

Geoff and Associates  
**McLean**  
 Victoria's Real Estate Experts

Phone: 250-744-5551 Website: [www.geoffmclean.com](http://www.geoffmclean.com)



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

Fall 2008

## VICTORIA HEADS INTO A BUYER'S MARKET

### REAL ESTATE OVER THE YEARS...Continued

To mark the 150<sup>th</sup> Anniversary of the founding of British Columbia, we reproduced a few real estate advertisements that appeared between 1900 and 1940 in the last issue of this newsletter. In this issue, we look at some of the advertisements that appeared between 1950 and 1990, a period marked by a major appreciation in property values.

#### Victoria Times August 28, 1950

**Esquimalt \$1000 down**, Six-room stucco home in good location. Three bedrooms and bathroom up. Hot-water heat. Full basement. Separate Garage. Low taxes. Easy Payments. Price.....\$6850

**Oak Bay No Steps Oil Heat** Charming in every way. Comprises through hall, large living-room, two fine bedrooms, beautifully appointed bathroom. The kitchen is like a picture from Homes and Gardens magazine. Attached matching garage and dream garden. Price \$10,400.

**KING REALTY**

#### Victoria Times August 1, 1960

**\$1000 DOWN 633 LAMPSON ST** Two bedroom bungalow in good residential area. Living room with fireplace, modern kitchen and bathroom. Immediate possession, easy monthly payments. Total Price \$8,100

**ROCKLAND EXCLUSIVE ATTRACTIVE** Fine modern home on beautifully treed lot, in spotless condition. This low bungalow with no steps has a full basement with extra plumbing, carport. Priced to sell at .....\$21,900.

**KER AND STEPHENSON LIMITED**

#### Victoria Times August 1, 1970

**REDUCED TO \$95,000 1587 YORK PLACE** a graceful mansion, tucked away in privacy on a quiet cul-de-sac. Lovely high ceilings, beautiful panelling, several fireplaces, expensive carpeting and everything in immaculate condition.

**FAIRFIELD, LARGE FAMILY HOME ONLY \$19,950 - \$3,500 DOWN** Charming older home consisting of large living room and dining room each with its own fireplace, 3 spacious bedrooms plus 4<sup>th</sup> in full basement. Lovely lot with fruit trees.

**MONTREAL TRUST**

#### Victoria Times Sept. 6, 1980

**OAK BAY OPEN HOUSE SAT. 2-4 PM 2221 KINROSS AVE.**

ONE OWNER - FIRST TIME ON MARKET - CONSTRUCTED to VLA specifications 22 years ago - great location for Oak Bay Jr. and Sr. Willows Elementary. Delightful combination kitchen/family room with heatilator fireplace, 4 - 5 bedrooms if desired. 2 bathrooms, excellent garden soil, sprinkler system, abundance of storage space, off-street parking for camper or boat. \$116,900.

**BLOCK BROS. REALTY LTD.**

#### Victoria Times August 1, 1990

**OAK BAY 2083 Neil Open Sun. 2-4.**

Comfortable 5 bdrm., 2 bath character home in a family oriented neighbourhood. Delightful kitchen with conservatory, rec room, private fully fenced garden facing south, are just a few of the special features. CALL ME NOW or join me Sunday 2-4. \$229,000.

**OPEN SAT 1-3 South Oak Bay 1009 Falkland** Hardwood floors, brick FP, separate DR, large modern kitchen make this 2 BR home a must see! You can have quiet, comfortable Oak Bay living for the asking price of \$166, 500.

