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VICTORIA, BC REALTORS®

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## VICTORIA REAL ESTATE NEWS

### *Friends & Clients:*

Victoria's slight increase in sales activity last month is good news and is a sign of a stable market. Sales in October were higher than the previous month, 483 compared to 458, and also higher than last Oct.(467). There was a general price softening in most areas in October. The total number of homes for sale declined last month, but is still 16% higher than at this time last year.

So as we approach the close of another year we can look back on pretty solid performance in the local real estate market. But what should we expect next year?

- Favourable fundamentals should keep demand steady: low mortgage rates, stable economy, growing population.
- Clarity on the HST should help boost new home sales and house construction.
- Good selection for buyers in most sub-areas should keep prices balanced; CMHC is predicting a very small increase next year.



If you're waiting to make a move 'til "the market's just right" you should talk to us, and soon. It's right now.

### Christmas Wishes

We would like to pass on our personal best wishes to you and your family for an especially happy holiday season.

Christmas is a great time to reflect on how lucky we all are to live in this wonderful place – and to share with family and friends.

Take time, have fun.



### Victoria Forecast Highlights - 2012

- The resale market will trend towards balanced market conditions (from one favouring Buyers).
- MLS sales are expected to increase 7%.
- Annual average MLS sales price will increase about 1% to \$505,000.
- Housing starts will increase by 9% mainly in multi-family construction.

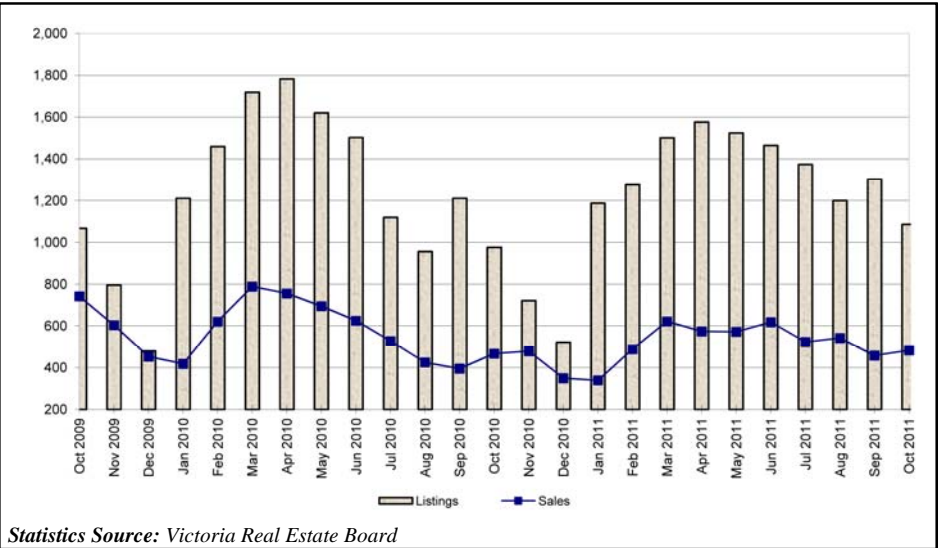
*Statistics Sources: Victoria Real Estate Board, CMHC*

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**October Sales**

**Total New MLS® Listings & Total MLS® Sales**

|               | Units | Avg. Price | 6 mo. Avg |
|---------------|-------|------------|-----------|
| Victoria      | 29    | \$579,738  | \$609,016 |
| Victoria West | 4     | \$474,525  | \$449,392 |
| Oak Bay       | 12    | \$849,250  | \$929,787 |
| Saanich East  | 45    | \$636,322  | \$640,762 |
| Saanich West  | 19    | \$574,005  | \$583,759 |
| Cent. Saanich | 20    | \$537,965  | \$605,207 |
| N. Saanich    | 13    | \$672,962  | \$685,724 |
| Grt. Victoria | 238   | \$595,836  | \$619,828 |



**Kids Still Living at Home?**

Many boomers are enjoying a windfall increase in their real estate equity – but wonder how they can help their kids buy into this challenging realty market.

Here's a tip: use the increased equity in your home to open a line of credit at your bank for, say, \$50,000. Then go into partnership with your son or daughter where you provide the down payment and co-sign a mortgage for the balance; you carry the \$50,000, they pay the mortgage and other costs, and you pro-rate the equity.



With all parties on title, the parents get a modest real estate investment for a very small monthly carrying cost (probably tax-deductible; ask your accountant) and the kids get a chance to break into an otherwise tough home ownership market, with monthly costs roughly equal to renting. And they build credit at the same time.

On the sale of the property the parents can get paid out and realize their proportionate share of the lift.

There's a great selection of trendy condos just now. Draft a partnership agreement covering all eventualities and responsibilities, run it past your lawyer, and then call your REALTORS® ... *Sharen, Larry & Elissa.*

**Quote Corner**

If you think hiring a professional is expensive, wait 'til you hire an amateur.

*Red Adair  
Famous Oil Well Firefighter*

**Mortgage Rates as of Nov 4/11**

| Term   | Posted Rate | Best Rate |
|--------|-------------|-----------|
| 1 Year | 3.50%       | 2.80%     |
| 3 Year | 4.35%       | 3.19%     |
| 5 Year | 5.39%       | 3.39%     |
| Prime  |             | 3.00%     |



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**Sharen, Larry & Elissa . . .**

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