

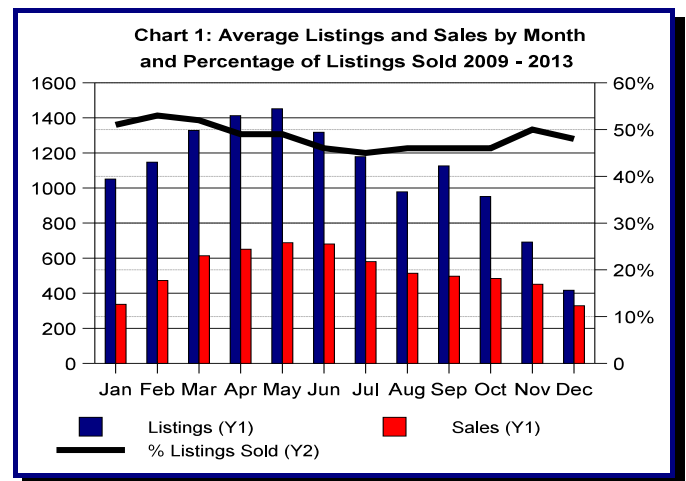


MARKET REMAINS IN BALANCED TERRITORY

WHEN IS THE BEST TIME TO SELL YOUR HOME?

There are perhaps three aspects to this question. First, is there a time of year when you have a better chance of selling your home than others? Second, when will you get the quickest sale? Third, when will you get the best price? An examination of real estate activity in Victoria during the five-year period from 2009 to 2013 provides some insight into these questions.

During this period, there were 65,264 residential listings and 31,501 sales. As shown in Chart 1, most listings come on the market in the 1st half of the year and tend to trail off in late fall. Sales build during spring, peaking in the months of May and June and then slow down in late fall. Chart 1 also shows the percentage of properties that sold during their initial listing period by the month the property was put on the market. For example, 51% of the properties listed in January sold during the initial listing period. The percentage of properties that sold during the initial listing period was fairly constant at about 48%. Properties listed in the months of June through September have a slightly lower probability (and one should emphasize "slightly") of selling than those properties listed in the other months.



There was considerable variability in the amount of time properties spent on the market before they sold, ranging from a low of 42 to a high of 94 days. The average time on the market during this period was 63 days. Properties listed in the spring (i.e., March through May) sold in an average of 58 days, whereas properties listed in October through January took longer to sell, an average of 67 days.

Annual sale prices were relatively flat during this period. However, a comparison of average and median sale prices in the 1st half of the year versus the 2nd half revealed sale prices were lower in the 2nd half of the year, in the order of 4% to 5%, in four of the five years. With the exception of 2009, there was a clear pattern, whereby sale prices in the 2nd half fell below those of the 1st half, followed by an increase in the 1st half of the following year.

On one hand, it doesn't seem to matter a great deal what time of the year a property is put on the market. Properties listed in late fall seem to have just as good a chance of selling as those listed in the spring. In other words, list it when you are ready. On the other hand, properties put on the market early in the year, that are smartly priced, tend to sell a bit more quickly and tend to command a better price than those listed in the fall.

**TABLE 1: STATISTICAL TRENDS - ALL RESIDENTIAL
(Greater Victoria and Other Areas)**

QUARTER-TO-QUARTER COMPARISONS			
	2 nd Qtr 13	2 nd Qtr 14	Change
New Listings	3,807	4,013	+206
Sales	1,846	2,051	+205
Avg Sale Price	\$500,981	\$497,061	-\$3,920
Median Sale Price	\$450,000	\$452,000	+\$2,000
Ratio Sales Listings	.49	.51	+.02
Avg Days to Sell	69	60	-9
Sale Price as %			
of Org List Price	94.4%	95.7%	+1.3%
Mortgage Rates			
(Posted 3 yr Fixed)	3.65%	3.55%	-0.10%

THE VICTORIA MARKET

The Victoria real estate market remained firmly entrenched in balanced territory in the 2nd Qtr of 2014. Both the number of new listings and sales were up from the 2nd Qtr of 2013. The ratio of sales-to-listings (a measure of market strength) was little changed. Similarly, sale prices were about the same as those in the 2nd Qtr of 2013. However, there were some signs of underlying strength. Properties took less time to sell and they sold about 4.3% below the original list price, an improvement of +1.3% over last year.

