



BRITISH COLUMBIA  
REAL ESTATE  
ASSOCIATION

# the bulletin

## Real Estate Purchase Confidence Improving According to Latest BCREA Survey

As a key part of BCREA's public affairs strategy, the Association sponsored a two-part public opinion research project conducted by Mustel Group Market Research. In May 2009, the second survey tracked several key measures asked in the January 2009 BCREA survey, including top affordability barriers and how provincial taxes impact BC homebuyers. The second survey also uncovered new primary data on buyer intentions and energy-efficiency practices at home. The results suggest that consumer confidence concerning real estate purchases may be improving.

Findings revealed that four-in-ten British Columbians planned or hoped to purchase homes or properties within the next five years, with about half of these potential buyers expecting to do so in the next two years. A higher proportion planned to purchase in Metro Vancouver (46 per cent) than elsewhere (35 per cent), which may indicate that consumer confidence is now higher in the urban area. In the January 2009 survey, findings did not vary by region.

Although affordability continued to be the key barrier to purchase, along with concerns about job security, ability to qualify for a mortgage, adequate income and general concerns about the economy, a higher proportion than in the first survey cited property tax as a barrier and yet, a slightly higher proportion of BC residents in the May 2009 measure indicated they did not have any purchase barriers at all. There was also a decrease in the

number of people concerned about depreciating property values and less mention of general financial barriers.

As one of BCREA's key lobbying efforts and answering the question of whether the Property Transfer Tax (PTT) was preventing homeowners, buyers, sellers and renters from moving up, down or into the market, survey findings were extremely valuable. The survey report stated that for almost one-in-five British Columbians, the PTT continued to be a major financial barrier to home ownership. Of those aware of PTT, 44% said that it played a role in their home buying decisions.

The survey findings also revealed that making smart green choices at home was still top of mind for most British Columbians. When asked if they were more likely, less likely or about as likely to make green improvements to their homes compared to this time in 2008, one out of every two BC residents answered that they were more likely now to green their home than they were approximately one year ago.

Survey findings demonstrated that the cost, followed by belief that individuals' homes were already energy efficient, were the primary reasons for being less likely than in the past to do green renovations. A total of 17% of home owners also reported to have had an energy assessment of their home. Survey results suggested that a 65 per cent majority of British Columbians would be willing to pay more for an energy efficient home.



All in all, the May 2009 survey results revealed that people's perception of the hurdles to home ownership have changed. This adjustment in the public's real estate outlook is good news for homebuyers, sellers and renters and after consecutive months of increased home sales, it may suggest that the optimism uncovered in this survey is being reflected in the telling tale of provincial home sales.

To obtain a full copy of the survey results from the May 2009 and January 2009 surveys, please visit [www.qualityoflife.bcrea.bc.ca/research.htm](http://www.qualityoflife.bcrea.bc.ca/research.htm).

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# President's Report

## Advancing the Field

The above title is one of BCREA's 2010 – 2012 strategic goals developed jointly in Kelowna with our member boards, and it's one that has been on my mind a lot lately. Promoting the public profile of REALTORS® and establishing ourselves as credible, trusted professionals has been a core topic for discussion in our Board of Directors' meetings, as well as during my discussions with member boards.

This has been particularly true when it comes to education. Education is a key element for success in today's highly-competitive business environment, as well as a cornerstone for a positive public perception of REALTORS®.

The current educational requirements, the PDP and REP credits and courses, have created, it's fair to say, some confusion and duplication of efforts. Fortunately, there are concrete steps underway to harmonize these programs and, working together with the Real Estate Council of BC, the University of British Columbia and member boards, I will be appointing a Steering Committee to find the best way forward in terms of harmoniza-

tion. You can expect to hear more about the Committee and its progress later this year.

Another key element in advancing the field is the ongoing dialogue and advocacy that BCREA is carrying out with the provincial government.

I'm pleased to report that the government has been actively seeking out contributions from BCREA on a range of important areas, including the budget process and affect of the federal FINTRAC legislation on provincial privacy requirements. This helps position REALTORS® as a valuable resource for decision makers at all levels of government.

