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Real Estate Market News and Trends

Note: You can use the left hand column (blue text below) as a quick index of the contents of this issue and simply click on any item of interest. This will jump you to the appropriate section giving more details. If the additional information sparks more interest, you have the option to link to the full article posted on the internet.

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We have compiled some interesting and useful articles on the housing market, trends and the general real estate market. Each issue we attempt to cover all regions equally. However, the articles are extracted from a news aggregator program called FP Infomart and the content is largely dependent on what is covered in the newspapers. We hope that you find these articles informative!

Market News and Trends - Canada

1. Canadian Real Estate Poised for Record Year; Subprime Default having Minimal Effect so Far

TORONTO - Problems in the United States' subprime market could make investors "think twice" about buying even commercial real estate, says a Canadian brokerage company.

CB Richard Ellis is still predicting a record year for Canadian real estate transactions by dollar value but said there is a view in the market that the recent subprime default issue impacting the U.S.

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residential market could spread.

[Read the full article](#)

2. House Prices Hit New Highs in June, but Dark Cloud Looms; National up 11.2% to \$315,332. But Interest Rate Hikes could Slow Demand

House prices across the country have hit record highs this year, but higher lending rates could slow down the rise in home buying, according to an industry report.

In June 2007, the average house price was \$315,332, a rise of 11.2 per cent from a year earlier, the Canadian Real Estate Association (CREA) said. This was the greatest yearly increase since August 2006.

[Read the full article](#)

3. Housing Market Remains Very Hot; Condos, in Particular, are being Bought at a Crazy Pace

The pace of construction and buying remains brisk as Greater Victoria's hot housing market shows no signs of cooling despite national predictions.

"The condominium market, I find now, is very, very hot," says Invis Victoria mortgage broker Maria Dominelli. "It boggles my mind to some degree."

<p><u>Resale Market</u></p> <ul style="list-style-type: none"> ○ <u>15. Industry Beefs up Program for Prospective Realtors Longer, Costlier Course Prepares Rookie Agents</u> ○ <u>16. New Home Starts Rising; House Prices will Keep Increasing, Analyst Predicts</u> ○ <u>17. Some Realtors won't List Condos at Centre of Controversy</u> ○ <u>18. Wild Housing Market may Spark Changes</u> ○ <u>Market News and Trends - British Columbia</u> ○ <u>20. Boomers and Albertans Buy up Vancouver Island Properties; Outside Buyers Come with Cash, but Drive up Rents Across the Region</u> ○ <u>21. Record Home Sales Fuelled by Recreation, Retirement; The Okanagan, Kootenay and Vancouver Island Markets are all Hopping</u> ○ <u>22. Surging Real</u> 	<p><u>Read the full article</u></p> <hr style="border: 2px solid red;"/> <hr style="border: 2px solid red;"/> <p>4. Alta., Sask. Housing Costs Inflate National Average</p> <p>OTTAWA -- Higher mortgage rates helped push Canada's consumer price index up 0.1 per cent in July from June, holding the year-over-year rate steady at 2.2 per cent and taking some of the heat off the Bank of Canada as it ponders its rate decision next month.</p> <p>The news was not so good for Alberta and Saskatchewan residents where housing costs have pushed core inflation up to well above the national average.</p> <p><u>Read the full article</u></p> <hr style="border: 2px solid red;"/> <hr style="border: 2px solid red;"/> <p>5. Markets Continue to Slide; Jitters Grow as Credit Crunch Hurts Economy</p> <p>OTTAWA -- As the Toronto Stock Exchange's main index plunged further Thursday -- wiping out all of this year's gains -- consumers were being told to keep their fingers crossed and hope the situation doesn't drag on or worsen.</p> <p>Consumers shouldn't worry too much now about the credit and liquidity worries currently gripping global financial markets, analysts agree. But there could be spillover effects for the health of the Canadian economy.</p> <p><u>Read the full article</u></p>
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[Estate Prices Defy Expectations, Again](#)

- [23. This Uplands Home is Canada's Priciest House on the Market \\$28.5 Million; 'Trophy Properties' Geared Toward Elite Foreign Buyers](#)

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6. MLS® Home Sales Activity Forecast Revised Upward; National Activity to Rise 8.1 per cent Over Last Year, Setting New Annual Records in Most Provinces

Fueled by record activity levels in the first half of the year, national MLS® home sales activity is expected to reach record levels again in 2007, according to a new residential forecast prepared by The Canadian Real Estate Association.

