

Residential Real Estate Analysis

Q4 2018 VS. Q4 2017

SURREY, DELTA & WHITE ROCK

DETACHED

UNIT SALES

612 ↓ -41.20%

NEW LISTINGS

1,534 ↓ -15.71%

AVE. DAYS ON MARKET

43 ↑ 30.30%

AVERAGE SALE PRICE

\$1,065,800 ↓ -2.20%



TOWNHOME

UNIT SALES

399 ↓ -21.50%

NEW LISTINGS

875 ↑ 53.2%

AVE. DAYS ON MARKET

35 ↑ 28.2%

AVERAGE SALE PRICE

\$581,700 ↑ 3.70%



CONDO

UNIT SALES

389 ↓ -54.2%

NEW LISTINGS

930 ↑ -3.20%

AVE. DAYS ON MARKET

39 ↑ 112.8%

AVERAGE SALE PRICE

\$438,500 ↑ 7.90%





As the froth settles families find opportunity



There is a lot in the news these days about the housing downturn in Metro Vancouver. To read the headlines about “the worst year for sales since 2012” the “slump” and “dropping like a rock” one would think buyers would be running for the hills to escape the carnage.

But what is forgotten in the harried hyperbole is that the vast majority of people aren't buying a home as an investment vehicle.

People know in their bones that if they buy now and live in the home for a number of years it will be worth more than it is now. This is a universal experience.

Most Metro buyers are families simply looking for a place to live, to raise the kids, to secure their financial future, and most would rather buy a detached house.

And in the fourth quarter they did just that, buying 2,448 houses across the Metro region and a further 4,191 strata units. Impressive numbers, really, for just 92 days.

What these buyers are discovering, to their glee, is the upside of the downturn.

Home prices are generally down: the typical detached house is selling for about \$60,000 less than a year ago – hey, that's university tuition for the oldest child – and the selection

is generous with at least 20,000 homes of all types on the market. There is also less competition, interest rates are not rising the way the pundits were predicting and buyers find they are now in the driver's seat when negotiations steer towards price, possession dates and if the seller can leave the window blinds. I am not saying the current Metro housing market is not slow; that it is not

challenging for sellers. It is. But it is also a great opportunity for the vast majority of families and individuals who simply aspire to own their first or a better home.

Warmest Regards,

Faith

Discover YOUR neighbourhood's real estate market activity, trends & benchmark pricing.

Finding the right home in the right neighbourhood can be a challenge. That is why we have our exclusive Neighbourhood Profiles available for you on our web site. Each profile features:

- Information on the neighbourhood's schools, housing, recreation, shopping, restaurants, transportation and more.
- A summary of CURRENT active listings, arranged by property type and showing the number of units available and the median asking price.
- Up-to-date MLS® HPI Benchmark prices AND price changes from one month to five years - a rich resource to instantly see the price trend of the type of home you are interested in, within your specific neighbourhood.



To do so, visit FaithWilsonGroup.com and find out about Vancouver Westside, Eastside, Downtown, North Vancouver, South Surrey and Richmond neighbourhoods. With more coming soon.

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 and the REALTOR Link® website. The information is current as of March 1st, 2018 and is subject to change by the REBGV. Faith Wilson Realty Group Inc., makes no guarantees as to the accuracy of the information provided and is not responsible for changes, errors or omissions to this information.

Moving on Up: Should You Buy or Sell First?

With British Columbia's evolving real estate market, both buying and selling a home are very personal decisions. Add buying and selling at the same time, and the process becomes both tricky and stressful, which is more likely in a softer market where selling your home might take longer than expected. The path up the property ladder is different for everyone and whether to buy or sell first depends on your unique circumstances. Add in other factors such as whether you have a mortgage on the property, and whether that mortgage can be ported to the new home. What is the timing of the two property transactions?

Do the two closing dates coordinate, or will you need interim temporary financing should your new possession date be prior to your existing home sale date?

"Buying and selling a home at the same time is no small endeavour and involves extensive research and a clear understanding of all the steps involved," explains Nicole Wells, vice-president of home equity finance at RBC.

Here are some things to consider before making a move:

Should I Sell First?

The upside of selling first is that you will know how much money you have to work with, and it's also easier to get new financing when you need it. However, if there are delays or challenges finding the right new home for you, you may incur additional rent and storage costs in the interim.

Should I Buy First?

In this case, you will have time to plan your move and get your current home ready to sell. However, closing dates on both the purchase and sale may not line up, and if your home doesn't sell for a while, you'll be stuck with two mortgages at once, making it a challenge to qualify for the new mortgage and making two payments. An interim financing loan is also a possibility if your existing home is sold but the sale date is after your new home purchase date.

Add a Contract Contingency

Whether you're buying or selling, try to add a contingency to your purchase contract that lines

up the closing dates to bridge the in-between period. This isn't always possible, as it depends on the market and whether the buyer/seller is willing to agree to an extended or reduced period of time.

Know the Markets

Consult with a knowledgeable realtor. Research prices in the areas where you're buying and selling. Does the market favour buyers or sellers? This is the best way to decide which move to make first. As a rule of thumb, you want to sell first in a buyers' market and do the contrary in one that favours sellers.

Consider Rental Revenue

Research the rental market in your area and calculate the cost versus profit ratio of renting out your home to tenants, rather than selling it. It could be financially advantageous, and real estate could be a great way to diversify your investment portfolio.

- Kevin Lutz,
Regional Manager, Residential Mortgages

Follow Kevin on Twitter @RBCKevinLutz

Welcome our new Mortgage Specialists

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Stress Test Need Not Stall Move-Up Plans

Bob and Jean have owned their Burnaby bungalow for seven years and planned to move up to a larger house as the children became older. With a good credit rating, a stable household income and 40% worth of equity in a house assessed at \$1.5 million, the couple were surprised when they went to their bank for a pre-approved mortgage for their move-up purchase.

Since the new mortgage stress test was introduced on January 1, the couple found that they could not qualify for the quality of home they really wanted.

The Office of the Superintendent of Financial Institutions mortgage stress test requires that buyers with more than a 20 per cent down payment must qualify at Bank of Canada's 5 year benchmark rate, which is currently set at 5.34%, or at the current contracted rate plus 2% whichever is higher.

For Bob and Jean this meant that, despite never being late with a mortgage payment and willing to put down a substantial down payment, their purchasing power was

reduced by about 20%. Planning to move up to a larger house worth \$1.8 million to \$1.9 million, they were told they could qualify at \$1.5 million or less. In other words, the same house they already own.

The stress test is meant to ensure buyers can afford a mortgage if lending rates should increase. However, a mere 0.16% of B.C. mortgage holders are currently in arrears, meaning they have missed three or more mortgage payments. This means just 1,008 out of 644,984 mortgage holders in B.C. are behind in mortgage payments. This is the second-lowest mortgage arrears rate in Canada and the lowest default rate among all other forms of consumer debt.

Over the past 15 years, through fluctuating mortgage rates, Canada's overall mortgage arrears rate has never risen above 0.35%.

So, logic aside, what can a move-up buyer do to achieve the home they want?

Here is some advice from the Faith Wilson Group mortgage specialist:

- **Remember that you only need to qualify at the higher rate, not actually pay it.** The best five-year rate today is 3.59%, so even if the new stress test requires you to qualify at 5.34%, you would be paying the contracted rate of 3.59% on your mortgage once you qualify for the loan.

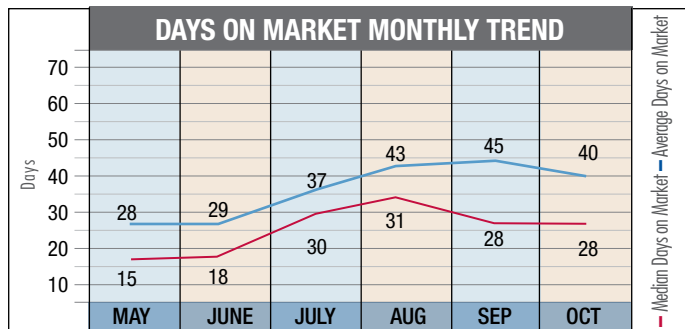
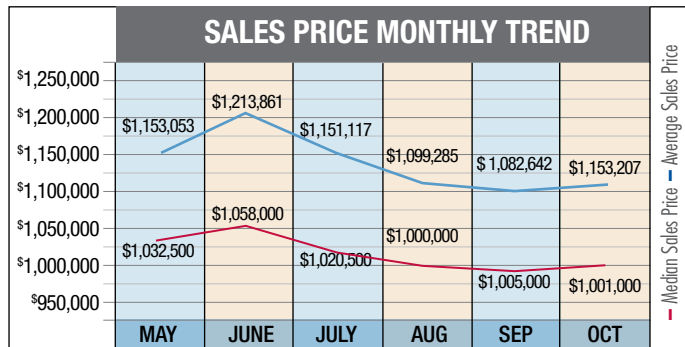
- **Use the existing equity in the home to eliminate smaller debts, such as credit cards and car loans, to make your mortgage application more acceptable.** (Note, however, that refinancing a home is also subject to the stress test at federally regulated lenders.)