As shown in Table 1, sales of residential properties (i.e., all types of housing excluding lots/acreage and commercial) through the Victoria Real Estate Board's MLS® totalled 2,051 in the 2nd Qtr of 2014, up 12% from 1,846 sales in the 2nd Qtr of 2013. The number of new listings was 4,013, up 5.4% from 3,807 in the 2nd Qtr of 2013. The sales-to-new-listings ratio was .51 in the 2nd Qtr of 2014, compared to .49 a year ago. Both average and median sale prices were virtually unchanged. **The average sale price of a residential property in Greater Victoria and other areas was \$497,061 in the 2nd Qtr of 2014**, compared to \$500,981 in the 2nd Qtr of 2013. The median sale price was \$452,000, compared to \$450,000 last year.

The figure of \$497,061 compares to average sale prices of \$814,418 in Vancouver, \$585,204 in Toronto, \$536,186 in the Fraser Valley and \$465,579 in Calgary for the month of May 2014.

The most recent forecast for the real estate market in Victoria from the BC Real Estate Association suggests that there will be no major changes in market conditions in the near term. Sales are expected to increase modestly and home prices will increase in line with inflation, about 2 to 3 percent.

THE MARKET INVENTORY

There were 3,355 properties (including lots and acreage) active on the VREB's MLS® database for the Greater Victoria area (i.e., excluding the Malahat, Up-Island and the Gulf Islands) on July 1, 2014, virtually unchanged from the inventory level of 3,373 a year ago.

SINGLE FAMILY DWELLINGS (SFDs)

Sales of SFDs in greater Victoria in the 2nd Qtr of 2014 totalled 1,104, up from 1,044 sales in the 2nd Qtr of 2013. **The average sale price of SFDs in the 2nd Qtr of 2014 was \$621,596, up slightly from an average of \$617,828 in the 2nd Qtr of 2013.** Moreover, the median sale price was \$540,000, compared to \$529,900 in the 2nd Qtr of 2013. As shown in Chart 3, sale prices have fluctuated in a narrow range over the past few years but appear to have begun an upward trend in the past two quarters. SFDs that sold in the 2nd Qtr of 2014 were on the market for an average of 50 days, down from 55 days last year. The sales-to-listings ratio was .52 in the 2nd Qtr of 2014, compared to .55 last year.

CHART 2: RES'L SALES-TO-NEW-LISTINGS RATIO
3rd Qtr 2009 (3/09) to 2nd Qtr 2014 (2/14)



TABLE 2: INVENTORY - GREATER VICTORIA

Type of Property	Jul 13	Jul 14	Change
Single Family Dwelling	1,609	1,660	+51
Condominiums	971	919	-52
Townhouses	379	337	-42
Lots/Acreage	302	326	+24
Man. Home/Rental Pad	86	88	+2
Duplexes (Revenue)	17	16	-1
Triplexes+ (Revenue)	9	9	nc
Totals	3,373	3,355	-18

CHART 3 - QUARTERLY SALE PRICES - SFDs
3rd Qtr 2011 (3/11) to 2nd Qtr 2014 (2/14)

