



MARKET MAINTAINS MOMENTUM

SOME ADVICE AND TIPS FOR SELECTING A HOME INSPECTOR

Buying a home will likely be one of the largest financial transactions we will make. Unlike many major purchases, there's no warranty or return policy if the buyer is not satisfied. British Columbia is the only province in Canada that regulates the home inspection industry. Effective March 31, 2009, a home inspector has to be licensed by the British Columbia Business Practices and Consumer Protection Authority. The law also provides a three-step process to resolve complaints, if a person is dissatisfied with the services provided by the home inspector. While a buyer may take some comfort in the fact that the home inspection industry is regulated in BC, it is very important to choose wisely when selecting a home inspector. **Arguably, this should be done near the beginning of the process of searching for a new home, not at the end.** (Many buyers wait until they have an accepted offer in place before they start looking for a home inspector, often resulting in a somewhat hurried and harried process).



The following offers some general advice and tips for selecting a home inspector.

Step 1 - Compile a list of four or five home inspectors to begin the process of obtaining information and conducting telephone interviews.

Step 2 - Contact each of the home inspectors and obtain a copy of the contract that you will be asked to sign and a sample copy of the home inspection report that the home inspector uses. When completed, the home inspection report should cover three basic areas: (i) overview outlining the general condition of the major components in the home; (ii) items that require maintenance and (iii) items that require major repair or replacement. (Review these documents to ensure they are clear and comprehensive, and where they are not, be prepared to ask the necessary questions during the interview stage).

Step 3 - Conduct a telephone interview with each of the home inspectors with a view to determining the following:

- Clarification of any issues related to the contract and sample home inspection report.
- The number of years the person has been a home inspector.
- What did the person do before becoming a home inspector, and is it relevant?
- What equipment is used when inspecting a home?
- Does the home inspector physically go on the roof, into the attic and into any crawl space?
- Are photographs of defects provided?
- Will you be able to attend the home inspection?
- Has the home inspector had complaints about his/her service, and if so, how was the complaint resolved?
- Will the inspector outline in writing the implications of their findings?

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

QUARTER-TO-QUARTER COMPARISONS			
	1 st Qtr 09	1 st Qtr 10	Change
New Listings	3,003	3,987	+984
Sales	1,207	1,704	+497
Avg Sale Price	\$439,768	\$504,491	+\$64,723
Median Sale Price	\$410,000	\$460,000	+\$50,000
Ratio Sales Listings	.40	.44	+.04
Avg Days to Sell	66	42	-24
Sale Price as %			
of Org List Price	95.6%	96.6%	-1.0%
Mortgages Rates			
(Posted 3 yr Fixed)	5.0%	4.36%	-0.64%

Step 4 - Identify two or three suitable building inspectors.

THE VICTORIA MARKET

The momentum seen in the last half of 2009 has carried forward into 2010. Listings, sales, average and median sale prices are up. Homes are selling more quickly. Demand for housing has returned to healthy levels and the supply of housing remains relatively tight. In many respects, the real estate market in Victoria has returned to the conditions that existed prior to the beginning of the recession in mid-2008.

The number of "residential properties" (i.e., all types of housing excluding lots/acreage and commercial) listed through the Victoria Real Estate Board's MLS® in the 1st Qtr of 2010 was 3,987, up 33% from the 1st Qtr of 2009. Residential sales totalled 1,704, up 41% from the 1st Qtr of 2009. The sales-to-new-listings ratio was .44, compared to .40 last year. **Both average and median sale prices have increased significantly when compared to the 1st Qtr of 2009. The average sale price of a residential property in Greater Victoria and other areas was \$504,491 (a new quarterly high) in the 1st Qtr of 2010, up 15% from \$439,768 in the 1st Qtr of 2009. The median sale price was up 12% to \$460,000. In terms of the change year-to-date, the figure of \$504,491 is up 6% from the 2009 average sale price of \$476,137. The figures for Victoria compare with average residential sale prices and year-to-date percentage changes of \$651,751 (+10%) in Vancouver, \$420,284 (+6%) in Toronto and \$385,699 (-0.05%) in Calgary for the first two months of 2010.**

The increase in the average and median sale prices for residential properties is attributable to the significant increase in the average sale price of single family dwellings (SFDs). Indeed, as shown below, the average and median sales prices of condominiums and townhouses have levelled off. As well, there is evidence that the increase in the average sale price of SFDs is, in no small part, the result of the recovery of the high-end market. For example, there were 65 sales of SFDs over the million dollar mark in the 1st Qtr of 2010, compared to 19 in the 1st Qtr of 2009.