**MONTREAL TRUST**

### VICTO

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

QUARTER-TO-QUARTER COMPARISONS			
	3 <sup>rd</sup> Qtr 07	3 <sup>rd</sup> Qtr 08	Change
New Listings	3437	3934	+497
Sales	2234	1564	-670
Avg Sale Price	\$465,514	\$472,604	+\$7,090
Median Sale Price	\$420,000	\$427,000	+\$7,000
Ratio Sales Listings	.65	.40	-.25
Avg Days to Sell	46	55	+11
Sale Price as % of Orig List Price	97.0%	95.2%	-1.8%
Mortgage Rates (Posted 3 yr Fixed)	7.30%	6.94%	-0.36%

## RIA MARKET

The real estate market in Victoria cooled dramatically over the summer months. As shown in Table 1, MLS® sales of residential properties totalled 1,564 in the 3<sup>rd</sup> Qtr of 2008, down 30% from 2,234 sales in the 3<sup>rd</sup> Qtr of 2007. The number of new listings totalled 3,934, up 14.5% from 3,437 new listings in the 3<sup>rd</sup> Qtr of 2007. Properties are taking longer to sell. We are seeing more price reductions. Indeed, many properties are selling below their assessed value. **The sales to new listings ratio (a measure of the market strength) plunged to .40 in the 3<sup>rd</sup> Qtr of 2008, compared to .65 in the 3<sup>rd</sup> Qtr of 2007.**

The average sale price of a residential property in Greater Victoria and other areas was **\$472,604 in the 3<sup>rd</sup> Qtr of 2008**, up \$7,090 from \$465,514 in the 3<sup>rd</sup> Qtr of 2007, but down \$25,255 or 5.1% from the high of \$497,859 in the 1<sup>st</sup> Qtr of 2008. The median sale price was \$427,000. The figure of \$472,604 compares with average residential sale prices of \$606,088 in Vancouver, \$411,510 in Calgary and \$385,035 in Toronto for the month of August. To be clear, Victoria is not experiencing a collapse in sale prices. If prices remain at current levels into the 4<sup>th</sup> Qtr, the average sale price of a residential property in 2008 will likely be up a few percentage points over 2007.

There has been a general weakening in the Victoria market for all price categories, for all types of housing and in all Districts. Overall, we have moved into a buyer's market. "Upper-end" housing has been hit particularly hard by this slow down. For example, there were 307 residential properties newly listed with an asking price of over the \$1 million dollar mark and only 58 sales in the 3<sup>rd</sup> Qtr of 2008 for a rather weak sales to new listings ratio of .19. This ratio compares to .36 in the 3<sup>rd</sup> Qtr of 2007.

## THE MARKET INVENTORY

There were 3484 properties (including lots and acreage) active on the Victoria Real Estate Board's MLS® database for the Greater Victoria area (i.e., excluding the Malahat, Up-Island and the Gulf Islands) on October 1, 2008, up a remarkable 44% from 2,417 properties on October 1, 2007. There has been major increases in virtually all categories of properties. **We have not seen this number of properties on the market for at least as far back as the mid 1990s.**

## SINGLE FAMILY DWELLINGS (SFDs)

Sales of SFDs in Greater Victoria in the 3<sup>rd</sup> Qtr of 2008 totalled 865, down 25.3% from 1,158 sales in the 3<sup>rd</sup> Qtr of 2007. **The average sale price of SFDs in the 3<sup>rd</sup> Qtr of 2008 was \$560,652, down 3.0% from an average of \$577,895 in the 3<sup>rd</sup> Qtr of 2007 and down 7.2% from the peak of \$604,166 in the 2<sup>nd</sup> Qtr of this year.** The median sale price was \$517,500, little changed from \$516,250 in the 3<sup>rd</sup> Qtr of 2007. SFDs that sold in the 3<sup>rd</sup> Qtr of 2008 spent an average of 44 days on the market, versus 38 days last year. The sales to new listings ratio was .43 in the 3<sup>rd</sup> Qtr of 2008, compared to .68 last year.