- **Consider taking the maximum-allowed 30-year amortization on a non-insured mortgage,** which will reduce your monthly payments compared to the convention 25-year amortization.

The bottom line advice: talk to mortgage professional and you may find that, despite the stress-test, you can buy the move-up home you want and can afford nearly stress free.

OCTOBER- SINGLE FAMILY DETACHED HOMES

THE REAL SOUTH SURREY RESULTS: OCT 2018



Month	2017	2018	CHANGE
May	772	425	-44.9%
June	635	369	-41.9%
July	490	311	-36.5%
Aug	400	265	-33.8%
Sep	391	257	-34.3%
Oct	393	185	-52.9%
Total	3081	1812	-41.2%

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 – 800,000	59	21	36%
800,001 – 900,000	78	42	54%
900,001 – 1,000,000	113	34	30%
1,000,001 – 1,200,000	166	48	29%
1,200,001 – 1,400,000	122	11	9%
1,400,001 – 1,600,000	68	12	18%
1,600,001 – 1,800,000	40	10	25%
1,800,001 – 2,000,000	31	2	6%
2,000,001 – 2,200,000	16	1	6%
2,200,001 – 2,400,000	12	2	17%
2,400,001 – 2,600,000	11	0	0%
2,600,001 – 2,800,000	9	1	11%
2,800,001 – 3,000,000	11	0	0%
3,000,000 – 4,000,000	13	0	0%
4,000,000 – 5,000,000	5	0	0%
5,000,001 +	8	1	13%
Totals	762	185	24%

THE REAL NEIGHBOURHOOD RESULTS: OCT 2018

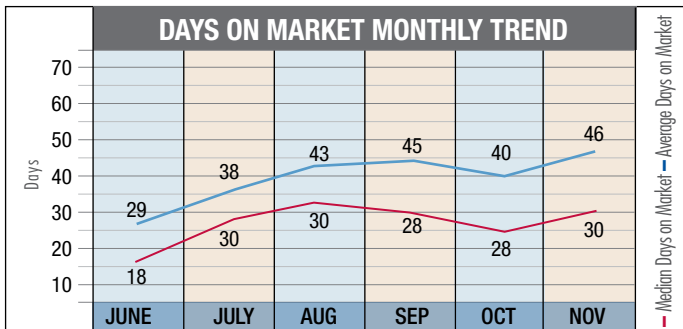
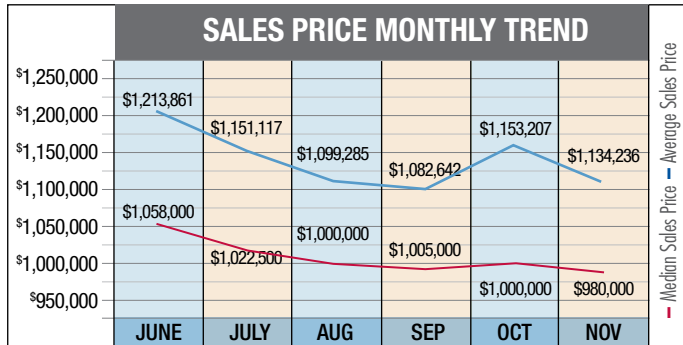
MLS® Neighbourhood	Unit Sales	HPI Benchmark Price	1 Month	12 Months
Central Surrey	46	1,034,500	-0.1	2.8
Cloverdale	26	1,004,100	0	0.3
North Surrey	33	967,200	-0.2	2.2
South Surrey/White Rock	38	1,396,900	0	-6.2
City of Surrey Combined	143	\$ 1,087,100	-0.1	-0.1
North Delta	20	921,400	-1.0	0
Ladner	10	984,900	-2.1	-4.1
Tsawwassen	12	1,237,200	-2.3	-3.0

FAITH'S KEY INSIGHTS:

- The current slowdown in the Surrey-Delta detached housing market is a breather that will likely end sooner than most expect. Consider the fundamentals. In the next two years more than 100,000 immigrants will arrive in British Columbia, along with approximately 8,000 newcomers from other provinces, Statistics Canada reports. Nearly 95% of all these new residents will be looking to live in Metro Vancouver and the Fraser Valley. Developers recognize the potential: in 2017 a record \$6.8 billion in residential land was purchased in Metro Vancouver/Fraser Valley and 2018 sales are close to the same pace. In October, 250 detached houses were listed in Surrey-Delta for \$1 million or less, the biggest such inventory in the Lower Mainland. This is where the future demand is forming and I would advise any buyer to consider investing in this area this year.
- Detached house buyers proved hesitant in October, with sales dropping 52.9% from October 2017. One can understand. In the past 10 months we have seen two mortgage rate increases, the mortgage stress test, the speculation tax and, in Surrey, a political battle raging over what type of transit to build. But for the 185 buyers who purchased a detached house in Surrey-Delta in October, there were pleasant surprises. This included a selection of 762 new listings to choose from and prices unchanged from months earlier. More than 20 of these buyers bought a house in Surrey-Delta for less than \$800,000, lower than the price a typical Vancouver condo. We don't know when the local sales downturn will end, but I recommend buyers take full advantage while it lasts.

NOVEMBER- SINGLE FAMILY DETACHED HOMES

THE REAL SOUTH SURREY RESULTS: NOV 2018



	2017	2018	CHANGE
June	635	369	-41.9%
July	490	310	-36.7%
Aug	400	267	-33.3%
Sep	391	265	-32.2%
Oct	393	269	-36.1%
Nov	353	188	-46.7%
Total	2662	1668	-37.3%

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 – 800,000	45	33	73%
800,001 – 900,000	71	29	41%
900,001 – 1,000,000	88	42	48%
1,000,001 – 1,200,000	92	35	38%
1,200,001 – 1,400,000	73	18	25%
1,400,001 – 1,600,000	47	15	32%
1,600,001 – 1,800,000	24	6	25%
1,800,001 – 2,000,000	18	3	17%
2,000,001 – 2,200,000	11	0	0%
2,200,001 – 2,400,000	6	2	33%
2,400,001 – 2,600,000	11	1	9%
2,600,001 – 2,800,000	5	1	20%
2,800,001 – 3,000,000	7	0	0%
3,000,000 – 4,000,000	15	2	13%
4,000,000 – 5,000,000	6	0	0%
5,000,001 +	6	1	17%
Totals	525	188	36%

THE REAL NEIGHBOURHOOD RESULTS: NOV 2018

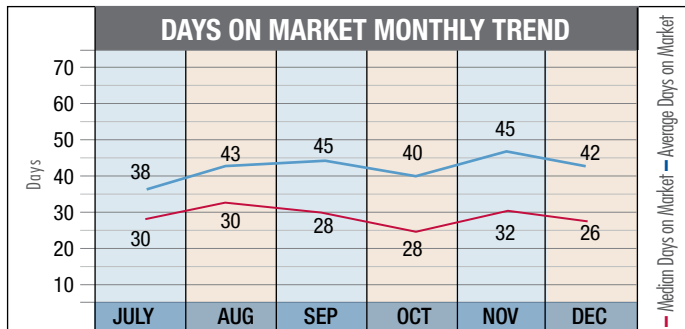
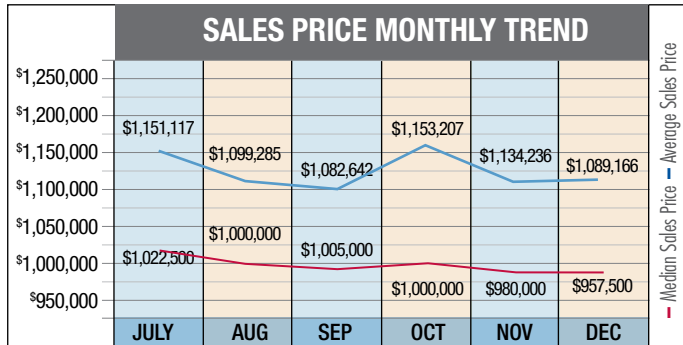
MLS® Neighbourhood	Unit Sales	HPI Benchmark Price	1 Month	12 Months
Central Surrey	48	\$1,019,500	-1.5	0.7
Cloverdale	26	\$981,400	-2.3	-1.7
North Surrey	25	\$979,800	1.3	4.0
South Surrey/White Rock	38	\$1,391,100	-0.4	-5.3
City of Surrey Combined	147	\$ 1,076,600	-1.0	-0.8
North Delta	24	\$913,200	-0.9	-0.2
Ladner	10	\$949,200	-3.6	-8.3
Tsawwassen	7	\$1,198,200	-3.2	-6.6