THE MARKET INVENTORY

There were 2,696 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 April 1, 2010, down 7.4% from April 1, 2009. The figure of 2,696 is comparable to the inventory level of 2,731 on April 1, 2008.

SINGLE FAMILY DWELLINGS (SFDs)

There were 871 sales of SFDs in Greater Victoria in the 1st Qtr of 2010, up 29% from 678 in the 1st Qtr of 2009. As shown in Chart 2, the average and median sale prices have trended up from their lows in the 1st Qtr of 2009. **The average sale price of SFDs in the 1st Qtr of 2010 was \$632,243, up 18% from an average of \$535,406 in the 1st Qtr of 2009.** The median sale price was \$574,000, up 16% from \$496,500 last year. SFDs that sold in the 1st Qtr of 2010 were on the market for an average of 33 days, down significantly from 57 days of last year. The sales-to-listings ratio was .46 in the 1st Qtr of 2010, little changed from .45 last year.

CHART 1: RES'L SALES-TO-NEW-LISTINGS RATIO
2nd Qtr 2007 (2/07) to 1st Qtr 2010 (1/10)



TABLE 2: INVENTORY - GREATER VICTORIA

Type of Property	Apr 09	Apr 10	Change
Single Family Dwelling	1,279	1,207	-72
Condominiums	949	875	-74
Townhouses	287	234	-53
Lots/Acreage	315	295	-20
Man Home/Rental Pad	67	76	+9
Duplexes (Revenue)	5	6	+1
Triplexes+ (Revenue)	9	3	-6
Totals	2,911	2,696	-215

CHART 2 - QUARTERLY SALE PRICES - SFDs
1st Qtr 2007 (1/07) to 4th Qtr 2009 (4/09)

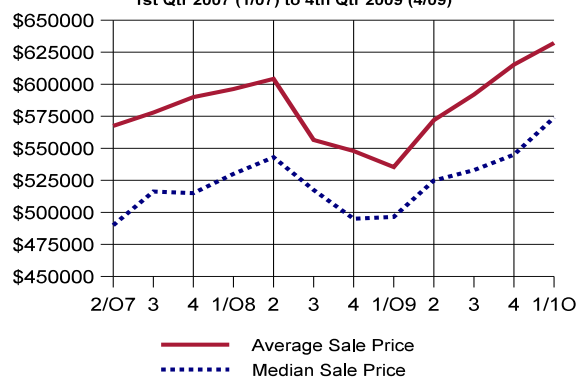
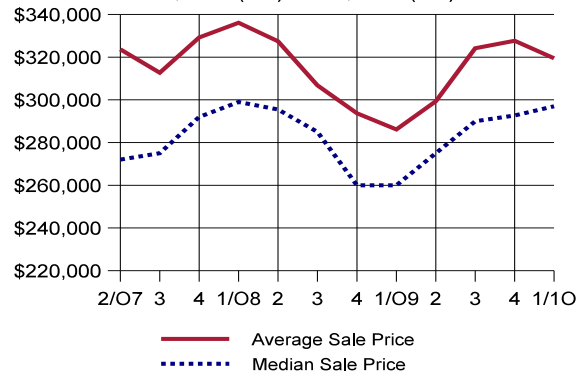


CHART 3 - QUARTERLY SALE PRICES - CONDOS
2nd Qtr 2007 (2/07) to 1st Qtr 2010 (1/10)



CONDOMINIUMS

Condominium sales totalled 497 in the 1st Qtr of 2010, up 49% from 333 in the 1st Qtr of 2009. As shown in Chart 3, the average and median sale prices of condominiums, although up from their lows in the 1st Qtr of 2009, have now levelled off. **The average sale price for a condo was \$319,483 in the 1st Qtr Of 2010, up 12% from \$286,115 in the 1st Qtr of 2009.** The median sale price was \$297,000. Condos that sold in the 1st Qtr of 2010 were on the market for an average of 42 days, compared to 73 days last year. The sales-to-listings ratio was .43 in the 1st Qtr of 2010, little changed from .40 last year.