## CONDOMINIUMS

Condominium sales also sagged in the 3<sup>rd</sup> Qtr of 2008 with sales of 437, down from 605 sales in the 3<sup>rd</sup> Qtr of 2007. As shown in Chart 3,

CHART 1: RES'L SALES TO NEW LISTINGS RATIO  
4th Qtr 2005 (4/05) to 3rd Qtr 2008 (3/08)

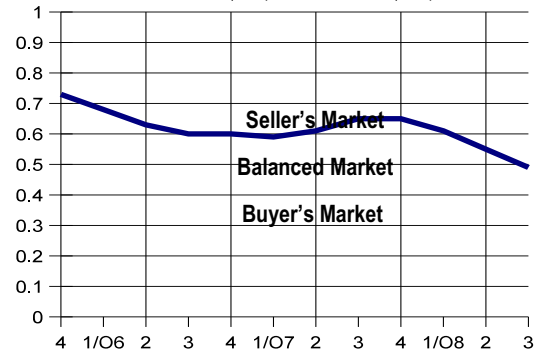


TABLE 2: INVENTORY - GREATER VICTORIA

Type of Property	Oct 07	Oct 08	Change
Single Family Dwellings	1009	1563	+554
Condominiums	815	1174	+359
Townhouses	230	340	+110
Lots/Acreage	285	332	+47
Man Home/Rental Pad	61	55	-6
Duplexes (Revenue)	12	7	-5
Triplexes+ (Revenue)	4	13	+9
<b>Totals</b>	<b>2417</b>	<b>3484</b>	<b>+1067</b>

CHART 2 - QUARTERLY SALE PRICES - SFDs  
4th Qtr 2005 (4/05) to 3rd Qtr 2008 (3/08)

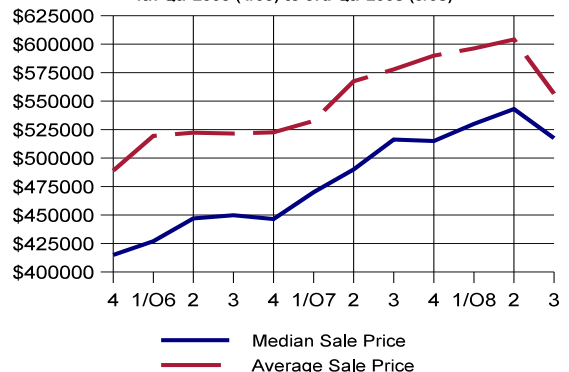


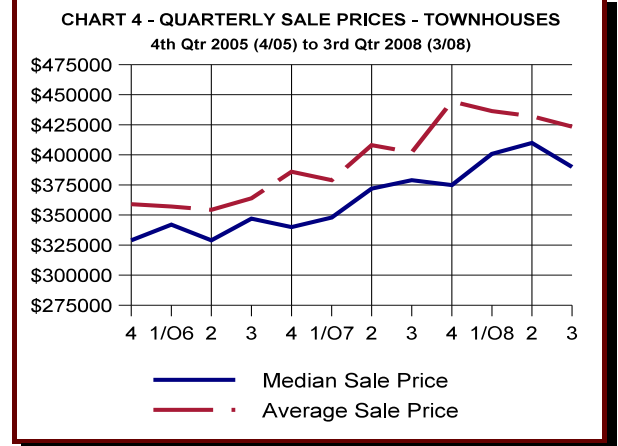
CHART 3 - QUARTERLY SALE PRICES - CONDOS  
4th Qtr 2005 (4/05) to 3rd Qtr 2008 (3/08)



the average and median sale prices of condominiums continue to slide downward. **The average sale price for a condo was \$306,766 in the 3<sup>rd</sup> Qtr of 2008, down about \$6,000 from \$312,680 in the 3<sup>rd</sup> Qtr of 2007.** The median sale price was \$285,000, up from \$275,000 last year. Condos that sold in the 3<sup>rd</sup> Qtr of 2008 spent an average of 65 days on the market, compared to 47 days last year. The sales to listings ratio was .43, compared to .67 last year.