FAITH'S KEY INSIGHTS:

- There is a wide consensus building that the fundamentals of Fraser Valley real estate are so solid that the current downturn will be shallow and brief. As one of B.C.'s largest financial firms described it, the 2018 sales correction is not economically based but a "policy driven downturn". I agree. With 5,000 people moving into the province every month from across the country and around the world, low unemployment, the sudden emergence of B.C. as a global player in natural gas, and booming trade and technology sectors, the only shackles on housing sales are those imposed by government policy.
- I am also confident that the upturn in sales will occur first and fastest in Metro's most affordable and desirable sector – Surrey and Delta's detached housing market. Most people still want to own a house. In November, 188 houses sold in Surrey-Delta and 109 of the buyers paid less than \$1 million and 33 paid less than \$800,000, a house price so rare it is nearly extinct north of the Fraser River.
- In November, the benchmark detached house price for all of Surrey was \$1.07 million, down just 0.8% from one year ago, and 51 buyers paid less than \$990,000. In Delta, 34 buyers paid less than \$950,000 for a detached house and 7 paid \$1.1 million in Tsawwassen, where prices were 3.2% lower (that is \$30,000 less) than one month earlier. There are now more than 400 active listings for detached houses in Surrey-Delta, including 294 new listings in November and the sales-to-new-listing ratio is a buyer-friendly 36%. I advise buyers to take advantage before this window begins to close.

DECEMBER- SINGLE FAMILY DETACHED HOMES

THE REAL SOUTH SURREY RESULTS: DEC 2018



Month	2017	2018	CHANGE
July	490	310	-36.7%
Aug	400	266	-33.5%
Sep	391	266	-32.0%
Oct	393	272	-30.8%
Nov	353	242	-31.4%
Dec	295	98	-66.8%
Total	2322	1454	-37.4%

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 – 800,000	21	16	76%
800,001 – 900,000	26	19	73%
900,001 – 1,000,000	34	23	68%
1,000,001 – 1,200,000	43	16	37%
1,200,001 – 1,400,000	39	11	28%
1,400,001 – 1,600,000	26	5	19%
1,600,001 – 1,800,000	11	1	9%
1,800,001 – 2,000,000	10	0	0%
2,000,001 – 2,200,000	5	2	40%
2,200,001 – 2,400,000	4	0	0%
2,400,001 – 2,600,000	4	3	75%
2,600,001 – 2,800,000	7	1	14%
2,800,001 – 3,000,000	2	0	0%
3,000,000 – 4,000,000	4	0	0%
4,000,000 – 5,000,000	1	1	100%
5,000,001 +	7	0	0%
Totals	244	98	40%

THE REAL NEIGHBOURHOOD RESULTS: DEC 2018

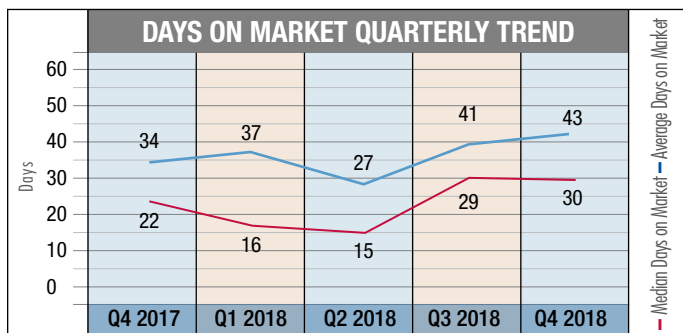
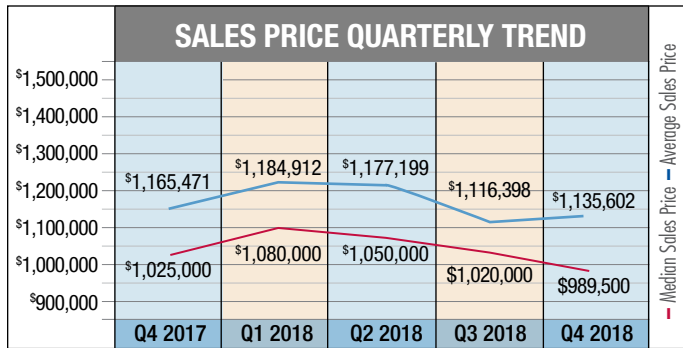
MLS® Neighbourhood	Unit Sales	HPI Benchmark Price	1 Month	12 Months
Central Surrey	36	\$ 1,007,800	-1.1%	-0.7%
Cloverdale	14	\$ 982,200	0.1%	-2.3%
North Surrey	8	\$ 973,500	-0.6%	2.4%
South Surrey/White Rock	21	\$ 1,360,200	-2.2%	-7.6%
City of Surrey Combined	79	\$ 1,065,800	-1.0%	-2.2%
North Delta	11	\$ 887,800	-2.8%	-3.7%
Ladner	5	\$ 964,500	1.6%	-6.3%
Tsawwassen	3	\$ 1,192,200	-0.5%	-7.0%

FAITH'S KEY INSIGHTS:

- Port Kells and Scott Road are 20 kilometres apart but they share a characteristic: both are the focus of intense interest as Surrey and Delta zone land in preparation to become the largest municipal region in British Columbia. Detached house owners in each area – mostly on small acreages in the Port Kells area of North Surrey, and single lots near Scott Road in North Delta – are being eyed by developers who realize what is coming: a lot more people. In 2017 and 2018 a population the size of Surrey moved to Canada. This follows the new federal immigration plan that now aims to bring in at least 310,000 new permanent residents a year. This target increases to 330,000 in 2019, with a further 340,000 in 2020. This is unprecedented. In the last two years alone, 603,000 immigrants arrived and many of them, naturally, headed straight to B.C.'s Fraser Valley.
- Fortunately, at least for farsighted developers, sales and prices of detached houses in Surrey-Delta came down in 2018, ending with a 66.8% sales decline in December. Benchmark prices for detached houses are down 2.3% in North Surrey to \$982,200 and 3.7% in North Delta to \$887,800. As population growth continues in an area of finite land, detached house prices will rise, and probably quicker than most of us believe. This is when detached house sellers should be working with a seasoned real estate agency that has years of experience with land assemblies across Metro Vancouver. Faith Wilson Group has that knowledge and we back it with the Peace of Mind Guarantee for Sellers to ensure sellers receive true value.

Q4 - SINGLE FAMILY DETACHED HOMES

THE REAL NEIGHBOURHOOD RESULTS: Q4 2018



Unit Sales (by Quarter)		2017	2018	Change (%)
	Q1	1,318	1,070	-18.8%
Q2	2,143	1,214	-43.4%	
Q3	1,281	747	-41.7%	
Q4	1,041	612	-41.2%	
Year-to-Date Totals	5,783	3,740	-35.3%	

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 – 800,000	125	89	71%
800,001 – 900,000	189	114	60%
900,001 – 1,000,000	228	125	55%
1,000,001 – 1,200,000	306	131	43%
1,200,001 – 1,400,000	224	58	26%
1,400,001 – 1,600,000	146	38	26%
1,600,001 – 1,800,000	76	20	26%
1,800,001 – 2,000,000	57	5	9%
2,000,001 – 2,200,000	30	6	20%
2,200,001 – 2,400,000	23	7	30%
2,400,001 – 2,600,000	26	7	27%
2,600,001 – 2,800,000	23	3	13%
2,800,001 – 3,000,000	17	1	6%
3,000,000 – 4,000,000	31	2	6%
4,000,000 – 5,000,000	12	2	17%
5,000,001 +	21	4	19%
Totals	1,534	612	40%

THE REAL NEIGHBOURHOOD RESULTS: Q4 2018

MLS® Neighbourhood	Unit Sales	HPI Benchmark Price	1 Month	12 Months
Central Surrey	172	\$ 1,007,800	-1.1%	-0.7%
Cloverdale	82	\$ 982,200	0.1%	-2.3%
North Surrey	85	\$ 973,500	-0.6%	2.4%
South Surrey/White Rock	141	\$ 1,360,200	-2.2%	-7.6%
City of Surrey Combined	480	\$ 1,065,800	-1.0%	-2.2%
North Delta	74	\$ 887,800	-2.8%	-3.7%
Ladner	32	\$ 964,500	1.6%	-6.3%
Tsawwassen	26	\$ 1,192,200	-0.5%	-7.0%

The MLS® HPI takes into consideration what averages and medians do not – items such as lot size, age, number of rooms, etc. The most commonly traded set of these attributes describes the composite of the typical or 'benchmark' property type in a given area. Prices paid for homes with these attributes determine benchmark home prices.