TOWNHOUSES

Townhouse sales totalled 212 in the 1st Qtr of 2010, up 53% from 139 in the 1st Qtr of 2009. The average and median sale prices of townhouses, although up from their lows in the 1st Qtr of 2009, have also levelled off. **The average selling price in the 1st Qtr of 2010 was \$457,923 up 15% from \$397,273 in the 1st Qtr of 2009.** The median sale price was \$430,000. Townhouses that sold in the 1st Qtr of 2010 were on the market for an average of 41 days, down from 68 days last year. The sales-to-listings ratio was .53, compared to .41 last year.

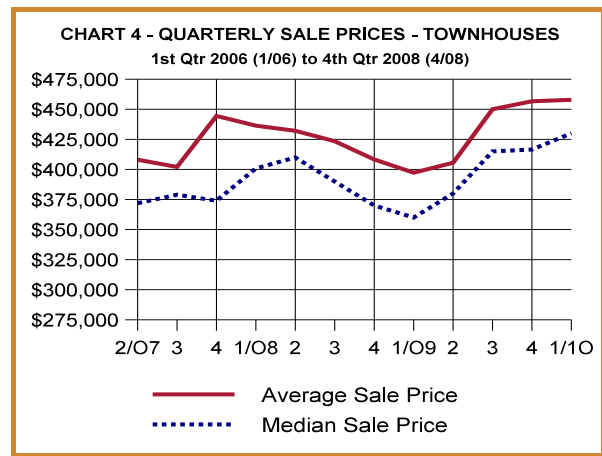
LOTS/ACREAGE

There were 62 lots/acreage sold in the 1st Qtr of 2010, up from 24 in the 1st Qtr of 2009. The average and median sale prices were **\$360,102** and **\$307,500** respectively.

MARK YOUR CALENDAR - UPCOMING EVENTS IN GREATER VICTORIA

We have the good fortune in Victoria to live in a beautiful city with a marvellous climate. We are also fortunate to be able to enjoy a host of events over the year that caters to the interests of just about everyone, many of which are free. The following are but a few of these events. For a complete list, check out the Tourism Victoria website at www.tourismvictoria.com as well as www.britishcolumbia.com/calendar/index.

- **Luxton Pro Rodeo** - Luxton Fairgrounds (May 22 - 24)
- **Victoria Day Parade** - downtown (May 24)
- **Swiftsure International Yacht Race** - Dallas Road (May 29 - 30)
- **48th Annual Oak Bay Tea Party and Parade** - Oak Bay and Willows Beach (June 5 - 6)
- **TD Victoria international JazzFest 2010** - various venues downtown (June 25 - July 4)
- **Canada Day Celebrations - Victoria and Westshore** (July 1)
- **Organic Islands Festival** - Glendale Gardens, north of Camosun College Interurban Campus (July 9 - 10)
- **Moss Street Paint In** - Moss Street (July 17)
- **Symphony Splash 2009** - Inner Harbour (August 1)
- **Victoria Dragon Boast Festival** - Inner Harbour (August 13 - 15)
- **Victoria Fringe Theatre Festival** - various venues downtown (August 26 - September 5)
- **Classic Boat Festival** - Inner Harbour (September 4 - 6)
- **Royal Victoria Marathon** (October 10)