As REALTORS®, we also make significant contributions to our communities and these contributions play a role in helping promote our public profile. Take a look at the Quality of Life article in this issue to get a sense of what your fellow REALTORS® across the province are doing. If you have stories to share, please get in touch. We're always looking to highlight REALTOR® community contributions.



President *John Tillie*

*John A Tillie*



John Tillie  
President



*Back row (Left to Right): Sharon Billey, Scott Veitch, Barbara Gallie, Moss Moloney, Rick Valouche, Bea Smith, Robert Laing, Jim McCaughan Front Row (Left to Right): Delores St. Amand, John Tillie, Hanne Selby, Eugen Klein, Jennifer Lynch, Rosario Setticasi*

## Board of Directors 2009-2010

### Core Ideology

#### Core Purpose

Ensuring the continued relevance of REALTORS® in BC.

#### Core Values

- Member board vitality
- REALTOR® success
- REALTOR® professionalism
- Quality of Life
  - Economic viability
  - Housing opportunities
  - Environmental preservation
  - Property owner rights
  - Better communities
- Public trust

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<b>Region V</b>	Jim McCaughan Hanne Selby	604.855.0860 604.795.2955	jamesmccaughan@hotmail.com hselby@uniserve.com

## Build Your Buyer Representation with New ABR® Course

BCREA is pleased to announce that it is bringing the Real Estate Buyer's Agent Council's (REBAC's) popular Accredited Buyer's Representative (ABR®) designation course to BC real estate professionals. Buyer representation has proven to be a profitable business strategy that can increase the size of a licensee's client base.

The comprehensive two-day course is the cornerstone of buyer representation education. It is being adapted for BC by ABR® designee and certified ABR® instructor Sharon Black, a Kelowna-based REALTOR® with nearly 30 years experience. Brian Taylor, one of the province's foremost legal experts on agency, is acting as course consultant.

The course is designed to help real estate professionals more fully understand and accommodate buyers' interests and needs. Participants will explore ideas and methods for building a buyer representation business; develop a self-customized tool for conducting buyer counselling sessions and deepen their understanding of agency.

After completing the ABR® designation course and successfully passing the exam, participants will have achieved ABR® candidate status. Candidates have a three-year period



in which they have the option of fulfilling the other educational and experiential requirements to become an ABR® designee. According to REBAC, which is the largest of the National Association of REALTORS® institutes, societies and councils, ABR® designees earn twice as much as agents with no designations.

Following rave reviews in Ontario and Alberta, the ABR® course will debut at the Real Estate Board of Greater Vancouver (REBGV) on September 21-22. Participants in the September session will receive a \$30 course fee discount. They will also be entered into a REBAC-sponsored grand prize draw for an impressive package of business-building tools that includes a BlackBerry® Curve™ 8900 Smartphone, a \$200 gas gift card, a Flip Ultra HD video camera, a Canon

PowerShot SD880 IS digital camera, a free two-hour counselling session for a website makeover and more.

For more information about the ABR® designation, the benchmark of excellence in buyer representation, please visit: [http://rebac.net/abr\\_designation.cfm](http://rebac.net/abr_designation.cfm).

To check seat availability for this exciting course launch on September 21-22, please call REBGV Member Services at 604.730.3090.



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## Population Significance: People Power and Affordability

It's been a difficult twelve months for BC's housing markets. No question. However, while we wait to hear the latest unemployment figures or government stimulus packages it might be fun, or perhaps even refreshing, to take a look at two things that are working in BC's favour. The first is population growth, without which the housing stock wouldn't need to expand; and housing affordability, the quiet redeemer of markets.

BC's population grew by an impressive 14,440 from October to January, second only to Alberta. This was the highest fourth quarter of growth since 1996. The largest contributor to this growth was international migrants, netting BC 10,255 individuals during the fourth quarter, 64 percent more than a year ago. In fact, net international migration broke the record books in 2008, even surpassing 1996 when the province experienced a significant influx of Hong Kong immigrants. However, weaker economic conditions have slowed migration from other provinces, as BC's economy is no longer the brightest light in the country. Net interprovincial migration fell to 6,450 individuals in 2008 from 15,520 in 2007, but nonetheless remained in positive territory.

