

Geoff
and
Associates
McLean
Victoria's Real Estate Experts

Phone: 250-744-5551 Website: www.geoffmclean.com



REAL ESTATE IN VICTORIA...Keeping You Informed

Fall 2009

MARKET RECOVERY CONTINUES

THE REAL ESTATE MARKET IN BRITISH COLUMBIA

Table 1 provides a summary analysis of the real estate market in BC for the period January to August 2009, across the twelve real estate boards. **Residential MLS® sales totalled \$24.987 billion** on sales of 54,945 properties for an average price of **\$454,769**. This figure is down a modest -2.2% from an average sale price of \$465,152 in the same period in 2008. From a comparative perspective, the figure of \$454,769 is well above the average sale price in Canada of \$312,686.

In terms of dollar value, the real estate market in BC is dominated by Greater Vancouver. **Residential sales through the Greater Vancouver Real Estate Board totalled \$13.294 billion** (53.2% of the dollar volume in BC) in the first eight months of 2009. This was the result of sales of 23,158 properties for an average sale price of \$574,061. Greater Vancouver was followed by the Fraser Valley Board with 10,101 sales totalling \$4.223 billion for an average sale price of \$418,064 and **the Victoria Board with sales totalling \$2.457 billion for an average sale price of \$466,611**.

The recent sharp economic downturn impacted real estate activity in all the Boards for the last half of 2008 and the 1st Qtr of 2009. The recovery in the market started in early spring and continued through the summer. Some markets areas have rebounded as sharply as they fell. Overall, sales were up 0.6% in the first eight months of 2009, compared to the same period last year. Greater Vancouver, Victoria and Powell River experienced a significant increase in sales. Sales in most of the other areas were off in a range from -0.8% in the Fraser Valley, to the "teens" on Vancouver Island and the interior of BC, to over 20% in the Kootenay and northern BC.

With the exception of the Northern Lights Board (i.e., the Dawson Creek area), all the boards experienced a decrease in average sale prices in the first eight months of 2009, compared to the same period last year, most of which were single digit percentages. In terms of the larger boards, Greater Vancouver, Victoria, the Fraser Valley and Vancouver Island experienced the smallest percentage decreases.

The real estate markets in Greater Vancouver, Victoria, and the Fraser Valley had the strongest sales to listings ratios. Assuming the recovery in the economy continues, this should bode well for at least sustaining current price levels and perhaps even a further appreciation. The markets in the interior have been somewhat weaker, but are starting to strengthen.

TABLE 1: A COMPARISON OF RESIDENTIAL REAL ESTATE MARKETS IN BRITISH COLUMBIA

Boards	Avg Sale Price Y-T-D	Change in Avg Sale Price*	Change in # Sales*
Greater Vancouver	\$574,061	-5.3%	+14.0%
Victoria	\$466,661	-5.0%	+7.4%
Fraser Valley	\$418,064	-4.3%	-0.8%
Okanagan-Mainline	\$374,536	-10.0%	-15.9%
Vancouver Island	\$317,798	-4.6%	-12.1%
South Okanagan	\$309,906	-9.6%	-11.4%
Kamloops	\$299,227	-4.1%	-14.4%
Chilliwack	\$295,265	-7.8%	-6.8%
Kootenay	\$274,880	-6.9%	-22.8%
Powell River	\$245,423	-3.1%	+13.0%
BC Northern	\$210,423	-3.1%	-20.8%
Northern Lights	\$213,349	+11.3%	-37.5%
British Columbia	\$454,769	-2.2%	+0.6%
Canada	\$312,585	+0.5%	-3.6%

* compared to same period in 2008

TABLE 2: STATISTICAL TRENDS - ALL RESIDENTIAL (Greater Victoria and Other Areas)

QUARTER-TO-QUARTER COMPARISONS			
	3 rd Qtr 08	3 rd Qtr 09	Change
New Listings	3,934	3,234	-700
Sales	1,564	2,336	+772
Avg Sale Price	\$472,604	\$485,608	+\$13,004
Median Sale Price	\$427,000	\$440,000	+\$13,000
Ratio Sales Listings	.40	.72	+.32
Avg Days to Sell	55	54	-1
Sale Price as % of Orig List Price	95.2%	96.2%	-1.0%
Mortgage Rates (Posted 3 yr Fixed)	6.94%	4.68%	-2.26%

THE VICTORIA MARKET

A combination of low mortgage rates, increased consumer confidence and pent-up demand from the recent market slump continues to drive the recovery of the real estate market in Victoria. As shown in Table 2, sales of residential properties through the Victoria Real Estate Board's MLS® strengthened in the 3rd Qtr of 2009. Sales of residential properties totalled 2,336 compared to 1,564 in the 3rd Qtr of 2008. Indeed, it was the strongest 3rd Qtr in sales since the boom period of the early 1990s, slightly above the 2,234 sales in the 3rd Qtr of 2007. The sales to new listings ratio rose into "Seller's Market" territory at .72 in the 3rd Qtr, up sharply from .40 in the 3rd Qtr of 2008.