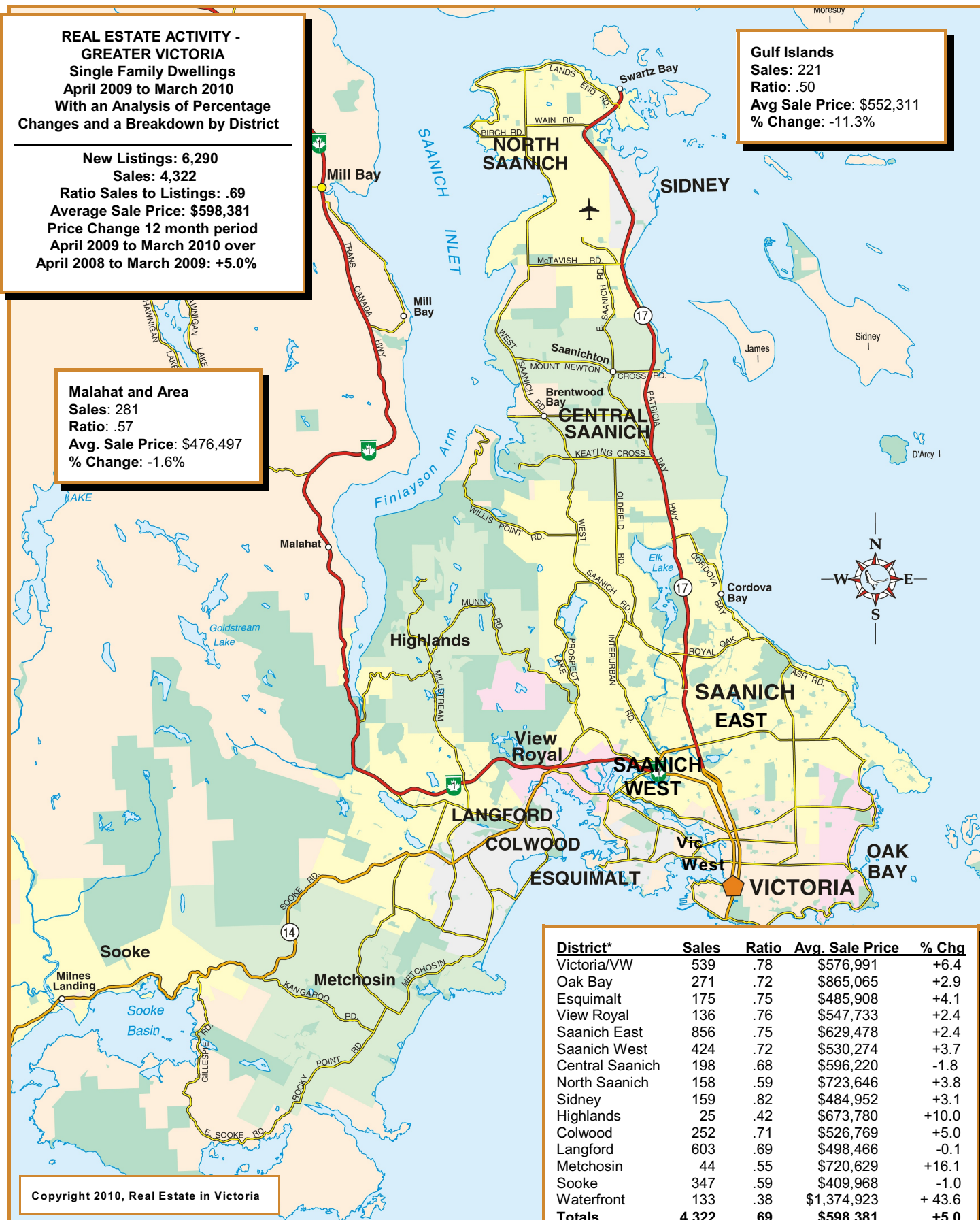
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**REAL ESTATE ACTIVITY -
GREATER VICTORIA**
Single Family Dwellings
April 2009 to March 2010
With an Analysis of Percentage
Changes and a Breakdown by District

New Listings: 6,290
Sales: 4,322
Ratio Sales to Listings: .69
Average Sale Price: \$598,381
Price Change 12 month period
April 2009 to March 2010 over
April 2008 to March 2009: +5.0%

Malahat and Area
Sales: 281
Ratio: .57
Avg. Sale Price: \$476,497
% Change: -1.6%

Gulf Islands
Sales: 221
Ratio: .50
Avg Sale Price: \$552,311
% Change: -11.3%



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District*	Sales	Ratio	Avg. Sale Price	% Chg
Victoria/VW	539	.78	\$576,991	+6.4
Oak Bay	271	.72	\$865,065	+2.9
Esquimalt	175	.75	\$485,908	+4.1
View Royal	136	.76	\$547,733	+2.4
Saanich East	856	.75	\$629,478	+2.4
Saanich West	424	.72	\$530,274	+3.7
Central Saanich	198	.68	\$596,220	-1.8
North Saanich	158	.59	\$723,646	+3.8
Sidney	159	.82	\$484,952	+3.1
Highlands	25	.42	\$673,780	+10.0
Colwood	252	.71	\$526,769	+5.0
Langford	603	.69	\$498,466	-0.1
Metchosin	44	.55	\$720,629	+16.1
Sooke	347	.59	\$409,968	-1.0
Waterfront	133	.38	\$1,374,923	+ 43.6
Totals	4,322	.69	\$598,381	+5.0

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