Despite the current challenges in the economy, migration will become increasingly important over the coming decades as BC's population ages, and deaths begin to outpace births. By 2026/2027, migration may be the only source of population growth for the province. If BC Stats current population projections are any indication, the recent level of migration will be the norm and not an exception. Annual net migration is expected to range between 50,000 and 60,000

individuals over the long term. In twenty years, this could add another 1.27 million people to the province. This means that demand for housing will be robust over the long-term, despite the current weakness.

Housing affordability is the relative difference between household income and the carrying cost of ownership, in other words – your mortgage payment. Lenders typically limit the carrying cost to a maximum of 32 percent of the borrower's pre-tax income. Since incomes tend to grow very slowly compared to short-term changes in mortgage interest rates and home prices, the carrying cost of the average home in the market is a great indicator of housing affordability.

Many market watchers concentrate solely on home prices relative to income and ignore the impact of interest rate changes, which can be significant. You may be surprised to learn that while the average price of a home in BC is down 11 percent from a year ago, the carrying cost has actually declined 23 percent, the difference being lower mortgage interest rates.



By Cameron Muir,  
BCREA Chief Economist

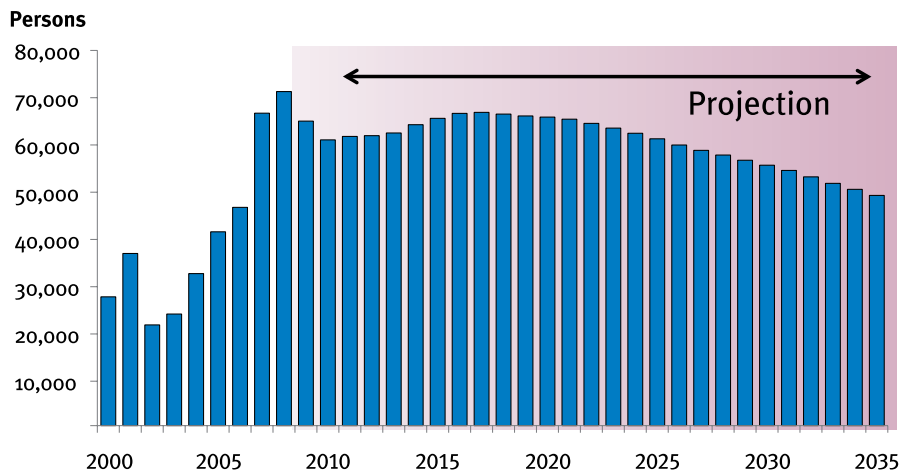
The combination of lower home prices and lower interest rates means buying a home in BC is now more affordable than at any time in the last three years, which coincidentally was the last time the carrying cost of housing made sense relative to income.

So, population growth is very much in BC's favour for at least the next few decades. This will keep our home-builders building despite brief downturns in the market. In addition, housing affordability makes a lot more sense today. A typical home buyer's mortgage payment has been slashed by nearly one-quarter over the last twelve months. No wonder so many potential buyers are kicking tires.

*Article reprinted from the June 2009 issue of BC Homes Magazine.*

### Population Growth: British Columbia

Sources: BC Stats, P.E.O.P.L.E. 33 Model, BCREA



## Quality of Life Principles at Work

BCREA and its member boards have applied the Quality of Life program's five principle approach since 2004. The following two initiatives demonstrate REALTORS® motivation to put these principles into action for the benefit of BC communities.

### Preserving the environment

The Victoria Real Estate Board (VREB) and its member REALTORS® have undertaken a six-month *Time of Sale Energy Labeling Pilot Project*. Under the program, home owners are encouraged at the time of sale to have energy assessments done on their homes with resulting Energuide® ratings posted on VREB's MLS® system.

High energy ratings would help market properties and the project would also benefit buyers by providing important information to help in the budgeting process, taking into account potential operating cost savings associated with energy efficiency.

The project runs to December 31, 2009

and marks the first such undertaking in Canada between REALTORS®, their board and provincial agencies. Partners in the project are the Ministry of Energy, Mines and Petroleum Resources, the 'LiveSmart BC' program and BC Hydro.

This valuable project will allow VREB to potentially have a significant impact on the development of government policy as the province considers whether to make home energy labelling mandatory.

### Building better communities

The Fraser Valley Real Estate Board (FVREB) hosted a day of key speakers including the Mayor of Surrey, Dianne Watts, on downtown Surrey's development as one of BC's next great metropolitan centres.