Benchmarks and indices for "Detached single family homes" are generated as a composite of One- and Two-storey detached single family homes. These homes are independent structures that are typically built on land that exceeds the footprint of the building on each of its sides. Ownership of the surrounding land (typically less than 40,000 square foot lot), entrance and associated lesser structures is an integral and inseparable part of the home. The generation of indices for this particular composite category of homes is generated for FVREB.

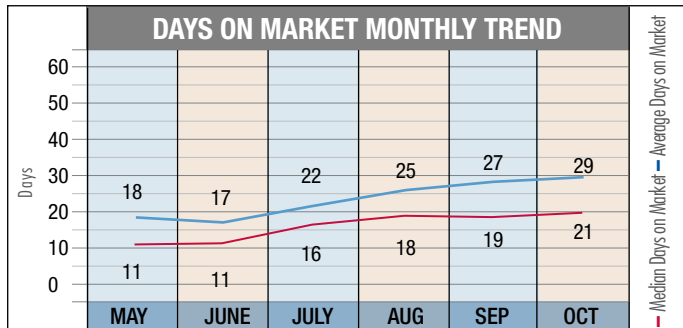
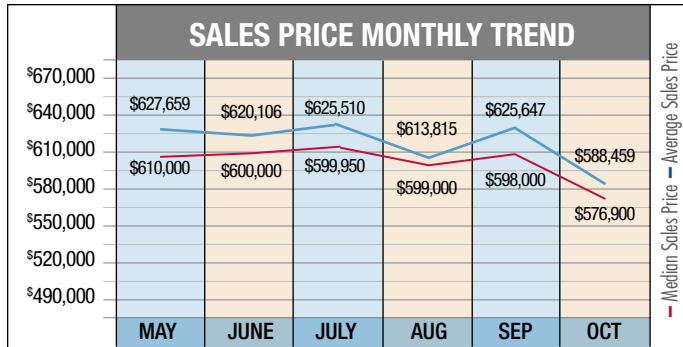
The MLS® HPI Benchmark Price shown above represents the current expected sales price for a typical or "Benchmark" Detached in South Surrey White Rock.

FAITH'S KEY INSIGHTS:

- It took an average of 43 days for a new listing for a detached house to sell in Surrey-Delta during the fourth quarter (Q4), but for many buyers the search and the wait was worth it. With benchmark prices down from 2% to 7%, depending on the community, buyers discovered there were more than 220 detached houses listed for less than \$900,000 yet there was also a huge selection of luxury houses -- 183 -- listed at \$2 million or more, including 64 at \$3 million or more. When buyers finished their searches, 612 detached houses had sold at a benchmark price of just over \$1 million in Q4, resulting in a sales-to-new-listing ratio of 40%. At listing prices below \$1 million, there were 328 sales and a sales success ratio of 64%, which signals a seller's market.
- Total sales of detached houses in Q4 in Surrey-Delta were down 41.2% in Q4 and, for all of 2018, were 35.3% below the level in 2017. But 2018 represented a fairly strong performance considering the challenges that detached house buyers faced in 2018. Some may say it is miraculous since these unprecedented headwinds included a 20% foreign-home buyer tax, a mortgage stress test, three interest rates hikes, a vacant home tax, a provincial speculation tax and high house prices. After the dust settled, 3,740 detached houses sold during the year in Surrey-Delta and benchmark prices were down 2.2% overall in Surrey and down from 3.7% in to 6.5% in Delta. We believe 2019 will see more of the same: steady sales and stable prices in a balanced market.

OCTOBER - TOWNHOUSES

THE REAL SOUTH SURREY RESULTS: OCT 2018



	2017	2018	CHANGE
May	387	272	-29.7%
June	333	220	-24.9%
July	274	199	-27.4%
Aug	207	227	9.7%
Sep	229	192	-16.2%
Oct	236	118	-50.0%
Total	1666	1228	-26.3%

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 - 300,000	3	1	33%
300,001 - 350,000	7	1	14%
350,001 - 400,000	3	2	67%
400,001 - 450,000	15	13	87%
450,001 - 500,000	28	17	61%
500,001 - 550,000	38	15	39%
550,001 - 600,000	86	28	33%
600,001 - 650,000	96	16	17%
650,001 - 700,000	59	12	20%
700,001 - 750,000	26	2	8%
750,001 - 800,000	12	1	8%
800,001 - 850,000	25	3	12%
850,001 - 900,000	17	1	6%
900,001 - 950,000	7	4	57%
950,001 - 1,000,000	5	1	20%
1,000,000+	10	1	10%
Totals	437	118	27%

THE REAL NEIGHBOURHOOD RESULTS: OCT 2018

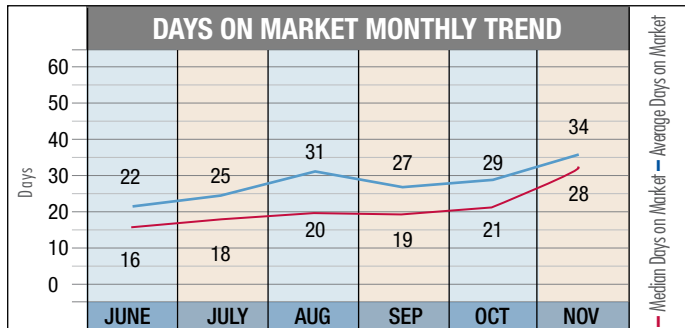
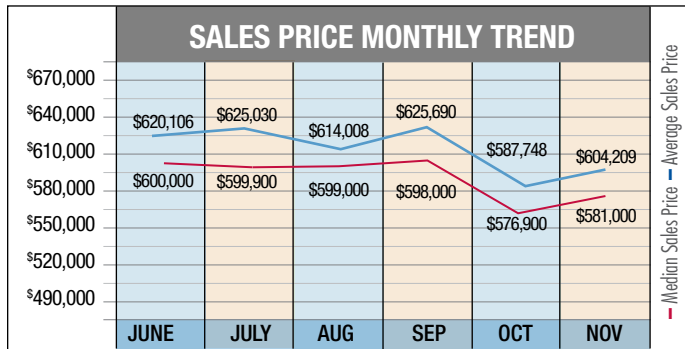
MLS® Neighbourhood	Units Sold	HPI Benchmark	1 Month	1 Year
Central Surrey	50	575,100	-1.4	6.4
Cloverdale	33	570,600	-3.8	1.4
North Surrey	8	591,900	-1.4	15.9
South Surrey/White Rock	19	662,700	-2.5	2.3
City of Surrey Combined	110	\$ 583,600	-2.1	5.8
North Delta	4	569,600	-0.4	-1.7
Ladner	3	775,700	-1.4	4.2
Tsawwassen	1	752,000	-2.4	1.6

FAITH'S KEY INSIGHTS:

- Townhouse sellers in Surrey-Delta should take a moment to consider their options. The market is sending a message that should not be ignored. In October, townhouse sales in Surrey-Delta fell 50% from the same month last year and, at 118 sales, were by far the lowest of any month in 2018. The benchmark price for a townhouse in this market was down more than 2% from September to \$538,600 in Surrey, where most of the sales took place. Of the 437 new listings that were added to the market in the month, only 27% of them sold and the sales ratio was even lower for townhouses listed above the Surrey benchmark. Yet, more than half of the new listings for townhouses were priced at \$600,000 or more. Most of the buyers grouped in a price range of less than \$550,000, where the sales ratio approached 80%. For some Surrey-Delta townhouse sellers, it may be time to take a hard look at the listing price if you want to sell quicker than 30 days, which is the current average.
- Townhouse sellers also have to watch for the wave of new townhouses that are now coming to the market. As of October there were 1,200 townhouses under construction in Surrey-Delta, which is nearly half of all the townhouses being built in Metro Vancouver. In Delta, 115 new townhouses broke ground as of October. True, new units come with GST and the new transit tax and are generally priced higher than resales, but the new product still represents substantial competition. Faith Wilson Group works very hard for our sellers, backed by our Peace of Mind Guarantee. If you need to sell your townhouse, we can help make it happen at a pace and price you will be satisfied with.

