

Residential Real Estate Analysis

JANUARY 2019 VS. JANUARY 2018

SURREY, DELTA & WHITE ROCK

DETACHED

UNIT SALES

141 ↓ -53.50%

NEW LISTINGS

784 ↑ 14.00%

AVE. DAYS ON MARKET

50 ↑ 3.70%

AVERAGE SALE PRICE

\$1,057,400 ↓ -3.40%



TOWNHOME

UNIT SALES

101 ↓ -50.50%

NEW LISTINGS

361 ↓ -35.80%

AVE. DAYS ON MARKET

47 ↑ 106.90%

AVERAGE SALE PRICE

\$570,700 ↑ 0.80%



CONDO

UNIT SALES

121 ↓ -53.80%

NEW LISTINGS

423 ↑ 28.60%

AVE. DAYS ON MARKET

45 ↑ 29.40%

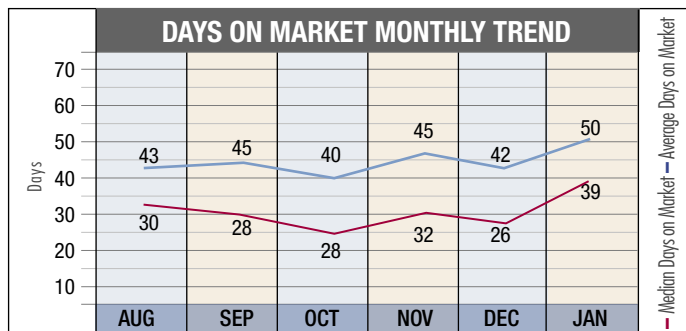
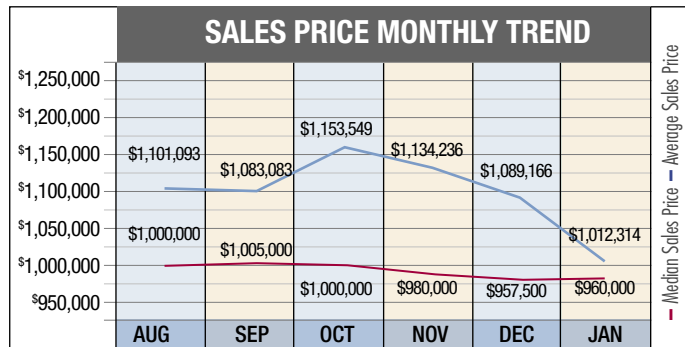
AVERAGE SALE PRICE

\$428,600 ↑ 1.20%



JANUARY- SINGLE FAMILY DETACHED HOMES

THE REAL SOUTH SURREY RESULTS: JAN 2019



Month	2017	2018	CHANGE
JAN	303	141	-53.5%
FEB			
MAR			
APR			
MAY			
JUN			
Total	303	141	-53.5%

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 - 800,000	56	18	32%
800,001 - 900,000	75	37	49%
900,001 - 1,000,000	101	31	31%
1,000,001 - 1,200,000	135	28	21%
1,200,001 - 1,400,000	127	15	12%
1,400,001 - 1,600,000	76	5	7%
1,600,001 - 1,800,000	35	5	14%
1,800,001 - 2,000,000	42	1	2%
2,000,001 - 2,200,000	21	1	5%
2,200,001 - 2,400,000	30	0	0%
2,400,001 - 2,600,000	20	0	0%
2,600,001 - 2,800,000	14	0	0%
2,800,001 - 3,000,000	14	0	0%
3,000,000 - 4,000,000	18	0	0%
4,000,000 - 5,000,000	8	0	0%
5,000,001 +	12	0	0%
Totals	784	141	18%

