



Faith moves houses®

604-224-5277 faithwilsongroup.com

Faith's Exclusive Market Update

West Side Analysis Q3 2011

Hello and Welcome to the fall!

2011 has been a very interesting year for real estate in Vancouver. As we start Q4 of 2011, it's time to recap Q3 and look forward to 2012.

The Detached Homes category was the front-runner in Q3, with the year-over-year average HPI Benchmark Price in neighbourhoods like Point Grey and Shaughnessy rising by 38.6% and 25.6% respectively. Additionally, YTD unit sales of Detached Homes are up by 23% compared to 2010.

Vancouver Real Estate is always a hot topic when people get together, and with the added spice from global markets (Greece/Europe/USA), the conversations are heating up! Here in Canada, we will weather the storm, as our economy is expected to grow in 2012 and our policies will support this growth. Nonetheless, we are all watching to see how things will play out on the world stage and in the stock market.

So what does it all mean for real estate in Vancouver? Analysts are predicting a relatively stable real estate market in 2012. Here are some of the reasons why:

- The wave of immigration and investment from Mainland China should continue; these buyers gravitate towards homes on Vancouver's West Side, in Richmond and in West Vancouver.
- The 'boomer' demographic should take advantage of the strong housing market by listing and selling their single family homes.
- Interest rates should remain at all-time lows, attracting investors and making mortgages more affordable for first-time buyers.

Together, these factors should help to support a strong real estate market through 2012 in Vancouver. If you are looking to invest, Real Estate in Vancouver is an excellent alternative to the stock market. Take a look inside our report for our complete Q3 West Side analysis.

Please call me anytime to discuss.

Best Regards,

Faith Wilson

If you would like to receive Faith's Exclusive Market Updates via email, please subscribe to our mailing list by clicking here:

SUBSCRIBE NOW!

Or visit our home page.

In This Report...

Our Analysis of Q3 2011 Benchmark Prices in Vancouver's West Side:

- An explanation of the MLSLink HPI Benchmark Price system and why it is important to you
- An overview of HPI Benchmark prices for Detached, Attached & Apartments/Condos
- Faith's Analysis and Key Insights

The information included in this report is based on residential sales data and statistical information sourced and compiled from the Real Estate Board of Greater Vancouver's MLXchange database. The information included in this report is current as of October 4th, 2011 and is subject to change by the REBGV. Faith Wilson Realty Group Inc., is not responsible for changes, errors or omissions to this information.

Plus, our Analysis of Q3 2011 Housing Trends in Vancouver's West Side:

- Median & Average Sold Price Analysis, Unit Sales Results, Days on Market, plus Faith's Key Insights for:
 - Detached Homes: *Q3 2011 Sales Analysis*
 - Attached Homes: *Q3 2011 Sales Analysis*
 - Apartments/Condos: *Q3 2011 Sales Analysis*

For the latest real estate updates, including new listings, price changes and upcoming open houses, follow us on Twitter and Like us on Facebook!

On Twitter: On Facebook:

FAITH WILSON REALTY GROUP INC. ■

MAKING A CASE FOR HPI & BENCHMARK PRICES

Learn more about the real value of your West Side home

The Housing Price Index (HPI) is a measure of the rate of price change, over time, on residential properties in the Lower Mainland region of British Columbia.

The HPI is obtained by comparing, through time, the price paid for a typical West Side home, or benchmark property. The benchmark property is held constant over time; therefore, changes in the price of a benchmark property are not due to changes in the quantity or quality of the property. Thus, the HPI measures typical, pure price change (inflation or deflation).

HPI benchmark properties are conceptual rather than physical, and benchmark prices are predicted rather than observed. The HPI uses advanced statistical methods to estimate benchmark property prices based on the prices and qualities observed on actual property sales. The HPI provides the most reliable information on housing price trends.