NOVEMBER - TOWNHOUSES

THE REAL SOUTH SURREY RESULTS: NOV 2018



	2017	2018	CHANGE
June	333	220	-24.9%
July	274	199	-27.4%
Aug	207	227	9.7%
Sep	229	193	-15.7%
Oct	236	166	-29.7%
Nov	172	110	-36.0%
Total	1451	1115	-23.2%

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 - 300,000	0	0	0%
300,001 - 350,000	3	2	67%
350,001 - 400,000	1	1	100%
400,001 - 450,000	4	4	100%
450,001 - 500,000	23	14	61%
500,001 - 550,000	38	22	58%
550,001 - 600,000	61	23	38%
600,001 - 650,000	48	17	35%
650,001 - 700,000	41	10	24%
700,001 - 750,000	22	5	23%
750,001 - 800,000	18	4	22%
800,001 - 850,000	12	3	25%
850,001 - 900,000	13	2	15%
900,001 - 950,000	3	0	0%
950,001 - 1,000,000	4	0	0%
1,000,000+	3	3	100%
Totals	294	110	37%

THE REAL NEIGHBOURHOOD RESULTS: NOV 2018

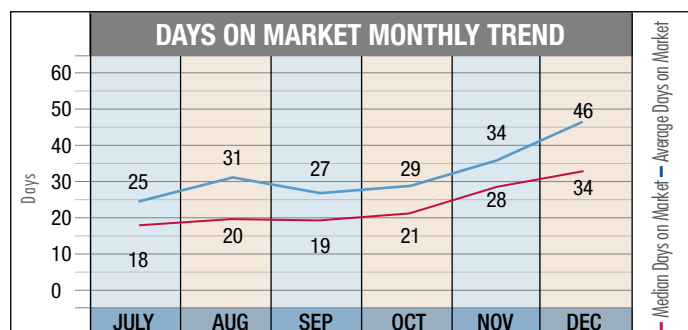
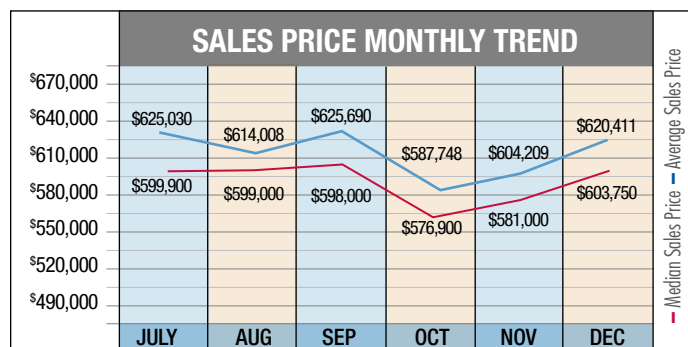
MLS® Neighbourhood	Units Sold	HPI Benchmark	1 Month	1 Year
Central Surrey	38	\$578,300	0.6	6.9
Cloverdale	32	\$555,600	-2.6	-2.1
North Surrey	5	\$659,800	-0.4	2.7
South Surrey/White Rock	30	\$588,500	-0.6	12.3
City of Surrey Combined	105	\$ 580,800	-0.5	4.9
North Delta	0	\$599,500	5.2	6.3
Ladner	5	\$769,700	-0.8	1.7
Tsawwassen	0	\$739,400	-1.7	-1.9

FAITH'S KEY INSIGHTS:

- It now takes an average of 36 days for the "typical" new listing for a Surrey-Delta townhouse to sell, sellers who priced their townhouse at the lower-and-mid-level of the market saw much quicker sales. The sales-to-new-listing ratio for townhouses priced at \$550,000 or less in November was higher than 70%, and it spiked to 100% for townhouse listed at \$450,000 or less. At this level, this is strong seller's market with scores of eager buyers.
- This combined with the softening prices and growing inventory for detached houses sends a message to the 25% of townhouse sellers who listed in November at \$700,000 or more. The sales-to-new-listing ratio at this level drops below 24%: meaning many of these 75 listings are likely still on the market. Also, there are more new townhouses under construction in Surrey-Delta than anywhere else in the Lower Mainland: 1,155 are underway and more than 1,500 units have completed so far this year. Sellers therefore have to be certain their listing price is precisely set to the current market values to capture a quick sale. Competition is increasing and buyers, beset by the mortgage stress test and other regulations, are hunting for the best townhouse value. Faith Wilson Group is third-party recognized for its ability to set list prices that achieve the quickest possible sale and the highest possible value for sellers. We also offer the industry-exclusive Peace of Mind Guarantee for Sellers because we are confident in seller satisfaction.
- Central Surrey was the most active for townhouse buyers in November, despite prices rising 6.9% from a year earlier to a benchmark of \$578,300; in South Surrey, townhouse prices were up 12.3% on the year to \$588,500 and 30 townhouses sold.
- Delta saw only 5 townhouse sales, as buyers paid \$769,700, a price up 1.7% from a year earlier.

DECEMBER - TOWNHOUSES

THE REAL SOUTH SURREY RESULTS: DEC 2018



	2017	2018	CHANGE
July	274	199	-27.4%
Aug	207	227	9.7%
Sep	229	193	-15.7%
Oct	236	168	-28.8%
Nov	172	143	-16.9%
Dec	100	88	-12.0%
Total	1218	1018	-16.4%

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 – 300,000	1	0	0%
300,001 – 350,000	1	0	0%
350,001 – 400,000	1	0	0%
400,001 – 450,000	5	4	80%
450,001 – 500,000	11	9	82%
500,001 – 550,000	17	9	53%
550,001 – 600,000	30	22	73%
600,001 – 650,000	24	17	71%
650,001 – 700,000	13	11	85%
700,001 – 750,000	16	4	25%
750,001 – 800,000	11	4	36%
800,001 – 850,000	6	2	33%
850,001 – 900,000	4	4	100%
900,001 – 950,000	3	1	33%
950,001 – 1,000,000	0	1	0%
1,000,000+	1	0	0%
Totals	144	88	61%

THE REAL NEIGHBOURHOOD RESULTS: DEC 2018

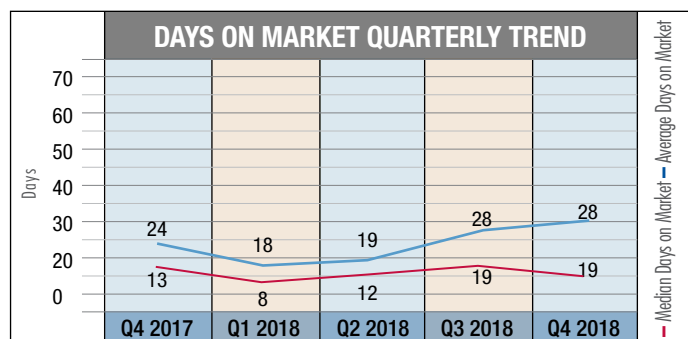
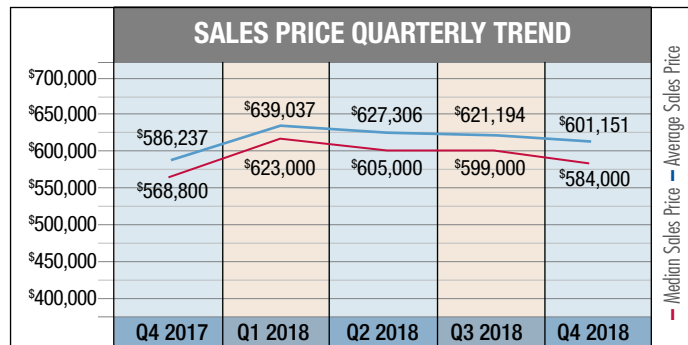
MLS® Neighbourhood	Units Sold	HPI Benchmark	1 Month	1 Year
Central Surrey	36	\$ 581,000	0.5%	5.7%
Cloverdale	18	\$ 550,400	-0.9%	-3.9%
North Surrey	2	\$ 577,600	-1.9%	8.3%
South Surrey/White Rock	20	\$ 674,100	2.2%	4.1%
City of Surrey Comb.	76	\$ 581,700	0.2%	3.7%
North Delta	6	\$ 603,600	0.7%	7.5%
Ladner	3	\$ 760,500	-1.2%	-2.1%
Tsawwassen	3	\$ 748,800	1.3%	-0.8%

FAITH'S KEY INSIGHTS:

- In December, as headlines and news reports blared news of the long-forecasted downturn in Metro Vancouver's housing market, townhouse buyers in Surrey-Delta were busy proving the opposite. In December, traditionally the slowest month for home sales, 88 buyers in Surrey-Delta purchased a townhouse. This resulted in a sales-to-new-listing ratio of 61%, clearly a seller's market, and kept townhouse values higher than a year ago in most neighbourhoods. In Surrey, the benchmark townhouse price in December was up 3.7% from the same time last year, at \$581,700. North Delta townhouse prices were up 7.5% to \$603,500; and were virtually unchanged in South Delta, at approximately \$750,000.
- This should not come as a big surprise. Many young families are moving to Surrey-Delta in search of townhouses, which are about half the price of a local detached house yet still offer space and security. There is a shortage of townhouses in most municipalities north of the Fraser River, but Surrey and Delta have seen a huge increase in townhouse development over the past few years. The result is not only a great selection but much lower prices than in Greater Vancouver. In 2018, 39 new townhouses were started in the city of Vancouver, for example, while 878 started in Surrey and another 127 broke ground in Delta.
- Townhouse sales for all of 2018 in Surrey-Delta totalled 1,018, which was down 16.4% from 2017, but this is still a very active townhouse market by historical standards. We expect 2019 to continue as a fairly balanced environment with opportunities for both townhouse sellers and buyers. Markets to watch in 2019 include South Surrey/White Rock and Tsawwassen, which are attracting baby boomers downsizing from Greater Vancouver and looking for lock-and-leave townhouses close to the ocean.