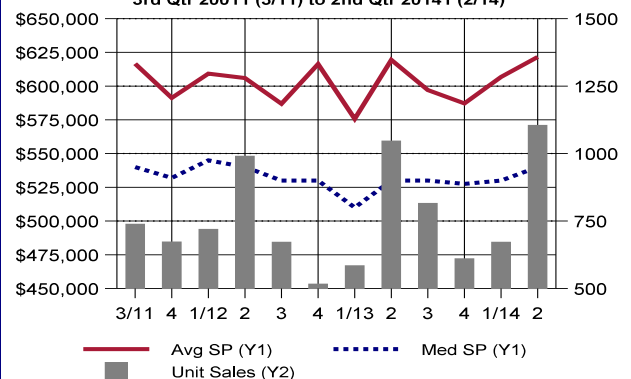
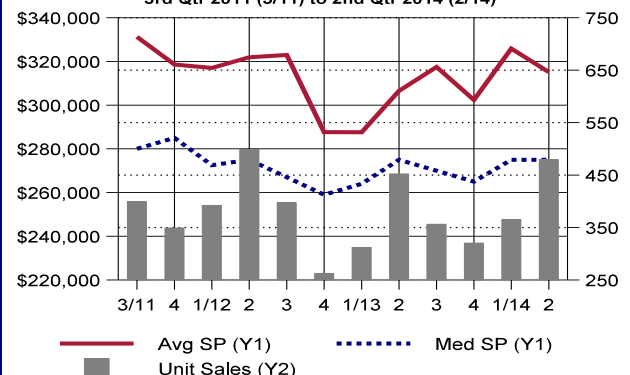


CHART 4 - QUARTERLY SALE PRICES - CONDOS
3rd Qtr 2011 (3/11) to 2nd Qtr 2014 (2/14)



CONDOMINIUMS

Condominium sales remained steady in the 2nd Qtr of 2014 with sales of 479, little changed from 454 sales in the 2nd Qtr of 2013. **The average sale price for a condo was \$315,111 in the 2nd Qtr of 2014, up from \$306,229 in the 2nd Qtr of 2013.** The median sale price was \$275,000, compared to \$274,500 last year. As shown in Chart 4, the average and median sale prices have shown an upward trend since the 4th Qtr of 2012. Condos took an average of 62 days to sell in the 2nd Qtr of 2014, down from 74 days last year. The sales-to-listings ratio was .51, compared to .48 last year.

TOWNHOUSES

Townhouse sales totalled 217 in the 2nd Qtr of 2014, up slightly from 203 sales in the 2nd Qtr of 2013. **The average selling price in the 2nd Qtr of 2014 was \$414,046, down from \$427,775 in the 2nd Qtr of 2013.** The median sale price was \$389,000 down from \$406,000 last year. Townhouses took an average of 57 days to sell in the 2nd Qtr of 2014, down from 71 days last year. The sales-to-listings ratio was .56, compared to .53 last year.

LOTS/ACREAGE

There were 33 lots/acreage sold in the 2nd Qtr of 2014. The average and median sale prices were **\$567,031** and **\$280,000** respectively. *(The significant difference between the average and median sales prices was largely attributable to the sale of a 1.67 acre waterfront property in Uplands for \$6.16 million).*

STREET FOOD IN GREATER VICTORIA

Street food is becoming a growing part of the local food scene. The following is a list of some of the favourites, a bit on the type of food they serve, their location and hours of operation. However, one should check out <http://streetfoodapp.com/victoria> to find out which are open on a particular day and where they are located.

Deadbeetz - serving burgers, strip loin steak, sammies with chimi churi sauce and coconut lime curry, Capital Iron parking lot 1900 Store St, 11:00 am to 6:00 pm.

EAT Machine - offering burgers, poutine with hand cut fries, Hungarian longos and sweet elephant ears, Corner of Belleville and Government, Inner Harbour Causeway, 11:00 am to 7:00 pm.

Finest At Sea - all local wild BC seafood, fish n chips, fish burgers, tacos and more, 27 Erie St, 9:00 am to 6:00 pm.

Grilled to the Mac - grilled cheese sandwiches and Mac n Cheese, Sooke Rd and Goldstream Ave, 11:00 am to 4:00 pm.