Q3 2011 – Overview of HPI Benchmark Prices by Category

As reported by the REBGV, a typical **Detached Home** on Vancouver's West Side has a predicted selling price of **\$2,012,830**, assuming the following attributes:

- 5,790 sq.ft. lot
- 49 ft. frontage
- 2,812 sq.ft. floor area
- 11 rooms
- 3 bathrooms
- 147 sq. ft. kitchen
- 1 covered parking stall
- 1 fireplace
- 31 years old
- 10% new

DETACHED HOMES, VANCOUVER WEST		
Neighbourhood	Q3 2011 Average Benchmark Price	1 Year Change (%)
Combined	\$2,012,830	23.6%
Arbutus	\$2,326,459	23.3%
Cambie	\$1,615,290	32.1%
Dunbar	\$1,767,003	27.5%
Kerrisdale	\$2,246,852	22.4%
Kitsilano	\$1,572,040	17.9%
MacKenzie Heights	\$2,360,492	21.6%
Oakridge/S. Cambie	\$1,857,367	19.8%
Point Grey	\$2,289,559	38.6%
Quilchena	\$2,482,659	19.4%
Shaughnessy	\$3,252,742	25.6%
South Granville	\$2,718,008	18.1%

FAITH'S KEY INSIGHTS:

- Across all of Faith's key West Side neighbourhoods, predicted selling prices continued to rise in Q3, with the typical benchmark home on Vancouver's West side increasing by 23.6% to break through the \$2 million mark.
- Home prices in Shaughnessy remain the most expensive of any neighbourhood in Greater Vancouver, with the typical detached home in Shaughnessy predicted to sell at \$3,252,742, or 25.6% higher than at the end of Q3 in 2010.
- Point Grey experienced the greatest change on a year-over-year basis, with the predicted selling price swelling by 38.6% to reach \$2,289,559.

As reported by the REBGV, a typical **Attached Home** on Vancouver's West Side has a predicted selling price of **\$817,539**, assuming the following attributes:

- 21% duplex
- 1,337 sq.ft. floor area
- 7 rooms
- 2 bathrooms
- 96 sq. ft. kitchen
- 1 fireplace
- 1 covered parking stall
- 9 years old
- 20% new

ATTACHED HOMES, VANCOUVER WEST		
Neighbourhood	Q3 2011 Average Benchmark Price	1 Year Change (%)
Combined	\$817,539	8.5%
Kitsilano	\$926,214	8.3%
Other	\$766,682	8.5%

FAITH'S KEY INSIGHTS:

- Predicted selling prices for a typical Attached Home (Townhouse) in Vancouver West climbed by 8.5% compared to the same period in 2010.
- Kitsilano continues to be the premier destination for buyers seeking an Attached Home on the West Side, with both the highest benchmark price and the most units sold in Q3. Prices in Kitsilano rose by 8.4% compared to Q3 of 2010.

Predicted selling prices continued to rise in Q3, with the typical Detached Homes breaking through the \$2 million mark.

As reported by the REBGV, a typical **Apartment** on Vancouver's West Side has a predicted selling price of **\$522,951**, assuming the following attributes:

- 843 sq.ft. floor area
- 5 rooms
- 1 bedroom
- 1 bathroom
- 73 sq. ft. kitchen
- 0 fireplace
- 1 covered parking stall
- 8 years old
- 30% new

APARTMENTS, VANCOUVER WEST		
Neighbourhood	Q3 2011 Average Benchmark Price	1 Year Change (%)
Combined	\$522,951	5.6%
Cambie	\$444,059	-6.4%
Fairview	\$505,853	6.0%
Kerrisdale	\$584,944	-4.3%
Kitsilano	\$471,333	6.8%
Oakridge/S. Cambie	\$569,636	-6.8%
Other	\$592,677	5.0%

FAITH'S KEY INSIGHTS:

- Overall, Apartments experienced steady growth, as the predicted selling price of a typical Apartment rose by 5.6%.
- In contrast to the Detached Homes category, Apartment prices saw year-over-year decreases in the following neighbourhoods: Cambie, Kerrisdale, and Oakridge/S. Cambie.
- All three of these neighbourhoods also experienced price drops compared to Q2 of 2011.

THE REAL WEST SIDE RESULTS – FROM Q3 2011

If you follow the real estate market in the mainstream media, you often hear broad statements regarding prices in Greater Vancouver. Instead, we want to share a more relevant snapshot of Vancouver's West Side with you.

