are forecast to decline 57 per cent to 14,800 units this year, the lowest level of activity since 2000.

## CMHC 3rd Quarter Housing Market Outlook

Key drivers of housing demand, including employment and incomes, are showing signs of improvement. Housing demand from underlying population growth remains supportive of more housing starts than the numbers for the first half of the year suggest. Downside risks to the forecast remain, even though the starts forecast for the current year has been revised down. Home construction will pick up later in 2009 and in 2010 as a result of improved economic and job growth, low mortgage interest rates and population growth. Labour market fundamentals are improving. Employment picked up in April and May, following seven months of declines and incomes are growing. The number of fulltime jobs increased in June, despite a modest drop in total employment compared to May. The labour force is growing at a faster pace than employment, pushing the unemployment rate higher. People returning to the workforce is a positive indicator for future housing demand.

Increased home sales, reflecting stronger demand, and fewer homes for sale, point to increased new home construction next year. The sales-to-new listings ratio has rebounded from levels indicating buyers’ market conditions to levels consistent with balanced conditions. Sales are increasing as low mortgage interest rates and lower home prices are attracting buyers. Resale prices have stabilized following three quarters of declines. The average MLS price this year will be down compared to last year on an annual basis as a result of declines already seen. Prices will trend higher during the second half of the year as resale market conditions improve. The gap between new home prices and resale home prices will persist, dampening demand for new homes and reducing housing starts this year. Expect an increase in single detached home starts in 2010 as homeownership demand picks up. Lower land prices will spur homebuilders to build more single-detached homes. Levels will be tempered by moderate migration and high levels of unoccupied new units in some markets such as Kelowna. British Columbia will have fewer large multiple-unit projects and instead developers will focus on more phased, smaller multiple unit projects. Lower levels of multiple-unit starts will slow the supply of new apartment condominiums coming onto the market. More starts are projected in 2010 as homebuyers look to newly built homes to meet their housing needs.

### Agnes’ Garden Tips



#### Fall Colour for the Garden

If you want an enjoyable year-round garden, continually browse the nurseries. Did you realize that fall is actually a good time to plant shrubs and trees? The nurseries bring in stock now with fall and winter interest. To get the best Japanese maples, buy them now when you can see the fall colour. Another valuable small tree is the *Stewartia pseudocamellia*. It colours up early in the fall and you can enjoy the interesting bark over the winter as well. A large shrub that may be hard to find is *Disanthus cercidifolius*. The colours on the heart-shaped leaves go from plum to orange over several weeks. After leaf drop, you’ll see the odd wispy flowers. So then go from the exotic to the ordinary. Plant some Blueberries in your shrub border. After you have enjoyed the berries, the fall will transform these plants into an amazing array of colours. Just a few suggestions to add interest to your garden at this time of year.

## August Sales Follow Trend

*Victoria Real Estate Board*

The number of property sales in the Greater Victoria area slowed during August but sales were again significantly higher than a year ago. Prices, meantime, remained stable with some increase for single family homes. A total of 764 homes and other properties were sold in August through the Victoria Real Estate Board’s Multiple Listing Service® (MLS®), down from the 933 sales in July but up 48 per cent compared to the 517 sales in August of last year.

Victoria Real Estate Board President, Chris Markham, says it is usual for sales to slow in August, “Many people take holidays in August so it is not surprising to see sales soften somewhat. We are very pleased, however, to note the significant increase in sales last month compared to August of a year ago which gives further evidence of the strengthening of the market.”

There were 3,509 properties available for sale at the end of August, down 25 per cent from the 4,657 properties available in the same month a year ago. “The decline in the number of properties available for sale will continue to place some upward pressure on prices,” said Markham. Sales so far this year are running over six per cent higher than in the first eight months of last year.

