



REAL ESTATE IN VICTORIA...*Keeping You Informed*

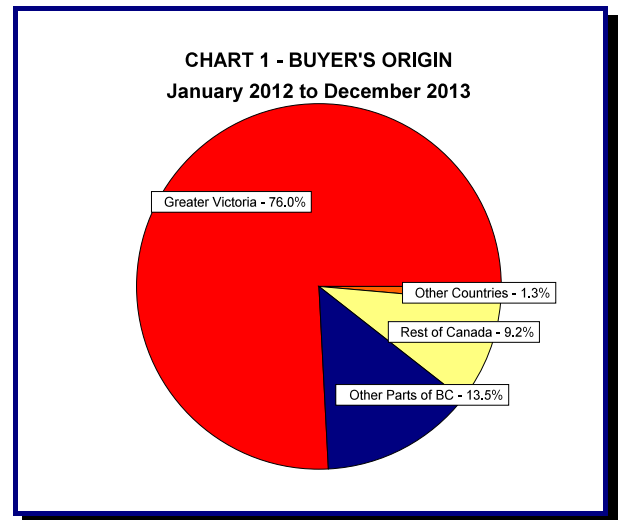
Fall 2014

## MARKET STRENGTHENS IN 3<sup>RD</sup> QUARTER

### WHERE ARE THE BUYERS FROM?

The Victoria Real Estate Board has gathered and analysed information on the origin of buyers for a number of years. Chart 1 shows the origin of some 11,672 buyers for the years 2012 and 2013. It provides a percentage breakdown of buyers from Greater Victoria, from other parts of BC, from the rest of Canada and from other countries.

The vast majority of buyers, 8,869 (76.0%) were from Greater Victoria. This includes first time buyers moving into the housing market, or buyers moving up or downsizing to adjust to their changing housing needs, as well as those seeking a better location. The percentage of buyers from Greater Victoria has changed little over the past decade. A similar survey for the period Jan 1, 2003 to Jun 2004 found that 76.8% of the buyers were from Greater Victoria. *(Note: buyers from outside the Greater Victoria area who assumed a temporary residence in the Greater Victoria area before deciding to purchase would be included in the 76.0% figure).*



There were 1576 (13.5%) buyers from other parts of BC and they constituted the second largest proportion. During the two year period 2012 - 2013, 638 of these buyers were from the lower mainland and perhaps surprisingly, 407 from north Vancouver Island. The figure of 13.5% is up slightly from 12.2% in the 2003 - 2004 period.

There was also a small increase in the percentage of buyers from the rest of Canada, 9.2% in 2012 - 2013 versus 7.9% in the 2003 - 2004 period. Alberta remains the main origin of buyers from the rest of Canada, totalling some 542 in 2012 - 2013. This was followed by Quebec and Ontario, which was the origin of 314 buyers. The pattern in 2012 - 2013 was consistent with the pattern that existed in the 2003 - 2004 period.

While perhaps not a major factor on the overall real estate market in Greater Victoria in the past decade, the most significant change was in the percentage of buyers from other countries. There were 148 buyers from other countries in the two year period 2012 - 2013, 1.3% of the total. This compares with 365 buyers from other countries in the 18 month period Jan 2003 - Jun 2004, 3.1% of the total. The United States was the main source of buyers from other countries in both periods, followed by buyers from Europe and Asia. There were 68 (0.6%) buyers from the United States in 2012 - 2013, down significantly from 268 (2.3%) in the eighteen month period Jan 2003 - Jun 2004. One might expect a reversal in this trend, if, as economists suggest, we continue to see an improved economy in the United States and a decline in the value of the Canadian dollar.