THE REAL NEIGHBOURHOOD RESULTS: JAN 2019

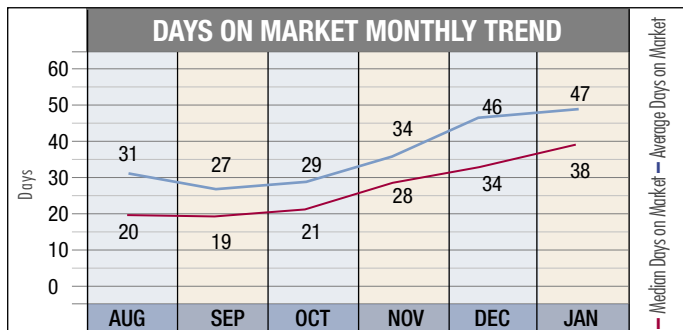
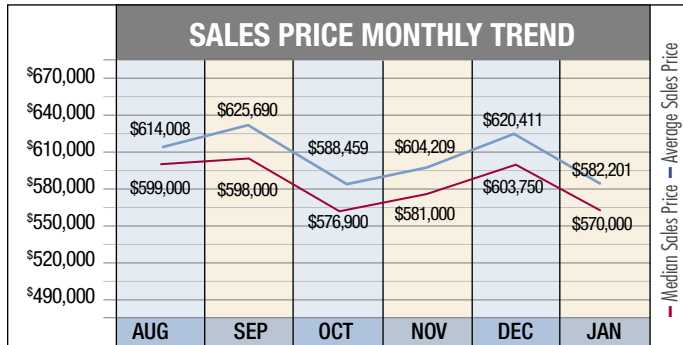
MLS® Neighbourhood	Unit Sales	HPI Benchmark Price	1 Month	12 Months
Central Surrey(30)	47	\$ 998,100	-1.0%	-1.5%
Cloverdale(40)	21	\$ 978,700	-3.3%	-8.0%
North Surrey(20)	15	\$ 956,400	-1.8%	-1.0%
South Surrey/White Rock	20	\$ 1,351,300	-0.7%	-8.1%
City of Surrey Combined	103	\$ 1,057,400	-0.8%	-3.4%
North Delta(10)	21	\$ 879,600	-0.9%	-6.5%
Ladner	9	\$ 943,400	-2.2%	-7.3%
Tsawwassen	8	\$ 1,152,200	-3.4%	-8.7%

FAITH'S KEY INSIGHTS:

- More detached houses sold in Surrey-Delta in January, 141, than in the cities of Vancouver, Richmond and Burnaby combined. This is testament to not only the outstanding housing value in Surrey-Delta but also speaks to the future direction of population growth in the Lower Mainland. Young families discover that Surrey-Delta provides amenity-rich communities and a huge selection of detached houses at prices a fraction of what they would pay north of the Fraser River. In January, 54 buyers bought a detached house in Surrey-Delta for less than \$900,000 and there were 232 houses offered at \$1 million or less, a price nearly impossible to find in Greater Vancouver.
- Surrey-Delta, which experienced a 53.5% reduction in January sales compared to January 2018, is not immune to the policy-induced housing sales downturn being seen across the entire province, but with more than four detached houses selling every day, it remains B.C.'s most active market. For buyers, it is very welcoming environment. In January, 784 new listings for detached houses were added and the benchmark price was down slightly (0.8%) from December in Surrey and about 2% lower in Delta.
- The most active neighbourhoods for detached house buyers in January were Central Surrey, where 47 buyers paid a benchmark price of \$998,100; and Cloverdale and North Delta, each with 21 sales and prices at \$987,000 and \$879,000, respectively. South Surrey-White Rock was also popular, with 20 house buyers paying a benchmark of \$1.35 million. South Delta tallied 17 sales, with houses selling for \$943,400 in Ladner and for \$1.15 million in Tsawwassen.