National home sales are forecast to rise by 8.1 per cent to 523,100 units in 2007, and will set new annual records in most provinces.

Activity is forecast to edge slightly lower in 2008, but will reach the second highest annual level on record in almost all provinces.

[Read the full article](#)

7. Rising Prices and Interest Rates Slow House Starts; Gradual Slide in Market that Remains Robust

OTTAWA - Rising house prices and higher mortgage rates continue to gnaw at Canada's new housing market, as Canada Mortgage and Housing Corporation reported Thursday that housing starts for July were down 4.3 per cent to 215,600 from 225,300 in June.

Analysts had been looking for about 224,000 seasonally adjusted starts.

[Read the full article](#)

8. Housing Sales Forecast Skyrockets

OTTAWA -- Exceptional strength in Canada's resale housing market in the first six months of the year prompted the Canadian Real Estate Association yesterday to more than double its forecast for sales increases in 2007, the second time this year the association has revised its predictions upward.

[Read the full article](#)

9. Sask. Activity to Heat up Even More

OTTAWA -- Exceptional strength in Canada's resale housing market in the first six months of the year prompted the Canadian Real Estate Association (CREA) on Monday to more than double its forecast for sales increases in 2007, the second time this year the association has revised its predictions upward.

[Read the full article](#)

Market News and Trends - Atlantic

10. Housing Starts will Slow in Atlantic Canada

HALIFAX, Aug. 15 /CNW/ - Housing starts are expected to continue their slow descent in 2007-2008. Across Atlantic Canada total starts are expected to decline eight per cent in 2007 and a further three per cent in 2008.

Tightening labour market conditions and a rising price gap between new and existing homes will continue to force buyers to shift from the new to the existing market. This will result in a decline in single starts in 2007-2008 but should provide some room for growth in the higher density semidetached and townhouse segments of the market.

[Read the full article](#)

Market News and Trends - Ontario

11. New Home, High-Rise Sales Close: Officials; Condo Units Skyrocket; 'This Year Is Going To Be Very Close To 50%'

A dramatic increase in new condo sales could see high-rise sales come close to beating new housing sales in the GTA for the first time this year, industry officials said yesterday.

"Every year we seem to see an increase in the percentage that is high-rise. This year is going to be very close to 50%," said Bob Finnigan, president of the Building Industry and Land Development Association.

[Read the full article](#)

Market News and Trends - Prairies

12. Average Home Price Dips; City Real Estate Market Stabilizes, Official Says

It took seven months, but for the first time this year the average price of a home in Saskatoon has dropped.

According to the Saskatoon Region Association of Realtors (SRAR), the average price of a home in July was \$245,151, down more than \$7,000 from June but still an increase of 54 per cent from July 2006. The association predicts the market will stabilize during the next few months, though sales will remain brisk.

[Read the full article](#)

13. Housing Starts up 46%

The house construction and sales industry in Regina and Saskatoon continues to be on fire, as indicated by two new reports released Thursday.

One report, by the Canada Mortgage and Housing Corporation, said housing starts in Regina were up by 46.3 per cent in July, with 139 starts compared with 95 in July last year.

[Read the full article](#)

14. Housing Starts Tail Off; New Homes Lose Ground to Resale Market

Housing starts in Calgary will ease in the next two years despite the record low unemployment rate and an "abundance of job opportunities" in Alberta, but the average price of a resale home will continue to rise, says a national report released Wednesday.

