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West Side Homes & Market Review

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Single Family Homes

It's really a Mainland Chinese market as you've read in the papers. On a recent listing I had 13 offers and every one was Mainland Chinese. This is very typical as our prices are still far less than those at home. I received many phone calls from local buyers wondering how long this market from China will last and really, I have no idea. We are now dependant on the government policy in China for the strength of our local real estate market. There appear to be 3 types of buyers from China - those who want a stable place for their money thus diversifying their investments creating a rental or holding property here, those who want to build a new home to move into, and those who don't have the budget to buy and build and are happy to move into an existing home so that their children can attend good schools.



Hi Everyone,

It's March Break already; this year seems to be going by quickly. I hope that those of you with children are off to something fun as it sounds like most school districts are taking 2 weeks this year - that's a lot of rainy weather entertainment otherwise! Enjoy your time away and the rest of us will enjoy less traffic!

Karin

Market Overview

- There are 2 very distinct markets now-single family homes and the condo/attached market. They are different business models requiring a different approach to marketing and selling and with different expectations from the Seller. Single family homes should sell very quickly if priced realistically whether they are resale or lot value. Some sellers look at offers right away, within a few days thinking that they will catch Buyers while they're hot to buy while I prefer a slightly longer approach that ensures that all potential Buyers have an opportunity to view the home and prepare an offer. My approach only takes 1 week so it's just a difference of a few days but one that gets a better result in my view. Multiple offers are the status quo so like it or not, it is part of real estate for at least part of each year.
- I see a couple of different pricing models on these homes; a few agents are using the Vancouver East approach which is to list a home artificially low to generate more offers. I don't support that as it's not necessary to get the best price for the Seller. I prefer to price it close to the best comparable sale and see where the market takes it. A few Sellers are still not comfortable with either of those and would prefer to price their home closer to where they hope it will sell. This can take longer, will not result in a multiple offer but may still have a similar result.
- Condos and other attached properties are not enjoying the same type of market so pricing tends to leave some room for negotiation and generally they take much longer to sell. All parties should be aware of that going in. Last year Buyer opportunity was after April and ran through September so I am hoping that we may get a window this year with a more balanced market allowing more Buyers to find homes.



Condos

- Generally speaking condos take a while to sell but Buyers have to also understand that certain segments are hot and Buyers should still be moving quickly on any property that interests them. Those in the first time Buyer price range and in those hot areas like the Cambie Corridor and Arbutus Walk will still sell in a week.
- Generally offers can be presented right away and should be to avoid competition.

Financing

- Interesting article in the paper this week about variable vs. fixed rates. A fixed rate is a type of insurance that your rate will remain the same for a fixed period of time rather than taking the risk of fluctuation; however given the low prime rate which we've enjoyed for quite some time, the mortgagee is paying a lot for that insurance.
- Busy lenders are now asking for 5 business days for mortgage approvals. Rates currently remain stable.



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