Both average and median sale prices continue to increase from the lows of earlier this year. The average sale price of a residential property in Greater Victoria and other areas was \$485,608 in the 3rd Qtr of 2009, up 2.8% from \$472,604 in the 3rd Qtr of 2008, and up 10.4% from the low of \$439,768 in the 1st Qtr of this year. The median sale price was \$440,000. The figure of \$485,608 compares with average residential sale prices of \$608,032 in Vancouver, \$388,725 in Calgary and \$387,899 in Toronto for the month of August 2009.

All areas and sectors of the Victoria housing market were strong in the 3rd Qtr of 2009. The market was particularly strong for more moderately priced housing. The sales to listings ratio for residential properties priced less than \$450,000 was a very strong .82. At the same time, there are also signs of increased strength in the upper-end market.

THE MARKET INVENTORY

Table 3 illustrates just how dramatically the real estate market in Victoria has changed from a year ago and the impact of the turn around in demand. There were 2,305 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 Oct 1, 2009, down 34% from 3,484 on Oct 1, 2008.

SINGLE FAMILY DWELLINGS (SFDs)

Sales of SFDs in Greater Victoria in the 3rd Qtr of 2009 totalled 1,226, up 42% from 865 sales in the 3rd Qtr of 2008. As shown in Chart 2, the average sale and median sale prices continue to recover from the recent lows. The average sale price of SFDs in the 3rd Qtr of 2009 was \$592,041, up 5.6% from an average of \$560,562 in the 3rd Qtr of 2008. Moreover, the median sale price was \$533,000, up from \$517,500 in the 3rd Qtr of 2008. SFDs took an average of 42 days to sell in the 3rd Qtr of 2009, down slightly from 44 days in the 3rd Qtr of last year. The sales to listings ratio was a very strong .75 in the 3rd Qtr of 2009, compared to .43 last year.

CONDOMINIUMS

Condominium sales were also strong in the 3rd Qtr of 2009 with sales of 667, up 52% from 439 sales in the 3rd Qtr of 2008. As shown in Chart 3, the average and median sale prices of condominiums continue to trend upwards. The average sale price for a condo was \$324,180 in the 3rd Qtr of 2009, up 5.7% from \$306,768 in the 3rd Qtr of 2008. The median sale price was \$290,000. Condos took an average of 57

CHART 1: RES'L SALES TO NEW LISTINGS RATIO
4th Qtr 2006 (4/06) to 3rd Qtr 2009 (3/09)



TABLE 3: INVENTORY - GREATER VICTORIA

Type of Property	Oct 08	Oct 09	Change
Single Family Dwellings	1,563	997	-566
Condominiums	1,174	691	-483
Townhouses	340	196	-144
Lots/Acreage	332	326	-6
Man Home/Rental Pad	55	82	+27
Duplexes (Revenue)	7	4	-3
Triplexes+ (Revenue)	13	9	n/c
Totals	3,484	2,305	-1,179

CHART 2 - QUARTERLY SALE PRICES - SFDs
4th Qtr 2006 (4/06) to 3rd Qtr 2009 (3/09)

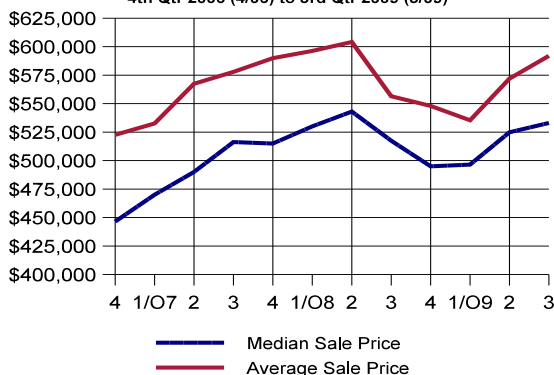


CHART 3 - QUARTERLY SALE PRICES - CONDOS
4th Qtr 2006 (4/06) to 3rd Qtr 2009 (3/09)



days to sell in the 3rd Qtr of 2009, compared to 65 days last year. The sales to listings ratio was .72, compared to .43 last year.