[Read the full article](#)

15. Industry Beefs up Program for Prospective Realtors; Longer, Costlier Course Prepares Rookie Agents

Recent changes to the realtor education course mean it will take an individual much longer at a much higher cost to become a licensed realtor in the city.

The time and cost have each more than doubled compared to what they were previously.

[Read the full article](#)

16. New Home Starts Rising; House Prices will Keep Increasing, Analyst Predicts

New home starts in Saskatoon are still way ahead of last year's pace, despite a month-over-month decrease between June and July, the Canada Mortgage and Housing Corporation (CMHC) reports.

Total new home starts in the city in July rose nearly 66 per cent to 292 units from 176 during the same period last year, helping push year-to-date construction starts to 1,497, a number not seen since

July 1983.

[Read the full article](#)

17. Some Realtors won't List Condos at Centre of Controversy

RED DEER -- The deals that converted Red Deer's Monarch Place from taxpayer-funded affordable housing to private condos have so outraged city residents that the local Re/Max owner forbids his agents from selling the building's units.

"I won't let them. I just don't necessarily approve of what happened there," said Dale Russell, who is also president of the Red Deer Real Estate Board.

[Read the full article](#)

18. Wild Housing Market may Spark Changes

One of Regina's longest-running housing programs may soon be getting an update.

The Inner City Housing Stimulation Strategy, created in 1993 to provide tax exemptions in needy city areas, is currently under review. While the program remains popular, city officials say changes are needed, especially after Regina's wild housing market over the past year.

[Read the full article](#)

Market News and Trends - British Columbia

19. Advantage Shifts to Real Estate Buyers; City House Prices Slip as Inventory Sets Record

EDMONTON - Flattening prices and a record inventory of unsold homes are giving new power to buyers in Edmonton's changing housing market.

"The advantage has definitely moved from the seller to the buyer," Richard Goatcher, senior analyst at Canada Mortgage and Housing Corp., said Tuesday.

[Read the full article](#)

20. Boomers and Albertans Buy up Vancouver Island Properties; Outside Buyers Come with Cash, but Drive up Rents Across the Region

Boomers cashing out of higher-priced markets and Albertans flush with oilpatch cash continue to buy up Vancouver Island real estate unabated, according to the Vancouver Island Real Estate Board.

The Vancouver Island regions outside of the Victoria Capital Region saw 619 properties trade hands on the Multiple Listing Service in July, which was just a touch below the 624 sales in June, but still 34 per cent over the number of homes sold in July of last year.

[Read the full article](#)

21. Record Home Sales Fuelled by Recreation, Retirement; The Okanagan, Kootenay and Vancouver Island Markets are all Hopping

B.C. home sales set a record for the month of July as strong sales spread beyond traditional hubs of activity.

"When we look at the markets in B.C., we see demand spanning across the entire geography of the province," said Cameron Muir, chief economist at the B.C. Real Estate Association, in a phone interview. "This is very positive, but has not been the norm in the past."

[Read the full article](#)

22. Surging Real Estate Prices Defy Expectations, Again

Lower Mainland real estate markets defied the expectations of analysts last month, posting the second-highest level of sales for July in Greater Vancouver and the third-biggest July in the Fraser Valley.

Projections had sales in Canada's highest-priced markets slowing down for the month. However, buyers giving up on the prospects for price corrections and buyers rushing to beat rising mortgage rates helped push sales, and prices, higher.

[Read the full article](#)

23. This Uplands Home is Canada's Priciest House on the Market \$28.5 Million; 'Trophy Properties' Geared Toward Elite Foreign Buyers

Look out world: Greater Victoria's latest residential real estate offerings have shot past \$20 million, positioning themselves as the most expensive in the country.

The frontrunner is a \$28.5-million Humber Road property in the Uplands area of Oak Bay that boasts a 15,900-square-foot house on 2.5 acres, including more than 450 metres of oceanfront. Not far behind is a \$24-million waterfront estate in Metchosin that has an 8,000-square-foot home on 67 acres.

[Read the full article](#)

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