Q4 - TOWNHOUSES

THE REAL NEIGHBOURHOOD RESULTS: Q4 2018



Unit Sales (by Quarter)		2017	2018	Change (%)
		Q1	992	713
	Q2	1,115	793	-28.9%
	Q3	710	567	-20.1%
	Q4	508	399	-21.5%
	Year-to-Date Totals	3,325	2,528	-24.0%

LISTING AND SALES ACTIVITY BY PRICE SEGMENT

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 – 300,000	4	1	25%
300,001 – 350,000	11	4	36%
350,001 – 400,000	5	3	60%
400,001 – 450,000	23	26	113%
450,001 – 500,000	65	52	80%
500,001 – 550,000	97	60	62%
550,001 – 600,000	186	85	46%
600,001 – 650,000	163	67	41%
650,001 – 700,000	106	41	39%
700,001 – 750,000	61	13	21%
750,001 – 800,000	43	14	33%
800,001 – 850,000	41	10	24%
850,001 – 900,000	36	11	31%
900,001 – 950,000	11	5	45%
950,001 – 1,000,000	9	2	22%
1,000,000+	14	5	36%
Totals	875	399	46%

THE REAL NEIGHBOURHOOD RESULTS: Q4 2018

SALES & BENCHMARK

MLS® Neighbourhood	Units Sold	December 2015	1 Month	1 Year
Central Surrey	157	\$ 581,000	0.5%	5.7%
Cloverdale	103	\$ 550,400	-0.9%	-3.9%
North Surrey	22	\$ 577,600	-1.9%	8.3%
S.Surrey/White Rock	84	\$ 674,100	2.2%	4.1%
City of Surrey Comb.	366	\$ 581,700	0.2%	3.7%
North Delta	14	\$ 603,600	0.7%	7.5%
Ladner	15	\$ 760,500	-1.2%	-2.1%
Tsawwassen	4	\$ 748,800	1.3%	-0.8%

The MLS® HPI takes into consideration what averages and medians do not – items such as lot size, age, number of rooms, etc. The most commonly traded set of these attributes describes the composite of the typical or ‘benchmark’ property type in a given area. Prices paid for homes with these attributes determine benchmark home prices.

Townhouses have configurations which lay between apartment units and freehold non strata buildings, such as bungalows and two-storey houses. Owners typically pay co-ownership fees for maintenance and enjoy exclusive access to a part of the lot.

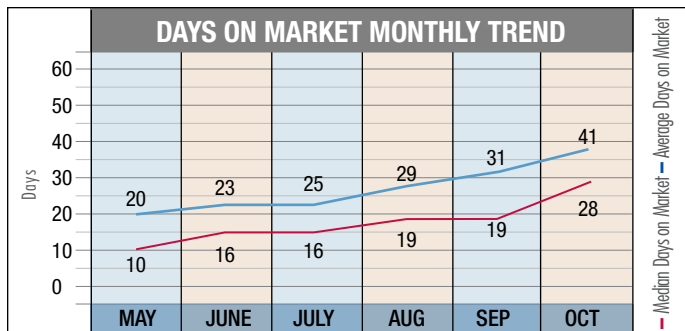
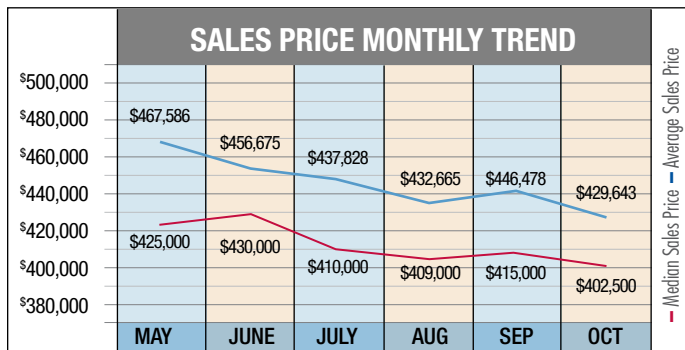
The MLS® HPI Benchmark Price shown above represents the current expected sales price for a typical or “Benchmark” Townhouses in South Surrey White Rock.

FAITH'S KEY INSIGHTS:

- Surrey-Delta may have the healthiest townhouse market in the Lower Mainland, offering great opportunities for buyers but also rewarding sellers at every price point. In Q4, buyers had a chance to shop through a rich inventory with 875 new listings added through a wide price range from less than \$300,000 to more than \$1 million. Unlike most areas of the Lower Mainland, Surrey-Delta enjoys a huge assortment of townhouses to fit any family size or budget. For cost-conscious young families there were 108 townhouses listed at \$500,000 or less. For large families seeking three-bedroom townhouses in prime neighbourhoods, there were 111 listings at \$800,000 or more, yet even in South Surrey-White Rock, considered a premier market, the overall Q4 benchmark townhouse price was less than \$675,000.
- For sellers, Q4 required some patience, since it took an average of 35 days for a new listing for a townhouse to sell, but most achieved close to their asking price. In Central Surrey, which led all of Surrey-Delta in townhouse sales in Q4, 157 buyers paid a benchmark of \$581,100, a price 5.7% higher than a year earlier and up 0.5% from Q2. We are not seeing multiple offers on townhouses, except in rare cases, but prices are holding firm in most neighbourhoods. Benchmark values were up 1.3% in Tsawwassen from Q2, at \$748,800, the highest price in Surrey-Delta and unchanged (down 0.3%) in Cloverdale, which has the lowest townhouse price in the region, at \$550,400.
- It appears that Surrey-Delta has settled into a stable townhouse environment going into 2019, something that should be welcomed by both buyers and sellers after a volatile two years. Mortgage rate increases appear to have stalled and benchmark prices have followed suit, at least for now.

OCTOBER - APARTMENTS / CONDOS

THE REAL SOUTH SURREY RESULTS: OCT 2018



	2017	2018	CHANGE
May	396	315	-20.5%
June	385	212	-44.9%
July	399	220	-44.9%
Aug	338	189	-44.1%
Sep	338	172	-49.1%
Oct	360	114	-68.3%
Total	2216	1222	-44.9%

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 - 200,000	0	0	0%
200,000 - 225,000	2	2	100%
225,001 - 250,000	1	1	100%
250,001 - 275,000	5	0	0%
275,001 - 300,000	23	9	39%
300,001 - 325,000	14	7	50%
325,001 - 350,000	31	11	35%
350,001 - 375,000	38	12	32%
375,001 - 400,000	44	13	30%
400,001 - 425,000	34	15	44%
425,001 - 450,000	58	8	14%
450,001 - 500,000	73	13	18%
500,001 - 600,000	61	8	13%
600,001 - 700,000	29	9	31%
700,000 - 800,000	17	4	24%
800,000 +	10	2	20%
Totals	440	114	26%

THE REAL NEIGHBOURHOOD RESULTS: OCT 2018

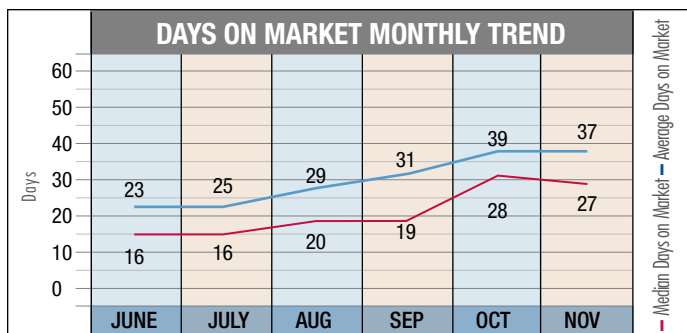
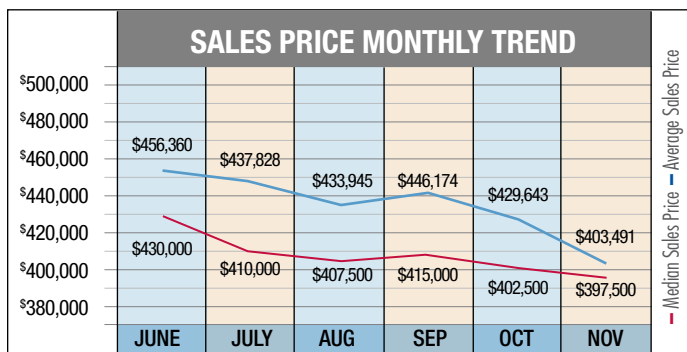
MLS® Neighbourhood	Unit Sales	HPI Benchmark Price	1 Month	12 Months
Central Surrey	12	444,600	-2.5	22.1
Cloverdale	11	486,500	-1.7	14.8
North Surrey	53	426,200	-1.3	20.1
South Surrey/White Rock	30	503,900	0.2	7.2
City of Surrey Combined	106	\$ 454,400	-1.3	17.8
North Delta	1	418,400	-2.6	21.3
Ladner	2	464,800	-1.2	10.0
Tsawwassen	5	496,800	-0.9	9.9