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

QUARTER-TO-QUARTER COMPARISONS			
	3 <sup>rd</sup> Qtr 13	3 <sup>rd</sup> Qtr 14	Change
New Listings	3,040	2,919	-121
Sales	1,538	1,796	+258
Avg Sale Price	\$481,973	\$499,777	+\$17,804
Median Sale Price	\$435,000	\$450,000	+\$15,000
Ratio Sales Listings	.51	.62	+.09
Avg Days to Sell	75	70	-5
Sale Price as %			
of Org List Price	94.1%	94.4%	+0.3%
Mortgage Rates			
(Posted 3 yr Fixed)	3.95%	3.45%	-0.50%



## THE VICTORIA MARKET

The Victoria real estate market remained in balanced territory in the 3<sup>rd</sup> Qtr of 2014. However, there are signs of increasing strength when compared to the 3<sup>rd</sup> Qtr of 2013. The number of new listings was about the same as last year. At the same time, there was a significant increase in the number of sales. The ratio of sales-to-listings (a measure of market strength) was up. Sale prices were higher than those in the 3<sup>rd</sup> Qtr of 2013 and continue on an upward trend. Properties spent less time on the market before they sold.

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 1,796 in the 3<sup>rd</sup> Qtr of 2014, up +17% from 1,538 sales in the 3<sup>rd</sup> Qtr of 2013. The number of new listings was 2,919, little changed from 3,040 in the 3<sup>rd</sup> Qtr of 2013. The sales-to-new-listings ratio was .60 in the 3<sup>rd</sup> Qtr of 2014, up significantly from .51 a year ago. Both average and median sale prices were higher. **The average sale price of a residential property in Greater Victoria and other areas was \$499,777 in the 3<sup>rd</sup> Qtr of 2014**, up 4.0% from \$481,973 in the 3<sup>rd</sup> Qtr of 2013. The median sale price was \$450,000, compared to \$435,000 last year. They sold about 5.6% below the original list price, an improvement of +0.3% over the 3<sup>rd</sup> Qtr of 2013.

The figure of \$499,777 compares to average sale prices of \$802,763 in Vancouver, \$546,204 in Toronto, \$528,939 in the Fraser Valley and \$454,994 in Calgary for the month of August 2014.

The July 2014 forecast from the BC Real Estate Association indicates that there has been a general strengthening of the real estate market in BC. It is forecasting that by the end of the year, Victoria will experience a +3.3% increase in residential prices and something in the order of a 1.2% increase in 2015.

## THE MARKET INVENTORY

There were 2,916 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 Oct 1, 2014, down -7.7% from the inventory level of 3,159 a year ago.

## SINGLE FAMILY DWELLINGS (SFDs)

Sales of SFDs in greater Victoria in the 3<sup>rd</sup> Qtr of 2014 totalled 936, up +14.6% from 817 sales in the 3<sup>rd</sup> Qtr of 2013. **The average sale price of SFDs in the 3<sup>rd</sup> Qtr of 2014 was \$618,378, up +3.4% from an average of \$598,181 in the 3<sup>rd</sup> Qtr of 2013.** Moreover, the median sale price was \$545,000, compared to \$530,000 in the 3<sup>rd</sup> Qtr of 2013. (Note: there were four sales above \$4 million which pushed up sales prices). As shown in Chart 3, sale prices have fluctuated in a narrow range over the past few years but appear to have begun a slight upward trend. SFDs that sold in the 3<sup>rd</sup> Qtr of 2014 were on the market for an average of 62 days, unchanged from last year. The sales-to-listings ratio was .63 in the 3<sup>rd</sup> Qtr of 2014, compared to .55 last year.

CHART 2: RES'L SALES-TO- NEW-LISTINGS RATIO  
4th Qtr 2009 (4/09) to 3rd Qtr 2014 (3/14)



TABLE 2: INVENTORY - GREATER VICTORIA

Type of Property	Oct 13	Oct 14	Change
Single Family Dwelling	1,476	1,390	-86
Condominiums	942	825	-117
Townhouses	304	281	-23
Lots/Acreage	329	325	-4
Man. Home/Rental Pad	85	76	-9
Duplexes (Revenue)	15	10	-5
Triplexes+ (Revenue)	8	9	+1
<b>Totals</b>	<b>3,159</b>	<b>2,916</b>	<b>-243</b>

CHART 3 - QUARTERLY SALE PRICES - SFDs  
4th Qtr 2011 (4/11) to 3rd Qtr 2014 (3/14)