In this section we're providing you with the latest Median & Average sale prices from Q3 2011, plus the Median Days on the Market. The analysis combines sales results from the following key West Side neighbourhoods:

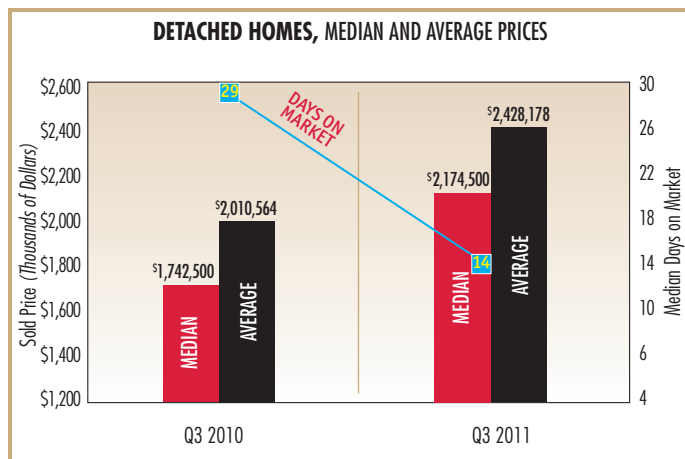
- Arbutus
- Cambie
- Dunbar
- Fairview
- Kerrisdale
- Kitsilano
- MacKenzie Heights
- Oakridge
- Point Grey
- Quilchena
- Shaughnessy
- South Granville
- University

BOTTOM LINE: TRUE INSIGHT TO VANCOUVER'S WEST SIDE NEIGHBOURHOODS.

The median sales price of Detached Homes jumped by 25% in Q3 to reach \$2,174,500.

Q3 2011 SOLD LISTINGS – DETACHED HOMES

Faith's Key West Side Neighbourhoods



		2010	2011	% Change
Unit Sales (Detached Homes)	1 st Quarter	410	592	44%
	2 nd Quarter	409	554	36%
	3 rd Quarter	338	278	-18%
	Year-to-Date	1157	1424	23%

DETACHED HOMES, Q3 SALES BY NEIGHBOURHOOD

Neighbourhood	Units	Share (%)
Dunbar	47	17%
Cambie	37	13%
Point Grey	31	11%
Kitsilano	29	10%
South Granville	28	10%
Kerrisdale	27	10%
Arbutus	20	7%
Shaughnessy	18	6%
MacKenzie Heights	15	5%
Oakridge	10	4%
Quilchena	8	3%
University	8	3%
Fairview	0	0%
All Neighbourhoods	278	100%

FAITH'S KEY INSIGHTS:

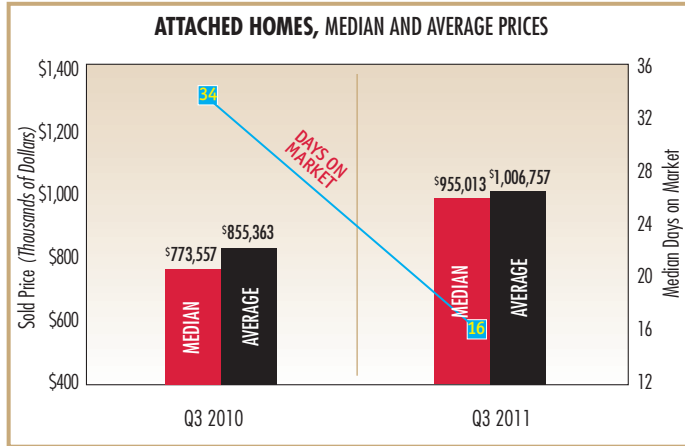
- The sale of detached homes slowed by 18% compared to Q3 of 2010. Compared to the previous quarter, the decrease in unit sales was more drastic, dropping by 50%. However, total year-to-date sales are still outpacing 2010 by 23%.
- Despite the slowdown in overall sales activity, prices neighbourhoods grew stronger, with the median price jumping by 25% to reach \$2,174,500.
- Detached homes were selling twice as quickly in Q3 of 2011, with the median days on market dropping to just 2 weeks.
- Dunbar continues to be the leader in sales, representing 17% of all detached home sales in Q3 of 2011. The price range of homes sold in this neighbourhood was from \$1,208,000 to \$4,003,800.