FAITH'S KEY INSIGHTS:

- As of October 995 new condo apartments had completed in Surrey and another 70 finished in Delta. Of these, only 128 were still unsold. Most had been pre-sold, which dates back nearly two years on some projects. But, like the resale condo market, the pre-sale dynamic is changing. You can expect to see some developers offering incentives to pre-sale buyers this year because there are more than 3,000 new condos still under construction. These buyer incentives will not be price reductions, but offers such as low-cost financing, special finishings and other perks. If you are looking at pre-sale condos, bring your trusted real estate agent with you, someone who is familiar with the new condo market and can explain the developer's sales contracts and exactly how you can leverage the best deal possible in this buyer's market.
- The Surrey-Delta condominium market was relatively slow in October, which some may say is an understatement. Sales were down 68% from October 2017, to 114 transactions. This was lower than detached house sales or townhouse sales, which is remarkable in itself. I think a key reason for the slower condo sales is that many first-time buyers are having trouble achieving financing under the new stress test and higher mortgage rates. One recent study found that 32% of first-time buyers are still saving for a downpayment. Also, one in three buyers are a single-person household, without the advantage of a dual income to qualify for a mortgage. Faith Wilson Group has a full-time professional mortgage advisor on our team, who can help guide young buyers through the mortgage maze to their first home.
- Condo prices in Surrey-Delta are inviting right now: in October 45 condo buyers paid less than \$350,000, affordable by any measure. Our team has access to the very latest listings and can quickly match a condo with any budget of lifestyle, important in a market with an overwhelming selection through an extensive price range from \$200,000 to more than \$800,000.

NOVEMBER - APARTMENTS / CONDOS

THE REAL SOUTH SURREY RESULTS: NOV 2018



	2017	2018	CHANGE
June	385	212	-44.9%
July	399	221	-44.6%
Aug	338	190	-43.8%
Sep	338	173	-48.8%
Oct	360	167	-53.6%
Nov	298	128	-57.0%
Total	2118	1091	-48.5%

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 – 200,000	0	0	0%
200,000 – 225,000	0	0	0%
225,001 – 250,000	3	0	0%
250,001 – 275,000	1	3	300%
275,001 – 300,000	22	8	36%
300,001 – 325,000	15	14	93%
325,001 – 350,000	29	12	41%
350,001 – 375,000	22	10	45%
375,001 – 400,000	45	22	49%
400,001 – 425,000	17	18	106%
425,001 – 450,000	36	16	44%
450,001 – 500,000	59	17	29%
500,001 – 600,000	42	6	14%
600,001 – 700,000	10	2	20%
700,000 – 800,000	8	0	0%
800,000 +	16	0	0%
Totals	325	128	39%

THE REAL NEIGHBOURHOOD RESULTS: NOV 2018

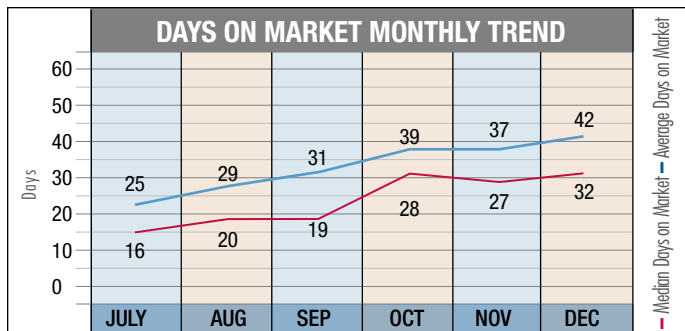
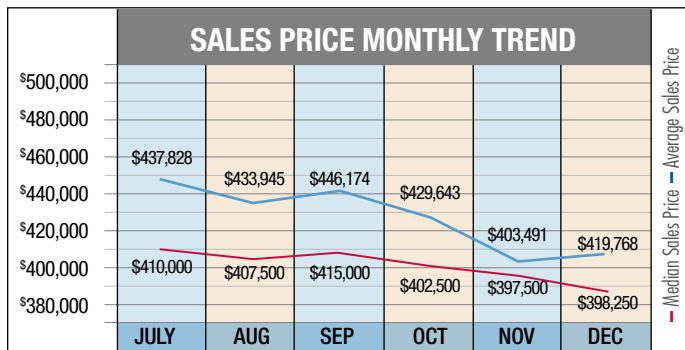
MLS® Neighbourhood	Unit Sales	HPI Benchmark Price	1 Month	12 Months
Central Surrey	16	\$432,000	-2.8	16.2
Cloverdale	13	\$471,500	-3.1	9.9
North Surrey	56	\$413,700	-2.9	14.3
South Surrey/White Rock	32	\$501,100	-0.6	4.7
City of Surrey Combined	117	\$ 441,800	-2.8	12.6
North Delta	5	\$403,300	-3.6	15.9
Ladner	3	\$462,900	-0.4	6.8
Tsawwassen	3	\$498,000	0.2	6.5

FAITH'S KEY INSIGHTS:

- Something unique is happening in the Surrey-Delta condominium market that is not being seen in most of Metro: pre-sales of new condos are booming. We tracked four new Surrey condo projects that began marketing in the past two months. One 322-unit tower in the University District sold 76% of its pre-sales; another sold 231 of 236 condos; a third sold 234 of 335 units in one month, and the fourth pre-sold all 181 of its condos. The reason for the strong pre-sales is because investors recognize the long-range potential of Surrey-Delta; and first-time buyers are leveraging into pre-sales because it is easier to qualify for financing, since downpayments can often be staged over 12 to 18 months, even though most pre-sales condos are priced around \$830 per square foot, much higher than in the pre-sale market.
- The Surrey-Delta resale condominium market is also steady, despite the 57% drop in November sales compared to a year earlier. In November, an average of more than four condos were selling every day in Surrey-Delta. The benchmark price was from 6% to 14% higher than in November 2017, but price have stabilized, dipping down about 2% from October, which is encouraging more buyers. The benchmark condo price now ranges from a low of \$403,00 in North Delta to a high of \$502,000 in South Surrey-White Rock. These represent the lowest benchmark prices and, I believe, the best condo value in Metro Vancouver.
- With 325 new listings for condos added in November, the sales-to-new listing ratio was 39%, which would signal a buyer's market. But the sales success ratio jumps to nearly 75% for condos priced at \$425,000 or less, which accounted for 87 of the 128 sales in November. This is a stable, active condominium market that is poised for a strong finish to the year. I advise buyers to consider buying close to where new projects are being built and look at the proximity to transit. There are great condo deals available right now.