JANUARY - TOWNHOUSES

THE REAL SOUTH SURREY RESULTS: JAN 2019



Month	2017	2018	CHANGE
JAN	204	101	-50.5%
FEB			
MAR			
APR			
MAY			
JUN			
Total	204	101	-50.5%

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 - 300,000	1	3	300%
300,001 - 350,000	2	0	0%
350,001 - 400,000	7	4	57%
400,001 - 450,000	9	4	44%
450,001 - 500,000	21	10	48%
500,001 - 550,000	35	19	54%
550,001 - 600,000	72	27	38%
600,001 - 650,000	59	16	27%
650,001 - 700,000	56	5	9%
700,001 - 750,000	26	3	12%
750,001 - 800,000	25	1	4%
800,001 - 850,000	11	4	36%
850,001 - 900,000	21	4	19%
900,001 - 950,000	6	1	17%
950,001 - 1,000,000	0	0	0%
1,000,000+	10	0	0%
Totals	361	101	28%

THE REAL NEIGHBOURHOOD RESULTS: JAN 2019

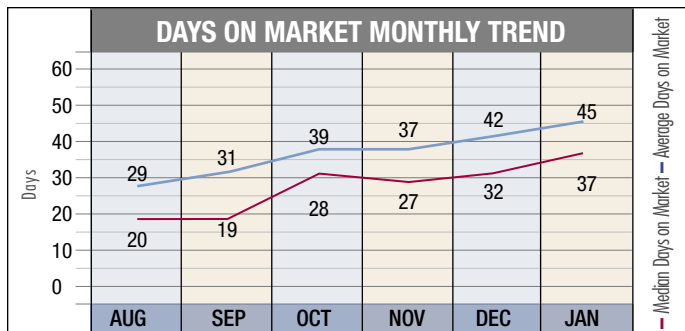
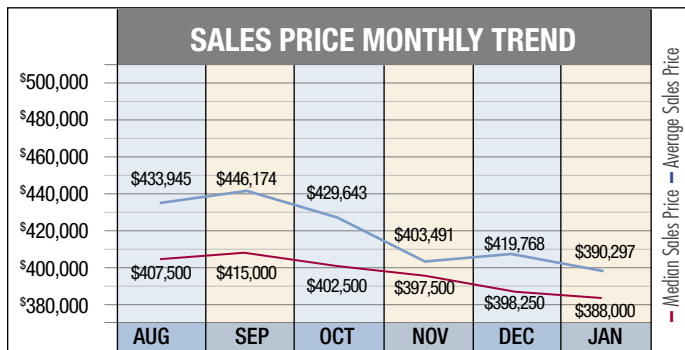
MLS® Neighbourhood	Units Sold	HPI Benchmark	1 Month	1 Year
Central Surrey(30)	40	\$ 569,900	-1.9%	2.3%
Cloverdale(40)	25	\$ 532,400	-3.3%	-8.0%
North Surrey(20)	9	\$ 569,200	-1.5%	4.7%
South Surrey/White Rock	17	\$ 669,000	-0.8%	3.9%
City of Surrey Combined	91	\$ 570,700	-1.9%	0.8%
North Delta(10)	2	\$ 587,800	-2.6%	4.7%
Ladner	8	\$ 740,500	-2.6%	-4.6%
Tsawwassen	0	\$ 732,200	-2.2%	-4.1%

FAITH'S KEY INSIGHTS:

- Surrey-Delta is blessed with a fairly large inventory of townhouses but at least two new projects have recently been delayed by council decisions, citing concerns of rapidly rising school enrollments. Fortunately, in January 361 new listings for resale townhouses came to market, the highest level in eight months. There were 101 sales, resulting in a sales-to-new listing ratio of 28%, which confirms a buyer's market. The benchmark price for a Surrey townhouse is \$570,700, down 0.8% from a year earlier. Townhouse benchmark prices were down 4% in South Delta, to \$740,500 in Ladner and \$732,100 in Tsawwassen, but up 4.7% in North Delta to a benchmark of \$587,000.
- Per-square-foot prices for Surrey-Delta existing townhouses are tracking quite closely to the price of new townhouses. I suggest this is because existing townhouses are generally larger and are in already-established communities. As well, the majority of resale townhouses in this area are less than 10 years old. In South Surrey-White Rock, for example, 10 new townhouse projects are currently pre-selling at from \$400 to \$480 per square foot, while resale townhouses are selling for \$440 to \$446 per square foot. Of course, the resale units are ready to move into and are not subject to the GST.
- Buyers get more living space with a townhouse than a high-rise apartment, which explains why townhouses are so popular with young families. For instance, in Central Surrey and North Delta, the cost for a typical three-bedroom townhouse is \$402 per square foot, while a two-bedroom high-rise condo apartment has an average per-square-foot price of \$657. Buyers would pay about \$100,000 more for the townhouse, but are rewarded with more space and an extra bedroom, priceless for those with young children.