The average price for single family homes sold in Greater Victoria last month was \$596,498, up from \$565,469 in July. Markham noted that the average price was affected by 17 sales of over \$1 million. “These included two sales of over \$4 million, one in Saanich East and one in Central Saanich, and these had a significant impact on the overall average price,” he stated. The median price increased \$20,000 to \$540,000. The six-month average was \$569,546. The overall average price for condominiums was \$317,312 last month, down from \$328,441 in July. The average for the last six months was \$307,347. The median price for condominiums in August remained unchanged at \$290,000. The average price of all townhomes sold last month was \$455,430 up from \$443,109 in July. The median price dropped slightly to \$419,000. The six month average was \$421,565. MLS® sales last month included 403 single family homes, 218 condominiums, 91 townhomes and 11 manufactured homes.

# Dave's Tacks & Tales

## Chapter 7: End of the Season

After earning the “Dog Kicker” title in Bamfield, things settled down a bit and we learned who to avoid on the tack. Nothing like the occasional game of “chicken” with 40 foot boats with all their gear and poles out while trolling along a rocky beach. We chased around after some of the big fall coho. You could feel fall in the air. The logging companies were starting their slash burning and you could smell the smoke out on the tack off Pachena light. It made for some great red and orange sunsets. Get-home-itis started working into our minds and, before we knew it, it was time to say goodbye to our summer family and head home to get ready for classes. We filled up the gas tank one last time at Ostrum’s and took on some ice for ballast and headed out. We had picked the weather window just right and made the run all the way to Victoria. We tried to talk ourselves into stopping and fishing our way down but the lure of home was too strong and it was “pedal to the metal” all the way home. Talk about culture shock. Victoria was so big and all those people! Everything moved so fast, at least faster than 7 knots. After cleaning the boat up and burning my clothes, Dad and I sat down and looked at the expenses for the summer. By the time the boat payment was made, I had broken even. Broke being the operative word here. Thank goodness for a life insurance policy that I could cash in to cover tuition and books. After a couple of weeks I was settled back into the harsh realities of calculus and physics. The boat still had to be babysat over the winter. Heater turned on, bilges pumped, lines checked after storms. Through the winter, discussions took place on what my plans were for next summer. Plans? Get a real job? As the spring flowers started to poke their heads out of the ground, my thoughts were turning more to west coast adventures and the lure of riches over the horizon. I was hooked! Having decided to give it another go, as soon as exams were over, it was time to learn about spring boat prep. Armed with sanders, scrapers, primer and paint, we attacked the boat. There is some kind of law that states that paint on a fish boat shall only last one year, then must be removed and replaced. We worked on the topsides at the wharf, then moved the boat to Capital Shipyards on Erie St., now the site of Coast Harbourside Hotel. Here it was pulled out of the water on the marine ways and then it was time to scrub, scrape and paint the bottom with antifouling copper paint. The word enviro-friendly hadn’t been invented yet so all this scraping of a paint heavy in copper, zinc and biocides was done without masks or protection, straight on to the ocean floor. Strangely, allergies to the paint and its dust seemed to increase over the years.

The big excitement for the spring was that Decca Radar had just brought out a new radar designed for smaller boats. Until then a radar cost around \$6000 and the scanner on top of the cabin would be as big as my whole cabin. The new Model 101 was a quarter of the cost with a three foot scanner. I somehow talked Dad into buying one for the boat. Maybe it was the story about the tug and barge. It was fairly simple to install. Drill holes, bolt on and plug in the cables. Once the tech fired it up (No Dave, don’t look at the scanner as it’s transmitting!) and tuned it, we got to play. Wow, talk about a revelation. You could even see the individual fingers of the wharf. The trick around the harbour though was differentiating between boats and seaplanes. One of the seasoned skippers who had put one of the big radars on a year before thought he was a goner when fishing in thick fog off the West Coast. He was watching his radar and saw a large blip heading straight for him at a high speed. He thought it was a navy ship as it was moving so quickly. He grabbed his survival gear, ran out on deck to see if he could see it before it hit him, just as an Orion patrol aircraft flew over his mast at about 500 feet. Back to the wharf for more tinkering. The big old Chrysler Royal needed an oil change and tune up. Luckily, the local machine shop had a source of parts for it, mostly war surplus. The only way to change oil was to drain it into the bilge then pump it into a bucket, then put cleaner into the bilge, slosh it around and pump it over the side. Oh, look at the pretty colours on the