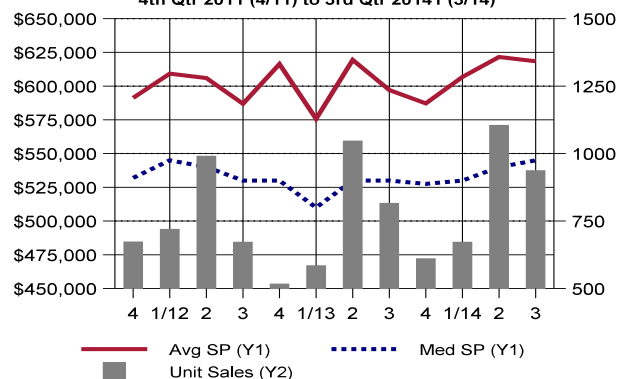
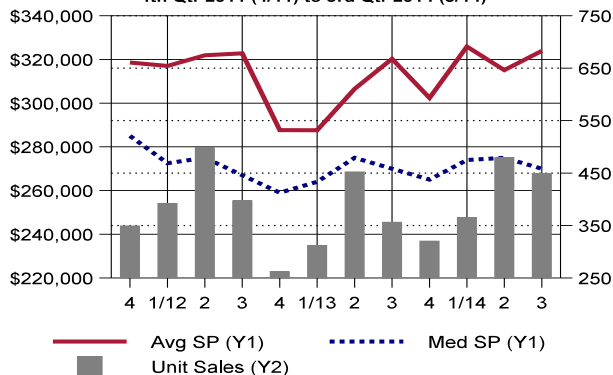


CHART 4 - QUARTERLY SALE PRICES - CONDOS  
4th Qtr 2011 (4/11) to 3rd Qtr 2014 (3/14)





## CONDOMINIUMS

Condominium sales also strengthened in the 3<sup>rd</sup> Qtr of 2014 with sales of 449, up +26% from 356 sales in the 3<sup>rd</sup> Qtr of 2013. **The average sale price for a condo was \$323,909 in the 3<sup>rd</sup> Qtr of 2014, little changed from \$320,259 in the 3<sup>rd</sup> Qtr of 2013.** The median sale price was \$270,000, unchanged from last year. As shown in Chart 4, the average and median sale prices have shown an upward trend since the 4<sup>th</sup> Qtr of 2012. Condos took an average of 66 days to sell in the 3<sup>rd</sup> Qtr of 2014, down from 76 days last year. The sales-to-listings ratio was .57, compared to .55 last year.

## TOWNHOUSES

There were 179 townhouse sales in the 3<sup>rd</sup> Qtr of 2014, down slightly from 198 sales in the 3<sup>rd</sup> Qtr of 2013. **The average selling price in the 3<sup>rd</sup> Qtr of 2014 was \$426,202, up +5.5% from \$403,861 in the 3<sup>rd</sup> Qtr of 2013.** The median sale price was \$400,000, up from \$380,000 last year. Townhouses took an average of 63 days to sell in the 3<sup>rd</sup> Qtr of 2014, compared to 75 days last year. The sales-to-listings ratio was .64, little changed from .65 last year.