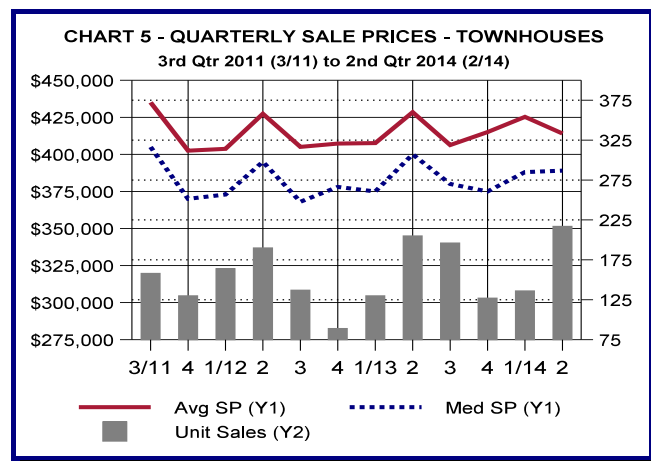
Hungry Rooster - homemade perogies, sausage on a bun with sauerkraut and onions, Capital Iron at Store St and Chatham St, 11:00 am to 5:30 pm.

Tacofino Victoria - fresh west-coast style tacos and burritos, corner Douglas and Pandora, 10:00 am to 9:00 pm.

Taco Justice League - fighting hunger one taco at a time, 1580 Cook St, 11:30 am to 9:00 pm.

L'Authentique Poutine Burgers - authentic poutine and burgers from Quebec, Canadian Tire, Langford, 11:30 am to 5:00 pm.

Pepperman's Grill - local gourmet all beef hot dogs, corner of Vancouver and Yates, 11:30 am to 4:00 pm.



Real Estate in Victoria ...Keeping You Informed: I provide this newsletter to clients, customers and friends to help them keep informed of developments in the real estate market in the Victoria area. If you do not want to receive this newsletter in the future, please let me know. It is not intended to solicit or interfere with existing listings or Agency relationships. The information contained herein is based on sources which are believed to be reliable, but it is not guaranteed. The content of this newsletter is copyright©. The data and information outlined herein was derived from a number of sources including: the VREB, the BCREA and the CREA. The Publisher is responsible for the analysis of the data and any opinions expressed herein.

**REAL ESTATE ACTIVITY -
GREATER VICTORIA
Single Family Dwellings
July 2013 to June 2014
With an Analysis of Percentage
Changes and a Breakdown by District**