water. I was starting to run out of things to do so had to seriously plan a departure date. Unfortunately my buddy Tom decided he actually had to get a job and make some money. That and he wanted to work on the sailboat he was building. I must admit, the sailboat turned out to be a work of art a few years later. So the search was on for a sucker, I mean deckhand, who wanted to live in cramped, damp quarters away from home eating questionable cooking (what’s the matter with raw carrots and Kraft Dinner?) for the summer. Not surprisingly there was not a long line up. While the search continued, it was time to make the pilgrimage out to visit Millie at Ed Pallister’s in Sooke to buy fishing gear for the season. Luckily the gear loss rate had greatly reduced as I learned where the reefs were and also moved to fishing on the banks, away from the rock piles, where the bottom was more forgiving. We loaded up with leads, spoons, plugs, flashers, hoochies and whatever Millie and Ed said were the latest killer lures. Dad couldn’t wait for me to get out of town to stop the bleeding from his cheque book. OK, time to go, now where’s that deckhand?

### Tara’s Scene



With September here, it is a good time to remind people of the importance of supporting music in schools. The arts are often up for discussion when budgets are tight so it is good to keep in mind the many advantages of music education. A major benefit is the positive affect it can have on the intelligence of a child. Many studies have shown that learning music can help exercise parts of the brain that are used for language, reasoning, mathematics and spatial intelligence. Research done by Glenn Schellenberg, demonstrated a larger increase in the IQ of young children who were taught piano or voice when compared to kids who were not. Music in schools also provides children with a sense of achievement and can teach them discipline.

And of course, music is fun! You never know what opportunities it could lead to in the future.

Next Issue: *Season II*

## Rate Watch

From Prime Mortgage Works Inc  
As of Sept 04, 2009

Term	Best Rate	Bank Rate
6 Month Open	5.50%	7.80%
6 Month Closed	3.95%	5.20%
1 Year	2.55%	5.00%
2 Year	2.89%	5.75%
3 Year	3.39%	5.75%
4 Year	3.85%	5.75%
5 Year	3.99%	5.75%
6 Year	5.05%	6.09%
7 Year	5.30%	6.09%
8 Year	5.35%	6.09%
9 Year	5.42%	6.09%
10 Year	5.35%	6.29%
15 Year	9.25%	9.55%
18 Year	9.25%	9.55%
25 Year	9.35%	9.65%
Prime Rate	2.25%	

## For the Birds



### The Lightest Field Guide for Birds

There has been a revolution in Birding Field Guides. Traditional field guides were books or bird song CDs but the internet changed all that. You now simply google any bird name that you wish for details on pictures, descriptions and bird songs. There is also specialized software for your computer such as the Thayer's Birding Guide by Cornell Labs. This software shows you colour photos of the bird, details of male, female and juvenile birds plus gives range maps for each species. It plays a recording for each bird and the new version has a number of mini videos. But a field guide is intended to come out into the field with you. You can now go this step farther and carry your field guide inside your iPod. One great software package is BirdJam. Combined with the Stokes Bird Song CD, it is loaded up just like any other playlist. The retrieval is amazingly fast. BirdJam is not that extensive in that it doesn't have all the species but it's still the cat's meow. It exponentially increases the learning curve for identifying birds by ear. Just a word of warning, if the iPod has an external speaker, the birds will actually hear the recording and this may disturb them so care must be taken when playing the songs. Actual field guide books won't go out of style. There is still no substitute for Sibley's Guide to Birds but BirdJam is a lot lighter to carry.

**Don't Forget!**  
**Still Time to Enter**

**Win an all-inclusive trip for two to a 4-star resort in the Mayan Riviera!**

**Courtesy of Dave and Tara Lynn**

Do you know of someone thinking about selling or buying a home?

If so, refer them to us and when they buy or sell a house using us as their Realtor®, your name goes into our draw for an all-inclusive trip for two to the Mayan Riviera in Mexico.

The winning name will be drawn at our neighbourhood skate in December 2009.