## LOTS/ACREAGE

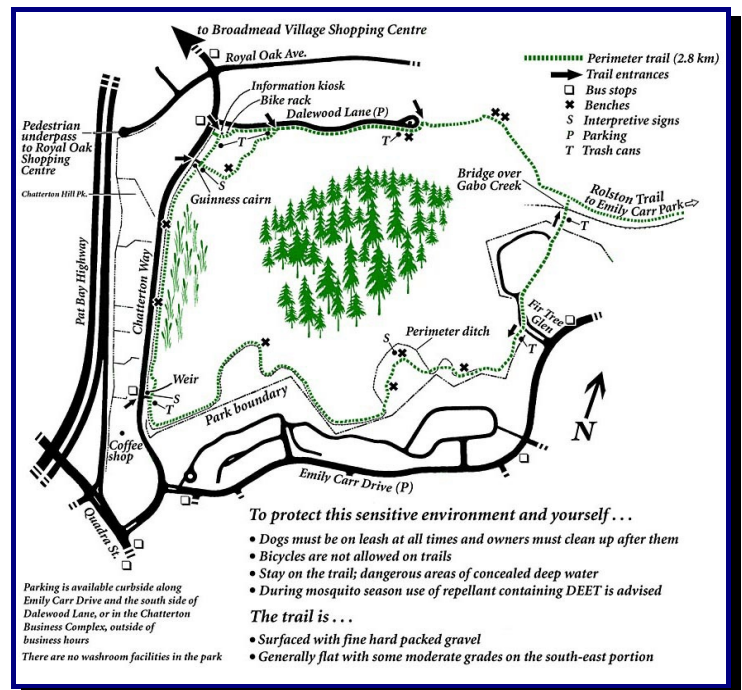
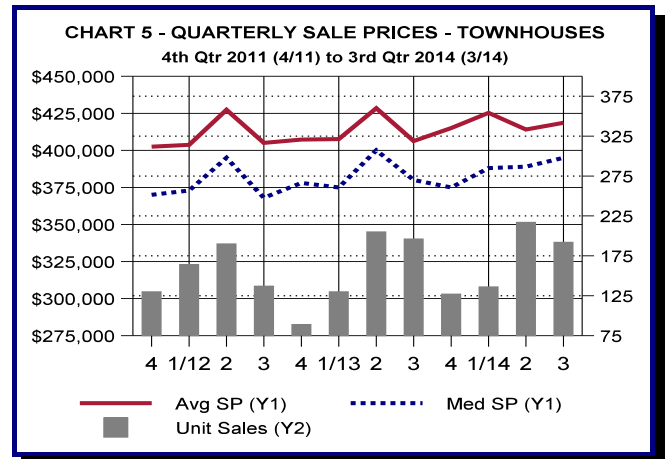
There were 42 lots/acres sold in the 3<sup>rd</sup> Qtr of 2014. The average and median sale prices were **\$405,055 and \$341,250** respectively. *(Sale prices were pushed up by the sale of three large parcels of land that sold for more than \$1 million each).*

## RITHET'S BOG

There are a number of places in the Greater Victoria area where one can escape the hustle and bustle of urban life and reconnect with nature. In this regard, Rithet's Bog or Rithet's Bog Park should be near the top of everyone's list to pay a visit. Rithet's Bog is located near the intersection of the Pat Bay Highway and Royal Oak Drive. It is bounded by Chatterton Way, Dalewood Lane and Emily Carr Drive.

Rithet's Bog is the last remaining peat bog on the Saanich Peninsula and now consists of a 42 hectare nature sanctuary. It supports a rare forested bog environment that provides a wide range of habitat for a number of rare plants and wildlife. Many people enjoy this quiet green haven and walk the 2.8 km bog trail to view the wildlife, plants and flowers.

The restoration and management of this fragile eco-system is a partnership among the District of Saanich, Rithet's Bog Conservation Society, the Habitat Conservation Trust Fund, Fisheries and Ocean's Canada and Ducks Unlimited Canada.