JANUARY - APARTMENTS/CONDOS

THE REAL SOUTH SURREY RESULTS: JAN 2019



Month	2017	2018	CHANGE
JAN	262	161	-53.8%
FEB			
MAR			
APR			
MAY			
JUN			
Total	262	161	-53.8%

Price Segment (\$)	New Listings Added	Unit Sales	Sales-to-New-Listings Ratio
0 – 200,000	1	0	0%
200,000 – 225,000	0	0	0%
225,001 – 250,000	0	0	0%
250,001 – 275,000	3	2	67%
275,001 – 300,000	21	11	52%
300,001 – 325,000	21	14	67%
325,001 – 350,000	31	13	42%
350,001 – 375,000	31	11	35%
375,001 – 400,000	51	23	45%
400,001 – 425,000	27	15	56%
425,001 – 450,000	46	9	20%
450,001 – 500,000	64	15	23%
500,001 – 600,000	68	7	10%
600,001 – 700,000	25	1	4%
700,000 – 800,000	14	0	0%
800,000 +	20	0	0%
Totals	423	121	29%

THE REAL NEIGHBOURHOOD RESULTS: JAN 2019

MLS® Neighbourhood	Unit Sales	HPI Benchmark Price	1 Month	12 Months
Central Surrey(30)	16	\$ 417,900	-2.4%	3.9%
Cloverdale(40)	12	\$ 454,400	-2.9%	-3.2%
North Surrey(20)	50	\$ 400,800	-2.1%	2.4%
South Surrey/White Rock	32	\$ 481,000	-3.8%	-5.2%
City of Surrey Combined	110	\$ 428,600	-2.3%	1.2%
North Delta(10)	3	\$ 391,000	-2.2%	4.3%
Ladner	3	\$ 463,400	0.3%	7.4%
Tsawwassen	5	\$ 497,500	1.1%	8.0%

FAITH'S KEY INSIGHTS:

- First-time buyers and investors were a major force in the Surrey-Delta condominium apartment market in January. They were largely responsible for the purchase of 40 condos at \$350,000 or less, accounting for 33% of all condo sales in the month. Many first-time buyers are naturally trying to find the most affordable route into the housing market. Investors are counting on appreciation and, with Surrey benchmark condo prices up 1.2% from a year ago and Delta prices up 8% in the same period, this is where they find it. Investors also rely on steady rental income that covers their mortgage costs and Surrey-Delta is now one of the rare areas where this remains possible.
- January offered a rich selection for all condo buyers as 423 new listings were added in a wide price range from \$250,000 to more than \$800,000. The most popular price point for buyers was \$375,000 to \$400,000, with 23 sales from 51 listings. The biggest selection was seen in the range of \$500,000 to \$600,000, with 68 listings, but only 7 sales. In fact, of the 59 Surrey-Delta condos listed above \$600,000 in January, there was only 1 sale. As the lower-cost inventory dwindles demand will increase for more expensive apartments. Right now, however, bargain-conscious buyers are in control in Surrey and Delta and they appear to be taking full advantage.
- Something that bargain-hunting investors may also want to look at it is the new low-rise condominium market, which accounts for five of the 11 new condo projects now pre-selling in Central Surrey and North Delta. Sales have slowed and there is an unsold inventory of about 120 units. It may be worthwhile to bring your trusted real estate agent with you and see what you can negotiate with developers eager to move this inventory. Current prices for new low-rise condos in Central Surrey and North Delta are in the \$340 to \$480 per-square-foot range.