Over 150 members packed FVREB's theatre on May 26, 2009 for these special presentations discussing the fact that Surrey is the fastest growing municipality in BC. FVREB members

learned that with 1,000 new residents arriving monthly and 130 developable acres of land in the downtown core, significant developments were planned.

The City of Surrey launched a six-point Economic Investment Action Plan that included spending 465 million dollars on capital improvements over the next three years, eventually creating an estimated 4,200 jobs.

With the overall goal to help improve some of the region's current realities, revitalization of the downtown core and the development of safer communities were the focus of the City of Surrey's future vision.

To view the Quality of Life principles, please visit [www.qualityoflife.bcrea.bc.ca](http://www.qualityoflife.bcrea.bc.ca). If you have a Quality of Life project you would like to share, please contact Lindsay Cook at BCREA.



## BCREA Economics Recognized For Industry Contributions

Since 2006, the BCREA Economics department has been providing timely research, analysis, and information on economic factors affecting British Columbia and its housing markets. Recently, the department has been recognized for its industry contributions.

On June 19, the Canadian Home Builders Association awarded BCREA's Chief Economist Cameron Muir as one of BC Homes Magazine's Top 20 Most Influential People in Residential Construction. Cameron has more than 20 years experience in housing and development, devoting the last 10 years to the analysis and forecasting of BC's housing markets and economy.

In addition, BCREA Economist Bryan Yu has recently been elected Vice-President of the Association of Professional Economists of BC for 2009-2010. He has also recently become a member of the Vancouver Board of Trade Provincial Government Budget and Finance Task Force. These appointments provide another opportunity for BCREA to communicate REALTOR® priorities with influential stakeholders.

REALTORS® can find a collection of provincial economic indicator charts on REALTOR Link® to use as a visual reference in understanding and demonstrating current market conditions.



Compiled by BCREA's Economics Department to provide REALTORS® with valuable and up-to-date information on market conditions, these charts can be downloaded, printed and copied into a range of materials.

## cpe Course Schedule

Current as of July 24, 2009. Check with your local board office for last-minute changes. The complete cpe Planning Guide is available on BCREA's REALTOR Link® homepage.

Note: this is a schedule of BCREA cpe courses only and does not reflect all PDP-accredited courses. Each course on this schedule is assigned 6 PDP credits, unless otherwise indicated, and all courses that are also REP accredited are full-day courses and are marked with an asterisk (\*).

### BC Northern Real Estate Board

#### *Disclosure Issues & Risks\**

- **SEPTEMBER 14, FORT ST. JOHN**, Gerry Halstrom
- **SEPTEMBER 18, TERRACE**, Michael Ziegler
- **SEPTEMBER 25, 100 MILE HOUSE**, Gerry Halstrom
- **OCTOBER 2, PRINCE GEORGE**, Michael Ziegler

**SEPTEMBER 14, PRINCE GEORGE**, *Real Estate E&O Insurance Legal Update 2009*, Leslie Howatt\*

**OCTOBER 9, PRINCE GEORGE**, *What Brokerages and REALTORS® Need to Know About Agency*, Richard Collins\*

### Chilliwack and District Real Estate Board

**SEPTEMBER 2, CHILLIWACK**, *Real Estate E&O Insurance Legal Update 2009*, Adrienne Murray\*

**OCTOBER 20, CHILLIWACK**, *Risk Management for Commercial REALTORS®*, Keith Olsen\*

### Fraser Valley Real Estate Board

**SEPTEMBER 3, SURREY**, *Selling Tenant-Occupied Properties (STOP)*, Evelyn McNulty\*

**SEPTEMBER 9, SURREY**, *Real Estate E&O Insurance Legal Update 2009*, Mike Mangan\*

**SEPTEMBER 17, SURREY**, *Risk Management for REALTORS®*, Kim Spencer\*

**SEPTEMBER 29, SURREY**, *What Brokerages and REALTORS® Need to Know About Agency*, Jim McCaughan\*

**SEPTEMBER 30, SURREY**, *Foreclosures and Court Ordered Sales*, Jack Micner\*

### Kamloops and District Real Estate Association

#### *Real Estate E&O Insurance Legal Update 2009\**

- **SEPTEMBER 16, KAMLOOPS**, Mike Mangan
- **SEPTEMBER 17, KAMLOOPS**, Mike Mangan

