



BRITISH COLUMBIA
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ASSOCIATION

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BC Home Sales Slip, Interior Markets Stay Hot

Vancouver, BC – March 15, 2007. British Columbia Real Estate Association (BCREA) reports the residential sales volume on the Multiple Listing Service® (MLS®) in BC reached \$3.1 billion in February, up 7.5 per cent from the same month last year. However, MLS® home sales declined 4 per cent to 7,563 units in February 2007 compared with February 2006. The provincial sales-to-active listings ratio fell to 25 per cent from 32 per cent a year ago, indicating less upward pressure on home prices.

The strong provincial economy, led by low unemployment, rising wages and investment, is expected to keep BC home sales above the long-term average again this year. However, regional variations in demand and supply will mean some areas of the province may experience higher price gains than others. In a reversal of a trend that developed three years ago, the BC interior is expected to experience higher pressure on home prices this year than in the Lower Mainland/South Coast.

“The Kamloops, Kelowna and Penticton markets have proven robust over the last 12 months, posting average price increases above 20 per cent,” said Cameron Muir, BCREA Chief Economist. “Strong employment growth, and an influx of recreational buyers, adult lifestyle buyers and investors are key market drivers.

“Unlike most BC housing markets,” added Muir, “the Kootenays and Chilliwack are experiencing a greater imbalance between buyers and sellers than a year ago, so expect rising home prices in these areas this spring.”

Vancouver and Victoria posted the smallest increase in February home prices of the province’s 12 real estate boards compared to the same month last year (8.5 and 8.3 per cent, respectively). “After experiencing rapidly rising home prices over the last four years, some low equity homebuyers are finding themselves at the wrong end of an affordability squeeze in these markets,” noted Muir. “As a result, demand is less frenetic than in the recent past and listing inventories have increased 22 to 25 per cent. Homebuyers are benefiting from a wider selection of homes for sale and less competition for the best properties.”

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February 2007 Residential Average Price, Active Listings and Sales-to-Active Listings Data by Board

Board	Average Price			Active Listings			Sales to Active Listings	
	Feb. 2007 Residential Average Price (\$)	Feb. 2006 Residential Average Price (\$)	% change	Feb. 2007 Residential Active Listings (Units)	Feb. 2006 Residential Active Listings (Units)	% change	Feb. 2007 Residential Sales to Active Listings (%)	Feb. 2006 Residential Sales to Active Listings (%)
BC Northern	179,234	153,892	16.5	1,381	1,096	26.0	26.6	30.2
Chilliwack	284,760	240,356	18.5	907	840	8.0	30.1	26.8
Fraser Valley	406,086	348,935	16.4	5,318	4,168	27.6	25.6	38.0
Kamloops	252,664	196,057	28.9	1,034	897	15.3	24.4	35.8
Kootenay	239,544	188,928	26.8	1,176	1,354	-13.2	17.3	15.7
Northern Lights	224,914	108,995	106.4	69	59	17.0	30.4	55.9
Okanagan Mainline	357,585	292,818	22.1	3,246	2,641	22.9	18.9	24.7
Powell River	191,229	177,547	7.7	130	96	35.4	13.1	39.6
Greater Vancouver	531,688	490,004	8.5	10,414	8,310	25.3	27.9	36.3
South Okanagan	288,313	240,144	20.1	958	804	19.2	17.3	20.9
Vancouver Island	288,626	257,486	12.1	3751	2929	28	19.2	24.2
Victoria	432,663	399,663	8.3	2,202	1,813	21.5	30.1	33.1
Provincial Totals	412,932	367,967	12.2	30,586	25,007	22	24.7	31.6

February 2007 BC Residential Multiple Listing Service® Data by Board

Board	Dollar Volume			Units		
	Feb. 2007 Residential Sales (\$)	Feb. 2006 Residential Sales (\$)	% change	Feb. 2007 Residential Sales (Units)	Feb. 2006 Residential Sales (Units)	% change
BC Northern	65,958,277	50,938,333	29.5	368	331	11.2
Chilliwack	77,739,453	54,080,030	43.7	273	225	21.3
Fraser Valley	551,870,629	552,364,079	-0.1	1,359	1,583	-14.2
Kamloops	63,671,275	62,934,442	1.2	252	321	-21.5
Kootenay	48,866,960	40,241,639	21.4	204	213	-4.2
Northern Lights	4,723,200	3,596,833	31.3	21	33	-36.4
Okanagan Mainline	219,557,013	190,917,263	15.0	614	652	-5.8
Powell River	3,250,900	6,746,800	-51.8	17	38	-55.3
Greater Vancouver	1,544,552,876	1,479,813,342	4.4	2,905	3,020	-3.8
South Okanagan	47,859,919	40,344,200	18.6	166	168	-1.2
Vancouver Island	208,099,636	182,557,551	14.0	721	709	1.7
Victoria	286,855,500	240,197,167	19.4	663	601	10.3
Provincial Totals	3,123,005,638	2,904,731,679	7.5	7,563	7,894	-4.2

A study prepared by Clayton Research Associates Limited found the average BC home sold on the MLS® between 2002 and 2004 triggered nearly \$28,000 in additional spending, including legal fees, moving expenses, furniture and appliance purchases and taxes. Using that figure, BC homes sold on the MLS® in 2006 generated more than \$2.7 billion in additional spending.

BCREA represents 12 member real estate boards and their nearly 17,000 REALTORS® on all provincial issues, providing an extensive communications network, standard forms, government relations, required post-licensing courses and continuing education.

To demonstrate the profession's commitment to improving [Quality of Life](#) in BC communities, BCREA supports growth that encourages economic vitality, provides housing opportunities and builds communities with good schools and safe neighbourhoods.

For detailed statistical information, contact your [local real estate board](#). MLS® is a cooperative marketing system used only by Canada's real estate boards to ensure maximum exposure of properties listed for sale.