DECEMBER - APARTMENTS/CONDOS

THE REAL SOUTH SURREY RESULTS: DEC 2018



	2017	2018	CHANGE
July	399	221	-44.6%
Aug	338	190	-43.8%
Sep	338	173	-48.8%
Oct	360	170	-52.8%
Nov	298	153	-48.7%
Dec	191	66	-65.4%
Total	1924	973	-49.4%

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 – 200,000	0	0	0%
200,000 – 225,000	1	1	100%
225,001 – 250,000	2	0	0%
250,001 – 275,000	2	0	0%
275,001 – 300,000	9	5	56%
300,001 – 325,000	11	8	73%
325,001 – 350,000	17	8	47%
350,001 – 375,000	17	7	41%
375,001 – 400,000	19	5	26%
400,001 – 425,000	12	5	42%
425,001 – 450,000	13	8	62%
450,001 – 500,000	17	9	53%
500,001 – 600,000	16	5	31%
600,001 – 700,000	16	3	19%
700,000 – 800,000	4	1	25%
800,000 +	8	1	13%
Totals	164	66	40%

THE REAL NEIGHBOURHOOD RESULTS: DEC 2018

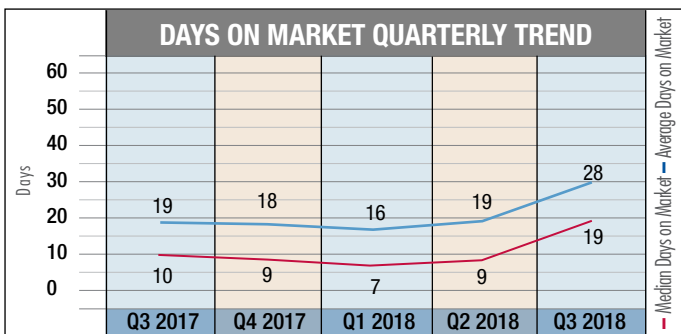
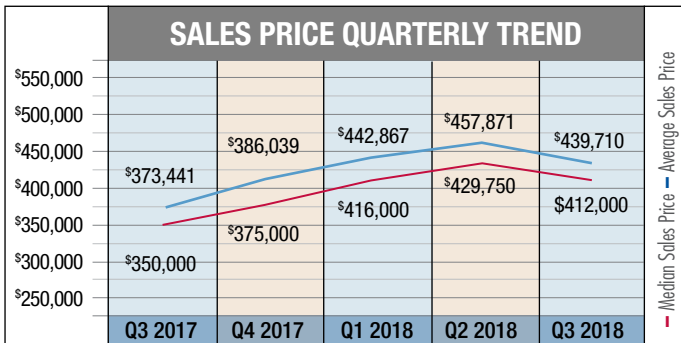
MLS® Neighbourhood	Unit Sales	HPI Benchmark Price	1 Month	12 Months
Central Surrey	6	\$ 428,100	-0.9%	12.0%
Cloverdale	10	\$ 468,100	-0.7%	4.4%
North Surrey	24	\$ 409,600	-1.0%	9.1%
S.Surrey/White Rock	16	\$ 500,100	-0.2%	1.4%
City of Surrey Comb.	51	\$ 438,500	-0.7%	7.9%
North Delta	6	\$ 400,000	-0.8%	10.6%
Ladner	1	\$ 461,900	-0.23 %	5.8%
Tsawwassen	3	\$ 492,300	-1.1%	6.5%

FAITH'S KEY INSIGHTS:

- Notaries in B.C. report that there has been a 59% decline in first-time buyers across the province in the past year due mostly to the mortgage stress test and higher mortgage rates. Yet we continue to see a large number of buyers purchasing their first home, a condo, in Surrey-Delta. A combination of selection, price, transit and job opportunities are the main reason. In December there were 42 condo apartments listed for sale in Surrey-Delta for \$350,000 or less and more than half (34) of the 66 buyers paid less than \$400,000.
- Millennials can do the math. A young tech worker in Vancouver, where the benchmark condo price in December was \$740,000, could save more than \$5,000 per minute on a condo price by taking the 60-minute SkyTrain ride to their home in Surrey-Delta. Of course, with one of the fastest growing job markets in B.C., many of these young workers are simply moving to Surrey-Delta and ditching the commute and high housing costs all together.
- The December benchmark price of a Surrey condo apartment was up 7.9% from a year ago, to \$483,000; 10.6% higher in North Delta, at \$400,000; and up 6% on the year in South Delta to \$470,000. But, and this is an early warning to sellers, benchmark prices were down slightly from November, though less than 1% in most neighbourhoods. This could be a signal for sellers to take nothing for granted: make sure your condo shows very well, that the listing price is accurate and that you have a strong real estate marketing team working with you. There are more than 2,200 new condos under construction in Surrey-Delta and resale condo listings have more than doubled in the past year, meaning increased competition for your listing.

Q4 - APARTMENTS / CONDOS

THE REAL NEIGHBOURHOOD RESULTS: Q4 2018



		2017	2018	Change (%)
Unit Sales (by Quarter)	Q1	931	829	-11.0%
	Q2	1,164	1160	-0.3%
	Q3	1,075	584	-45.7%
	Q4	849	389	-54.2%
	Year-to-Date Totals	4,019	2,962	-26.3%

LISTING AND SALES ACTIVITY BY PRICE SEGMENT

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 – 200,000	3	3	100%
200,000 – 225,000	1	2	200%
225,001 – 250,000	7	4	57%
250,001 – 275,000	11	4	36%
275,001 – 300,000	38	10	26%
300,001 – 325,000	25	28	112%
325,001 – 350,000	114	64	56%
350,001 – 375,000	103	62	60%
375,001 – 400,000	166	66	40%
400,001 – 425,000	98	64	65%
425,001 – 450,000	167	47	28%
450,001 – 500,000	186	73	39%
500,001 – 600,000	212	69	33%
600,001 – 700,000	60	25	42%
700,000 – 800,000	31	7	23%
800,000 +	47	11	23%
Totals	1,269	539	42%

THE REAL NEIGHBOURHOOD RESULTS: Q4 2018

SALES & BENCHMARK

MLS® Neighbourhood	Units Sold	September 2015	1 Month	1 Year
Central Surrey	74	\$456,100	-2.0%	30.3%
Cloverdale	55	\$494,900	-2.4%	19.1%
North Surrey	228	\$431,900	-0.3%	25.6%
S Surrey/White Rock	130	\$502,700	-0.7%	8.8%
City of Surrey comb.	487	\$460,200	-1.1%	22.9%
North Delta	13	\$429,700	-0.6%	29.1%
Ladner	11	\$470,300	-0.09%	11.23%
Tsawwassen	28	\$501,100	0.57%	10.98%

The MLS® HPI takes into consideration what averages and medians do not – items such as lot size, age, number of rooms, etc. The most commonly traded set of these attributes describes the composite of the typical or 'benchmark' property type in a given area. Prices paid for homes with these attributes determine benchmark home prices.

Apartment units are characterized by being part of a multi-unit building. Occupants of apartment units may or may not have direct access to the lot from their units. There are also no parts of the lot whereby access is reserved for only one of the co-owners or apartment occupants.

The MLS® HPI Benchmark Price shown above represents the current expected sales price for a typical or "Benchmark" Apartment in South Surrey White Rock.

FAITH'S KEY INSIGHTS:

- Condominium sales in Surrey-Delta began tracking down early in 2018 and the descent accelerated as the year went on. From 1,160 condo sales in Q2 during the normal spring buyer surge, sales fell to 584 in Q3 and in Q4 reached 389, down 54% from a year earlier and from Q1 2018. Despite higher demand due to the population increase in Surrey-Delta we not expect to see a huge rally in condo sales and prices early in 2019. This is because the anti-demand measures are still in place, including the mortgage stress test, slightly higher mortgage rates and the foreign-home buyer tax. There are also a lot of condos listed for sale, which will help to keep price increases in check. Still, with 2,962 condo sales in the year, Surrey-Delta represented one of the most active condo markets in the Lower Mainland in 2018 and, in a historical sense, was a very strong year for condo sales.
- The current mortgage restrictions may actually spur higher condo sales in Surrey-Delta in 2019, simply because more young people are looking for affordable condos that they can qualify to buy. The mortgage stress test, for example, lowers the qualifying price by from 17% to 20%, because buyers must qualify at an artificially higher interest rate. Someone considering buying in Burnaby or Richmond, for instance, may buy instead in Surrey or Delta where condo prices, on average, are 32% less.
- Considering the lower sales and the higher inventory, condo sellers in Surrey-Delta may have been surprised that prices held up so well. In Q4, the benchmark condo price in Surrey was nearly 8% higher than a year earlier and they were 10.6% higher in North Delta and up 6% on the year in Ladner and Tsawwassen. The biggest increase was in Central Surrey, up 12% to \$428,100. Prices eased about 1% from Q3 across-the-board, however so we can expect to see moderating prices into 2019.

RELOCATING?

NOW

what you need is a **PROVEN REALTOR®** who:

■ WILL **CONNECT**

you and your family through detailed census and life style analysis to the neighbourhood that meets your needs, within your budget, as a result of working with you to crystalize your expectations and your priorities.

■ **DELIVERS**

a proven track record of negotiation expertise and successful transactions in a wide spectrum of property types across the Lower Mainland, along with a benchmark level of overall client satisfaction.

■ **IS COMMITED**

to you being totally informed such that you will make your buying decision with complete peace of mind! Witness our unique neighbourhood profiles at **FaithWilsonGroup.com**.

■ **GUARANTEES**

your satisfaction even **AFTER** you have purchased your home! If you wish to relist it within 18 months of purchase, we'll sell it for Free! Call for details.

BOTTOM LINE

The Faith Wilson Group is **YOUR SOLUTION** to meet and exceed all these expectations.

GUARANTEED

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Then, call me at **604-224-5277** or **1-855-760-6886**, or email me at **info@faithwilsongroup.com**

Faith