### Kootenay Real Estate Board

#### *Buyer Agency\**

- **SEPTEMBER 9, CRANBROOK**, Jim McCaughan
- **SEPTEMBER 10, CASTLEGAR**, Jim McCaughan

### Okanagan Mainline Real Estate Board

#### *Ethics: Unlocking the REALTOR® Code*

- **SEPTEMBER 9, SALMON ARM**, Andrew Peck
- **SEPTEMBER 10, VERNON**, Andrew Peck
- **SEPTEMBER 11, KELOWNA**, Andrew Peck

#### *Buyer Agency\**

- **OCTOBER 8, VERNON**, Jim McCaughan
- **OCTOBER 9, KELOWNA**, Jim McCaughan

### Northern Lights Real Estate Board

**OCTOBER 19, DAWSON CREEK**, *Real Estate E&O Insurance Legal Update 2009*, Mike Mangan\*

### Real Estate Board of Greater Vancouver

(all courses held at the board unless indicated)

#### *Real Estate E&O Insurance Legal Update 2009\**

- **AUGUST 28**, Adrienne Murray
- **SEPTEMBER 9**, Jennifer Clew
- **SEPTEMBER 17**, Leslie Howatt
- **SEPTEMBER 25**, Mike Mangan
- **OCTOBER 9**, Mike Mangan
- **OCTOBER 19, ROBERTS CREEK**, Leslie Howatt

#### *CONDO 101: Strata Law for REALTORS®\**

- **SEPTEMBER 3**, Adrienne Murray
- **SEPTEMBER 23**, Adrienne Murray
- **OCTOBER 14**, Adrienne Murray

**SEPTEMBER 4**, *Win/Win: Conflict Resolution Skills for REALTORS®*, Richard Collins

#### *What Brokerages and REALTORS® Need to Know About Agency\**

- **SEPTEMBER 8**, Brian Taylor
- **SEPTEMBER 18**, Harvey Exner
- **SEPTEMBER 24**, Richard Collins
- **SEPTEMBER 28**, Andrew Peck
- **OCTOBER 7**, Brian Taylor
- **OCTOBER 19**, Andrew Peck

#### *Foreclosures and Court Ordered Sales\**

- **SEPTEMBER 15**, Satnam Sidhu
- **OCTOBER 20**, Satnam Sidhu

#### *Selling Tenant-Occupied Properties (STOP)\**

- **SEPTEMBER 18, COQUITLAM**, Evelyn McNulty
- **OCTOBER 5, SQUAMISH**, Evelyn McNulty

**SEPTEMBER 29**, *Contracts: Keep on Top of Changes*, Mary Wright

**SEPTEMBER 30, CONDO 202: Advanced Strata Law for REALTORS®**, Adrienne Murray\*

**OCTOBER 2**, *Electronic Title Searching*, Catherine Greenall\*

**OCTOBER 6**, *Ethics: Unlocking the REALTOR® Code*, Kim Spencer

### South Okanagan Real Estate Board

**SEPTEMBER 11, PENTICTON**, *Representing Buyers in the Sale of New Homes and Condominiums*, Gerry Halstrom\*

**OCTOBER 16, PENTICTON, CONDO 202: Advanced Strata Law for REALTORS®**, Adrienne Murray\*

### Vancouver Island Real Estate Board

**SEPTEMBER 2, COURTENAY**, *Representing Buyers in the Sale of New Homes and Condominiums*, Gerry Halstrom\*

#### *What Brokerages and REALTORS® Need to Know About Agency\**

- **SEPTEMBER 11, COURTENAY**, Michael Ziegler
- **OCTOBER 7, NANAIMO**, Michael Ziegler

**SEPTEMBER 14, NANAIMO**, *Win/Win: Conflict Resolution Skills for REALTORS®*, Richard Collins

### Victoria Real Estate Board

**SEPTEMBER 16, VICTORIA**, *Disclosure Issues & Risks*, Michael Ziegler\*

**SEPTEMBER 22, VICTORIA**, *Real Estate E&O Insurance Legal Update 2009\**, Brock Emberton\*