### TOWNHOUSES

Townhouse sales totalled 152 in the 3<sup>rd</sup> Qtr of 2008, down from 270 in the 3<sup>rd</sup> Qtr of 2007. **The average selling price in the 3<sup>rd</sup> Qtr of 2008 was \$424,553, up 5.6% from \$402,122 in the 3<sup>rd</sup> Qtr of 2007.** Townhouses that sold in the 3<sup>rd</sup> Qtr of 2008 spent an average of 48 days on the market, compared to 46 days last year. The sales to listings ratio was .38 compared to .74 last year.



### LOTS/ACREAGE

Sales of lots/acreage continue to slow. There were only 29 lots/acreage sold in the 3<sup>rd</sup> Qtr. of 2008 compared to 67 last year. The average and median sale prices were **\$368,904** and **\$329,000** respectively.

### WHY IS MY REALTOR ASKING TO SEE MY IDENTIFICATION?

Real estate brokerages have had a legal responsibility since 2001, to report (i) any "cash" transaction of \$10,000 or more, or (ii) any suspicious real estate transaction to the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) in Canada's efforts to combat money laundering and terrorist financing.

On June 23<sup>rd</sup>, 2008 new federal money laundering and anti-terrorist financing regulations came into effect that now require real estate agents and brokers to collect personal identification information from buyers and sellers.

Real estate agents and brokers must now obtain, record, and retain the personal information and proof of the identity of their client in each and every transaction including:

1. Full legal name of individual:
2. Address:
3. Date of Birth:
4. Nature of Principal Business or Occupation:
5. Type of Identification Document:
6. Document Identifier Number:
7. Issuing Jurisdiction:
8. Document Expiry Date:

Acceptable identification documents in British Columbia include: birth certificate, driver's licence, provincial health insurance card, passport, record of landing, permanent resident card, or old age security card.

If the client is a corporation, real estate agents must obtain official corporate documents, and the names of the directors.

Similarly, if a third party is involved in the transaction, real estate agents must obtain their identification information.

This personal information is not routinely reported to FINTRAC. Rather, real estate brokerages are required to keep this information on file in the brokerage for a period of five years in the event that it is requested by FINTRAC.