Detached homes were selling twice as quickly in Q3 of 2011 vs. Q3 2010.

Dunbar continues to be the leader in unit sales with 47 Detached Homes sold in Q3 of 2011.

Q3 2011 SOLD LISTINGS – ATTACHED HOMES

Faith's Key West Side Neighbourhoods



		2010	2011	% Change
Unit Sales (Attached Homes)	1 st Quarter	115	154	34%
	2 nd Quarter	150	160	7%
	3 rd Quarter	105	104	-1%
	Year-to-Date	370	418	13%

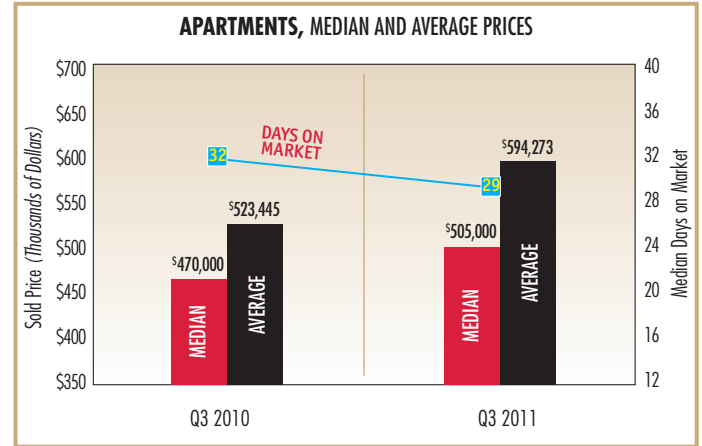
Neighbourhood	Units	Share (%)
Kitsilano	38	37%
Fairview	32	31%
University	16	15%
Cambie	5	5%
Kerrisdale	4	4%
Quilchena	3	3%
Point Grey	2	2%
Shaughnessy	2	2%
Oakridge	1	1%
South Granville	1	1%
Arbutus	0	0%
Dunbar	0	0%
MacKenzie Heights	0	0%
All Neighbourhoods	104	100%

FAITH'S KEY INSIGHTS:

- The demand for attached homes, such as Townhomes, remained steady compared to 2010, with sales of 104 units. Year-to-date, 48 more units have been sold in 2011 than in the same period in 2010.
- Similar to detached homes, attached homes were selling almost twice as quickly as they were in 2010, with the median days on market dropping to 16 days.
- These faster moving homes also saw an increase in prices, with the average price rising by 18%. More significantly, the median price of these homes spiked by 25%, reaching \$955,013.
- The most popular neighbourhoods for Townhomes were Kitsilano and Fairview, which together represented 67% of total unit sales in Q3 of 2011.

Q3 2011 SOLD LISTINGS – APARTMENTS

Faith's Key West Side Neighbourhoods



		2010	2011	% Change
Unit Sales (Apartments)	1 st Quarter	378	437	16%
	2 nd Quarter	489	404	-17%
	3 rd Quarter	320	283	-12%
	Year-to-Date	1187	1124	-5%

Neighbourhood	Units	Share (%)
Fairview	86	30%
Kitsilano	78	28%
University	58	20%
Kerrisdale	22	8%
Quilchena	14	5%
Point Grey	9	3%
Cambie	7	2%
Oakridge	4	1%
Shaughnessy	2	1%
South Granville	2	1%
Dunbar	1	0%
Arbutus	0	0%
MacKenzie Heights	0	0%
All Neighbourhoods	283	100%

FAITH'S KEY INSIGHTS:

- In contrast to detached and attached homes, year-to-date sales for apartments have dropped by 5% compared to the same period in 2010. This decrease is the result of fewer sales in both Q2 and Q3.
- Median Prices for apartments experienced growth of 7%, reaching \$505,000. They also sold 3 days quicker than they did in 2010.
- The Fairview, Kitsilano and University neighbourhoods represented over 75% of total unit sales for Apartments in Q3 of 2011.

IN THE NEWS...