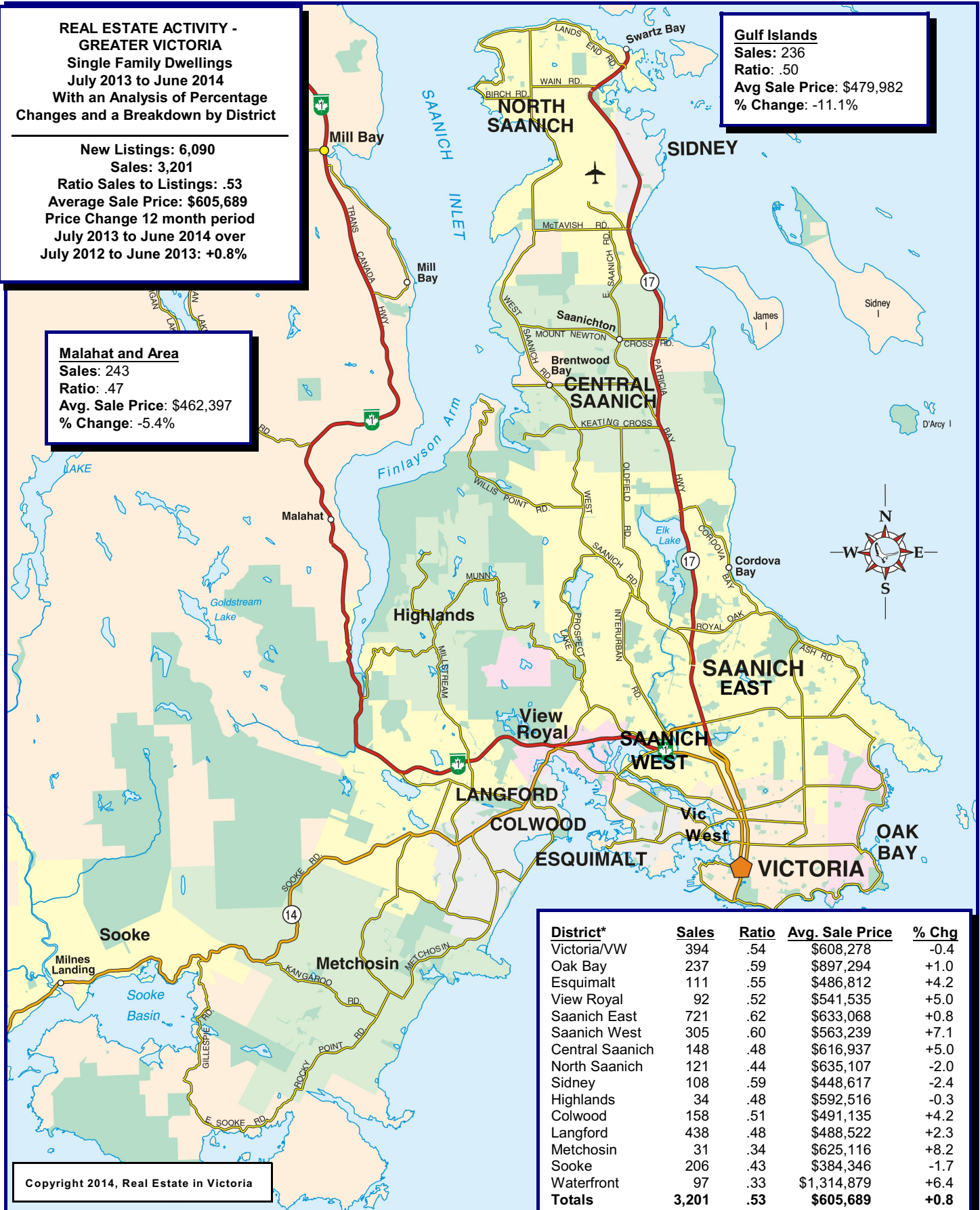
**New Listings: 6,090
Sales: 3,201
Ratio Sales to Listings: .53
Average Sale Price: \$605,689
Price Change 12 month period
July 2013 to June 2014 over
July 2012 to June 2013: +0.8%**

Malahat and Area

**Sales: 243
Ratio: .47
Avg. Sale Price: \$462,397
% Change: -5.4%**

Gulf Islands

**Sales: 236
Ratio: .50
Avg Sale Price: \$479,982
% Change: -11.1%**



District*	Sales	Ratio	Avg. Sale Price	% Chg
Victoria/VW	394	.54	\$608,278	-0.4
Oak Bay	237	.59	\$897,294	+1.0
Esquimalt	111	.55	\$486,812	+4.2
View Royal	92	.52	\$541,535	+5.0
Saanich East	721	.62	\$633,068	+0.8
Saanich West	305	.60	\$563,239	+7.1
Central Saanich	148	.48	\$616,937	+5.0
North Saanich	121	.44	\$635,107	-2.0
Sidney	108	.59	\$448,617	-2.4
Highlands	34	.48	\$592,516	-0.3
Colwood	158	.51	\$491,135	+4.2
Langford	438	.48	\$488,522	+2.3
Metchosin	31	.34	\$625,116	+8.2
Sooke	206	.43	\$384,346	-1.7
Waterfront	97	.33	\$1,314,879	+6.4
Totals	3,201	.53	\$605,689	+0.8

*District Avg. Sales Prices exclude sales of "Waterfront"