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

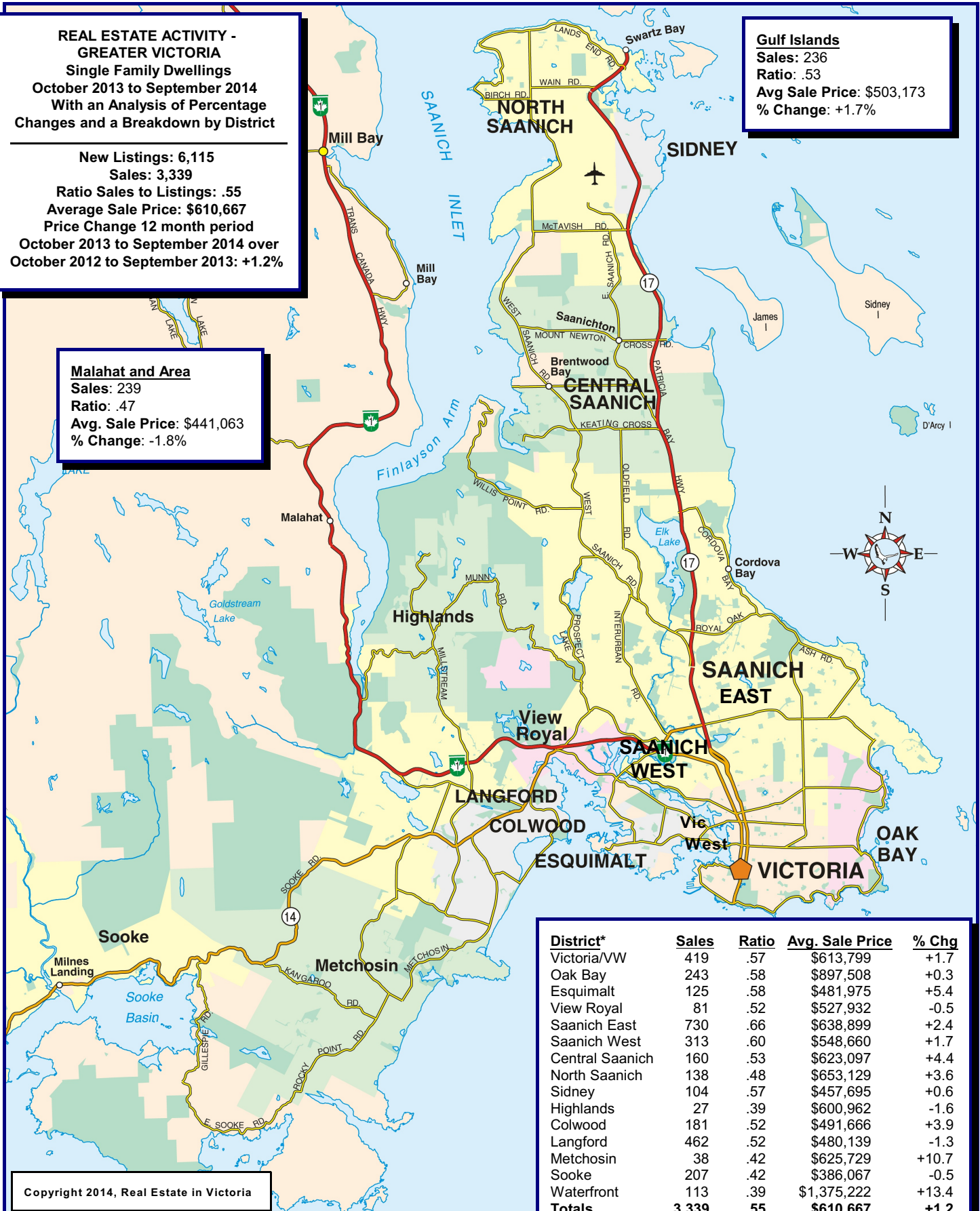
New Listings: 6,115  
Sales: 3,339  
Ratio Sales to Listings: .55  
Average Sale Price: \$610,667  
Price Change 12 month period  
October 2013 to September 2014 over  
October 2012 to September 2013: +1.2%

**Malahat and Area**

Sales: 239  
Ratio: .47  
Avg. Sale Price: \$441,063  
% Change: -1.8%

**Gulf Islands**

Sales: 236  
Ratio: .53  
Avg Sale Price: \$503,173  
% Change: +1.7%



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District*	Sales	Ratio	Avg. Sale Price	% Chg
Victoria/VW	419	.57	\$613,799	+1.7
Oak Bay	243	.58	\$897,508	+0.3
Esquimalt	125	.58	\$481,975	+5.4
View Royal	81	.52	\$527,932	-0.5
Saanich East	730	.66	\$638,899	+2.4
Saanich West	313	.60	\$548,660	+1.7
Central Saanich	160	.53	\$623,097	+4.4
North Saanich	138	.48	\$653,129	+3.6
Sidney	104	.57	\$457,695	+0.6
Highlands	27	.39	\$600,962	-1.6
Colwood	181	.52	\$491,666	+3.9
Langford	462	.52	\$480,139	-1.3
Metchosin	38	.42	\$625,729	+10.7
Sooke	207	.42	\$386,067	-0.5
Waterfront	113	.39	\$1,375,222	+13.4
<b>Totals</b>	<b>3,339</b>	<b>.55</b>	<b>\$610,667</b>	<b>+1.2</b>

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