

Friends & Neighbours ...

We'll have to call 2009 the "Year of the Rebound." After a very slow start—with prices down over 15% on average—we ended December with both unit volume and average prices pretty much back to full strength.

In the entire Greater Vancouver trading area (covering Squamish to Maple Ridge and South Delta) only Squamish houses and West Vancouver condos are still lower in price than they were a year ago (down 3.2% and 5.6% respectively). Big winner was Port Moody houses (up 30.7% over Dec. a year ago), and houses on Vancouver's West Side (up 30.2%).

The five year trend is even better, with most areas up between 40% and 65%.

Continued low mortgage rates are helping to support the market, as is growing demand driven by steady population increase. And we have (at the end of Dec.'09) a relatively low number of homes listed for sale – 40% fewer than at the end of 2008; since 1997 there's been only 3 times we had fewer homes for sale at year end.

I wish you a happy, healthy and prosperous 2010. Enjoy the Olympics and all they bring to us. Call me anytime for a personal real estate update.

Source: Real Estate Board of Greater Vancouver



Glen

Did You Know?

- In 1976 in Canada, there were about 4.4 million homeowners and 2.2 million renters.
- By 2006, we had about 8.4 million owners and 4 million renters.
- BC nets, on average, over 1,000 new immigrants each week; most of them settle in the Greater Vancouver area.

Source: CMHC

Mortgage Rates – as at Jan 4/10

Term	Posted Rate	Best Rate
1 Year	3.65%	2.35%
3 Year	4.50%	3.45%
5 Year	5.49%	3.99%
Prime		2.25%

Mortgage rates are all slightly lower than they were in November.

The Olympic Effect

In researching real estate activity in past Olympic host cities, we find very little, if any, market effect that can be directly attributed to the Olympics. This is especially true of cities—like Vancouver—which already enjoy a strong and vibrant housing market.

Atlanta, Calgary, Sydney, Los Angeles and Salt Lake all report that the value and quantity of residential real estate sold in the periods around their Olympic events did not deviate significantly from the trends in other comparable areas.



So rather than a sudden shift in property values, we should expect our market to benefit from the long term Olympic Legacies – including the improved Sea-to-Sky highway, RAV Line, Convention Centre, and Athlete's Village with its associated revitalization of False Creek, the seawall and new parks.

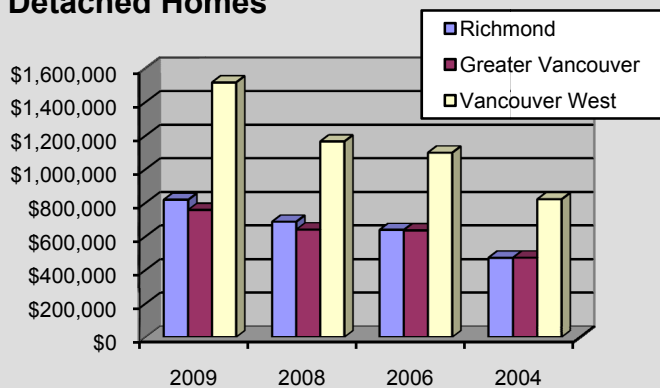
Combined with the undeniable tourism publicity, all these Legacies will add to the long-term liveability of the region (including the downtown core), attract new people and employers, and help to open development of new housing in the vicinity of the improved transit and highways.



We may see a slight dip in activity during February (and possibly March to a lesser degree), when people's focus will be on the events, and when access to some areas will be limited. But if that's so, we should expect a slight offsetting surge following the Games, to balance the pent-up demand.

Detached Home Sales – Dec. stats

Detached Homes



Houses on Vancouver's West Side have regained their value first, but all areas are rebounding.

Call me for details on your real estate, and trends in your neighbourhood.

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Benchmark Prices: Estimated sale prices of a "typical" property.

Debt Consolidation

With mortgage rates continuing at record lows, if you happen to have credit card debt that never seems to get cleaned up *and* you have equity in your home, you may want to talk to your mortgage broker about consolidating the debts when your mortgage next comes due.



After consolidation, increase your mortgage payments by the amount you've been previously paying on the credit cards. This can save you big money due to the much lower interest rates on today's mortgages compared to credit cards.

INVESTOR ALERT: New construction is down, rental vacancies very low, interest rates favourable and prices rebounding. This could be a great time to invest. I can help.