FINANCIAL POST

LOW RATES COULD SPUR MORTGAGE RULE CHANGES

The Financial Post reported last week that following the Bank of Canada's decision to keep lending rates at 1%, the government may tighten mortgage rules to keep the housing market from "bubbling over." The uncommonly low rate has fuelled housing market growth in Canada, as lower rates make mortgage debt more attractive. The market also benefits from strong foreign investment, as investors continue to see Canadian real estate as an affordable opportunity, especially in Vancouver.



BRITISH COLUMBIA
REAL ESTATE
ASSOCIATION

BCREA RELEASES MORTGAGE RATE FORECAST

After a dismal third quarter for government bond yields, the BC Real Estate Association is forecasting an eventual cut in mortgage rates. According to the report, the current level of bond-yields would normally prompt a dramatic fall in rates, but a number of irregularities are at play, including the Euro crisis and the rising cost of funding. The 5-year fixed rate could decline to the previous low of 5.19%, but will likely average 5.3% in 2011, while the one-year rate is expected to average 3.5%.

CANADIAN realestate

VANCOUVER PRICES TO KEEP RISING: CENTRAL 1 CREDIT UNION

A forecast by a Central 1 Credit Union economist states that while the Vancouver housing market is already unaffordable for many, there's enough demand to keep prices rising. The report by Brian Yu predicts the median home price will increase 6.8% to \$417,000 by year end, despite a 1% overall decline in home sales for 2011. Citing limited supply of land and a low percentage of speculators, Yu defended his findings, and further predicted home sales in Vancouver will grow 3.4% in 2012.



HOME TRENDS FAVOUR BUYERS: REBGV

According to the Real Estate Board of Greater Vancouver, August marked the third consecutive month that home sales in Greater Vancouver were below the 10-year monthly average. The report stated that residential property sales on MLS reached 2,378 in August, an 8% increase over 2010, but also the third lowest total for August in the last 10 years. President Rosario Setticasi stated that the findings indicate the market "has been trending toward a buyers' market over the past three months."

THE VANCOUVER SUN

HOUSING MARKET SHOULD REMAIN STABLE IN 2012: BMO

Stating that positives and negatives should balance one another, BMO has predicted little change in housing prices heading into next year. Economist Sal Guatteri states that while low interest rates continue to "fuel Canada's housing market," the gains are being offset by a weak economy and tough mortgage rules. Guatteri pointed to low Bank of Canada rates and strong foreign investment - especially in Vancouver - as positives, while citing stagnating wages and record levels of household debt as negatives.



CBCnews

HOME PRICES SHOW AUGUST INCREASE

Canadians paid 7.7 per cent more for existing homes in August than they did last year, the Canadian Real Estate Association said Thursday. The report stated the average sale price for an existing home rose to \$349,916 - up from \$324,992 in 2010. Economists said housing markets remain healthy despite weak consumer confidence and stalled global growth. "Once again, economic and financial market headwinds outside Canada are keeping interest rates lower for longer," said CREA chief economist Gregory Klump.

Trust the Faith Wilson Group.
As your *Neighbourhood Experts*,
we live and breathe the
West Side.



精通, 國, 粵, 英語和其他語言.

Calling on the experience and expertise of the Faith Wilson Group,
Means drawing on the collective experience of our nine real estate professionals.
Plus...

It means having the neighbourhood experts working for you seven days a week,
9am to 8pm, or whatever it takes to get the job done.

It means having Marketing & Showing Specialists at your disposal with strategic media
and sales plans tailored to your home for selling success.

It means having a personal Buyer Specialist to help you find the perfect new home.

It means having direct access to our RBC Mortgage Specialist.

It means having our services gladly provided in: 廣東話, 國語, Deutsch or Français.

That's the ultimate in client care. That's the power of the Faith Wilson Group –
putting cutting edge real estate tools and techniques to work for you.

For a hint of how Faith Wilson's Team Advantage brings homes to market and
facilitates the buying process, visit faithwilsongroup.com.
For the full picture, call Faith at 604-224-5277



*Faith is an elite member of the
Diamond Master Medallion Club.*

This prestigious award is only presented to top performing agents after 15 year
in Greater Vancouver's Medallion Club.

*Ranked in the
Top 10 of all Realty Teams!**

*Based on 2010 Greater Vancouver residential team sales statistics from the
Medallion Club of the REBGV.

Faith moves houses[®]