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WEST SIDE HOMES & MARKET REVIEW

MAY/JUNE 2011

Condos & Multifamily- Presales are Back

► The market continues to be slower except in pre-sales and lower price points. There are a lot of listings for Buyers to see so no real sense of urgency when shopping for a new home. Duplexes and town homes sell better at \$1million and lower, usually to families. Large duplexes however, at 2000sq ft or more sell because they are an option to homes on 33ft lots. You may have read about the resurgence of pre-sales even with bad press about quality, original versus finished plans, etc. A lot of this interest has come from Mainland China with promotional events held there to sell condo developments here. It's clearly working and they make up a large majority of those buyers.



Hi Everyone, This is a busy time of year it seems for everyone. It's work, school, and the rush to get things done so that we can enjoy summer-if it ever shows up. City tree cutters were so busy that it took them more than a year but they finally cut down the tree that caused so much havoc in 2010 and even teased me into thinking they might take the other trouble maker down but it was not to be. Hope your summer is NOT busy but instead relaxing and warm.

Karin

Market Overview

► Someone asked me recently if the market was slowing down a lot. There are definitely fewer Buyers around but those that are, are still spending top dollar when they buy. We are seeing more of the very expensive homes, those over \$10M sell. There have been 6 already this year between \$10m and \$20m; up from 2 last year. I expect summer to be seasonably slower but it's also when out of town Buyers make their move.

Single Family Homes - Still Moving

► The whole West Side is strong but areas will fall out of favour temporarily but come back a while later. I'm not sure if it's because 1 buyer will attract friends to buy nearby or a lack of listings will force Buyers to look elsewhere. Recently the Endowment Lands have gained popularity with top dollar being paid for those large lots, both north and south of Chancellor.

► Richmond residents have been targeting the West Side looking for better schools and since the Tsunami, even more Buyers want out. Schools are full so I'm not sure where we're going to put everyone!



Financing - When not If

➤ Interest rate hikes were expected May 31 but instead will probably not happen until the fall. Mark Carney has said that interest rates “will rise as soon as the economy can handle it.” There are concerns about the levels of debt Canadians are already carrying. Look instead to adjustments to discount rates on variable mortgage products; anyone considering buying with a variable mortgage will want to keep this in mind. Variable rate products have soared in popularity and they are most affected by changes in prime.

US Property Market

➤ I'm often asked about buying in the US market. I get it-it's tempting compared to the prices here. Anyone who thinks the US has hit bottom is mistaken; there is a long way to go. US experts have continued to say that this is still the tip of the problem.

➤ That doesn't mean don't buy, it just means if you want to buy a second home for your personal enjoyment, go for it. If you're buying strictly as an investment, thinking of all the upside potential, it could be a long wait.



FARMERS MARKETS ARE BACK!

LOCAL FLAVOURS & FAMILIAR FACES

By early Spring I'm trying to remember what produce really tastes like; organic is an improvement but there is nothing like the taste of fresh fruit and vegetables.

For a full list of market locations and times go to

<http://www.bcfarmersmarket.org>

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