TOWNHOUSES

Townhouse sales totalled 265 in the 3rd Qtr of 2009, up 74% from 152 sales in the 3rd Qtr of 2008. **The average selling price in the 3rd Qtr of 2009 was \$450,385, up 6.1% from \$424,553 in the 3rd Qtr of 2008.** Townhouses took an average of 55 days to sell in the 3rd Qtr of 2009, up from 48 days last year. The sales to listings ratio was .84, compared to .38 last year.

LOTS/ACREAGE

Sales of lots/acreage remain stable. There were 67 lots/acreage sold in the 3rd Qtr of 2009. The average and median sale prices were **\$339,871** and **\$350,000** respectively.

ABKHAZI GARDEN

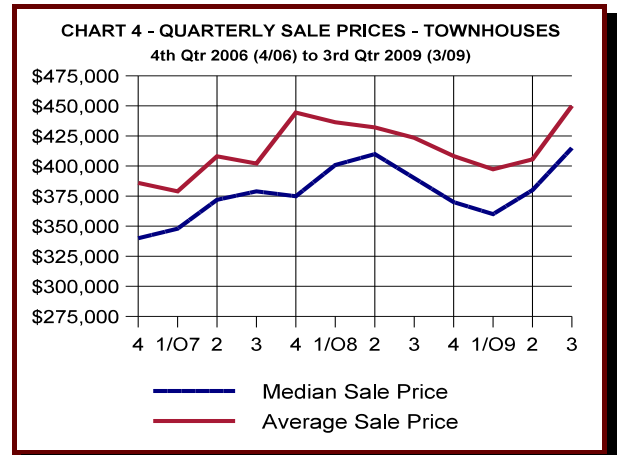
Victoria is well known for it's wonderful gardens. One of the real gems is Abkhazi Garden located 1964 Fairfield Road, a couple of kilometres from downtown.

The story of Marjorie (Peggy) Pemberton-Carter and the exiled Georgian Prince Nicholas Abkhazi began in Paris in the 1920s and is as remarkable as their garden is wonderful. During the Second World War both were interned in prisoner-of-war camps, Nicholas in Germany and Peggy in China. They reunited in Victoria and were married in 1946.

The garden became the focus of their creativity and over the next 40 years. Through a process of experimentation and refinement, they created a garden that enhanced the natural beauty of the site. They sought out the best plants and the advice of Victoria's most distinguished horticulturalists. The result is a stunning example of West Coast design. The garden flows around the natural rock formations and features conifers, Japanese maples, rhododendrons, carpets of naturalized bulbs and alpine and woodland companions. Some of the plants are now fifty years old and they provide a proliferation of blooms and colourful foliage for a particularly spectacular show from March through September.

Nicholas died in 1987 and Peggy died in 1994. The property changed hands a few times. It was eventually acquired by The Land Conservancy of BC (TLC) in 2000, after a concerted campaign to save it from becoming a high-density townhouse complex. TLC is a charitable land trust modelled on the British National Trust.

This is a great place to spend a few hours and to take visitors from out of town. The restaurant at Abkhazi Garden also offers a delight for the palette. Chef Mirjana, utilizes the bounty of food produced during the summer in order to offer guests the very best of local food served up in her amazing, contemporary dishes. Further information on Abkhazi Garden is available at www.conservancy.bc.ca/abkhazi/ or 250-598-8096.



**REAL ESTATE ACTIVITY -
GREATER VICTORIA**
Single Family Dwellings
October 2008 to September 2009
With an Analysis of Changes from
October 2007 to September 2008
and a Breakdown by District