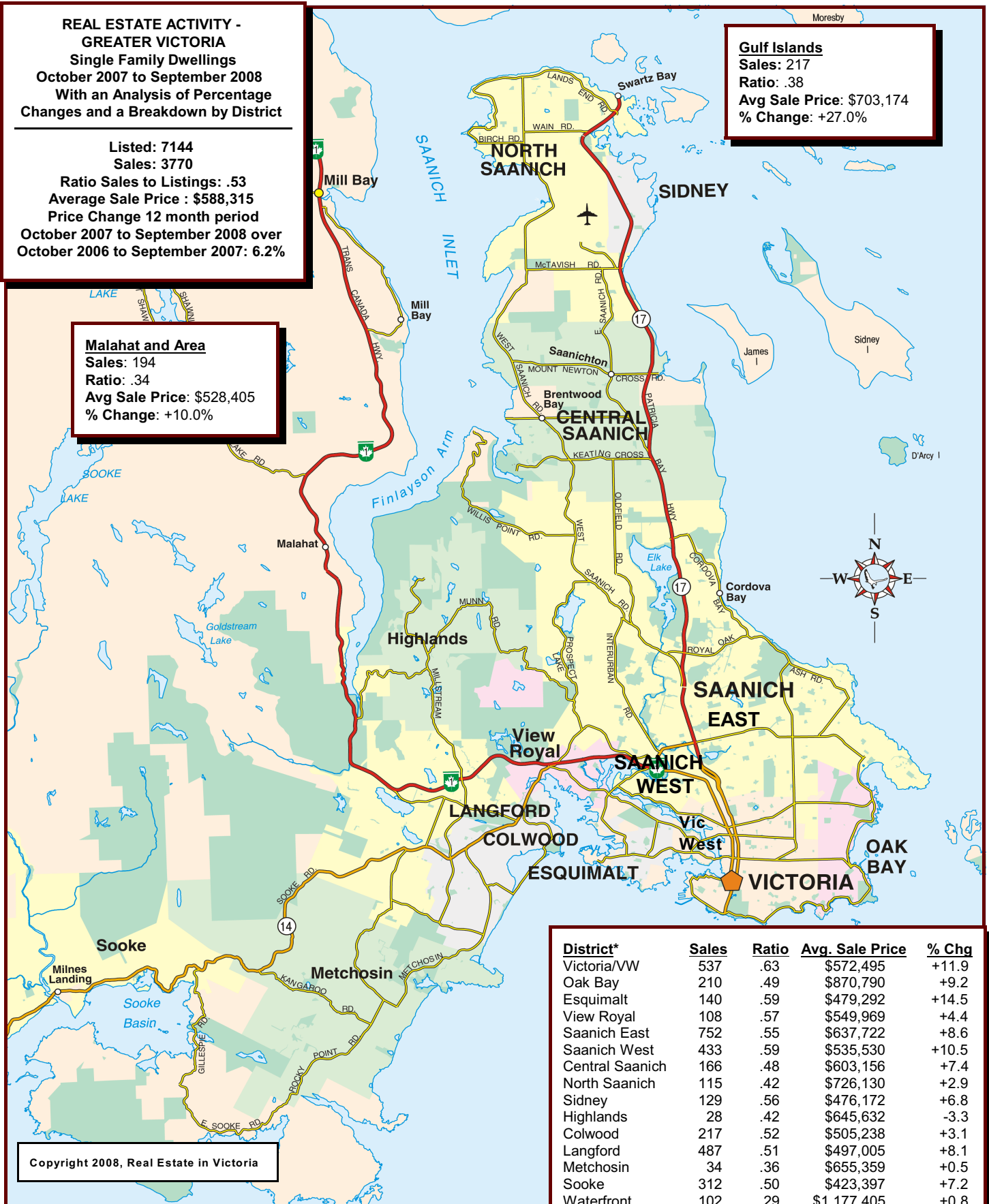
**Real Estate in Victoria...** I provide this newsletter to clients, customers and friends to help them keep informed of developments in the real estate market in the Victoria area. If you do not want to receive this newsletter in the future, please let me know. The information contained herein is based 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 Victoria Real Estate Board and the Canadian Real Estate Association.

**REAL ESTATE ACTIVITY -  
GREATER VICTORIA**  
Single Family Dwellings  
October 2007 to September 2008  
With an Analysis of Percentage  
Changes and a Breakdown by District

Listed: 7144  
Sales: 3770  
Ratio Sales to Listings: .53  
Average Sale Price : \$588,315  
Price Change 12 month period  
October 2007 to September 2008 over  
October 2006 to September 2007: 6.2%

**Malahat and Area**  
Sales: 194  
Ratio: .34  
Avg Sale Price: \$528,405  
% Change: +10.0%

**Gulf Islands**  
Sales: 217  
Ratio: .38  
Avg Sale Price: \$703,174  
% Change: +27.0%



Copyright 2008, Real Estate in Victoria

District*	Sales	Ratio	Avg. Sale Price	% Chg
Victoria/VW	537	.63	\$572,495	+11.9
Oak Bay	210	.49	\$870,790	+9.2
Esquimalt	140	.59	\$479,292	+14.5
View Royal	108	.57	\$549,969	+4.4
Saanich East	752	.55	\$637,722	+8.6
Saanich West	433	.59	\$535,530	+10.5
Central Saanich	166	.48	\$603,156	+7.4
North Saanich	115	.42	\$726,130	+2.9
Sidney	129	.56	\$476,172	+6.8
Highlands	28	.42	\$645,632	-3.3
Colwood	217	.52	\$505,238	+3.1
Langford	487	.51	\$497,005	+8.1
Metchosin	34	.36	\$655,359	+0.5
Sooke	312	.50	\$423,397	+7.2
Waterfront	102	.29	\$1,177,405	+0.8
<b>Totals</b>	<b>3770</b>	<b>.53</b>	<b>\$588,315</b>	<b>+6.2</b>

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