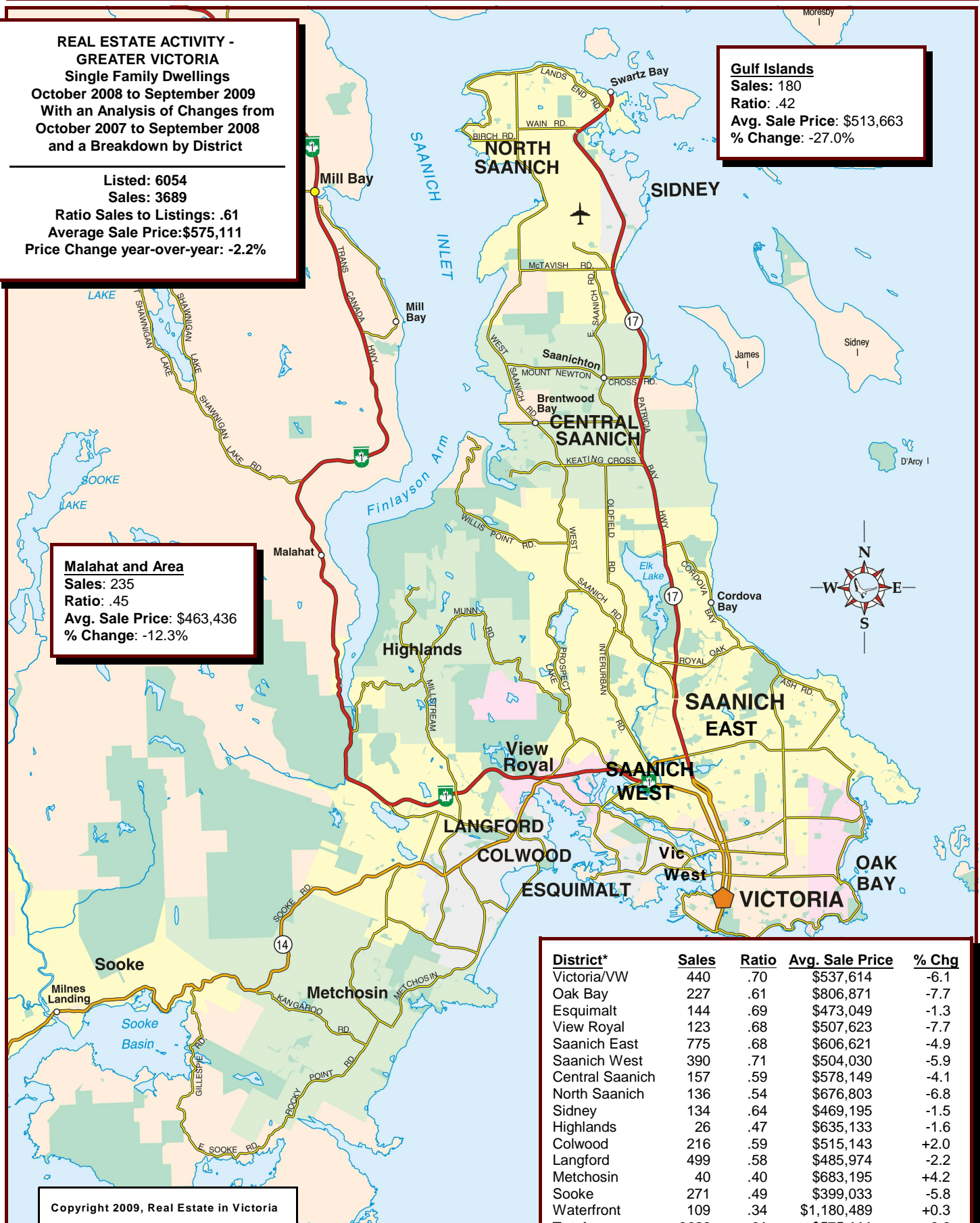
Listed: 6054
Sales: 3689
Ratio Sales to Listings: .61
Average Sale Price: \$575,111
Price Change year-over-year: -2.2%

Gulf Islands

Sales: 180
Ratio: .42
Avg. Sale Price: \$513,663
% Change: -27.0%

Malahat and Area

Sales: 235
Ratio: .45
Avg. Sale Price: \$463,436
% Change: -12.3%



Copyright 2009, Real Estate in Victoria

District*	Sales	Ratio	Avg. Sale Price	% Chg
Victoria/VW	440	.70	\$537,614	-6.1
Oak Bay	227	.61	\$806,871	-7.7
Esquimalt	144	.69	\$473,049	-1.3
View Royal	123	.68	\$507,623	-7.7
Saanich East	775	.68	\$606,621	-4.9
Saanich West	390	.71	\$504,030	-5.9
Central Saanich	157	.59	\$578,149	-4.1
North Saanich	136	.54	\$676,803	-6.8
Sidney	134	.64	\$469,195	-1.5
Highlands	26	.47	\$635,133	-1.6
Colwood	216	.59	\$515,143	+2.0
Langford	499	.58	\$485,974	-2.2
Metchosin	40	.40	\$683,195	+4.2
Sooke	271	.49	\$399,033	-5.8
Waterfront	109	.34	\$1,180,489	+0.3
Totals	3689	.61	\$575,111	-2.2

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