

August 2009

The hot weather and vacation time are having their customary cooling effect on real estate market conditions.

The slippage from June sales is relative however, as July sales were amongst the highest ever for that month.

In this issue:

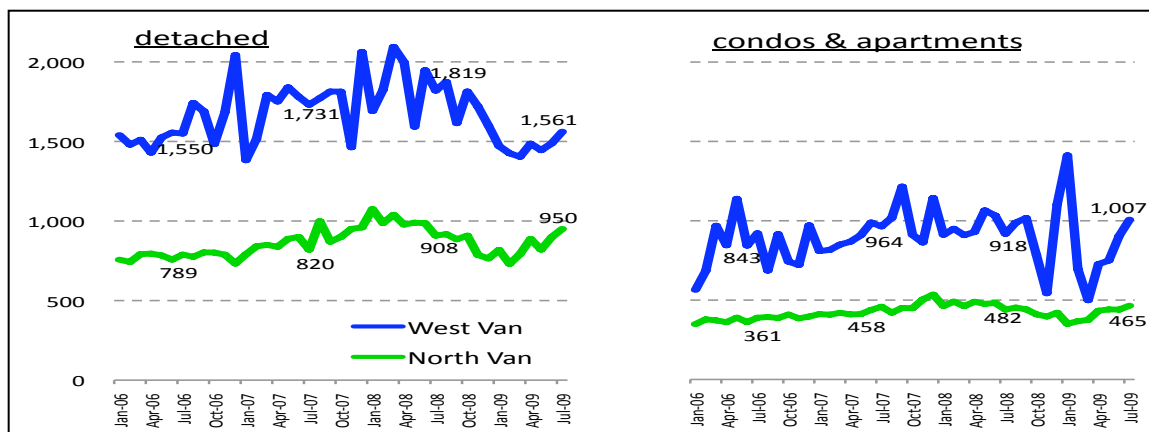
- market update
- listings by neighbourhood
- tempest in a hST pot?
- great value -Weber grilling ideas



market update

July housing sales on the North Shore were higher than July sales of virtually all previous years. Although sales are down slightly from June, low interest rates continue to drive market conditions. As noted in the following chart, average selling prices have been trending higher since the winter lows.

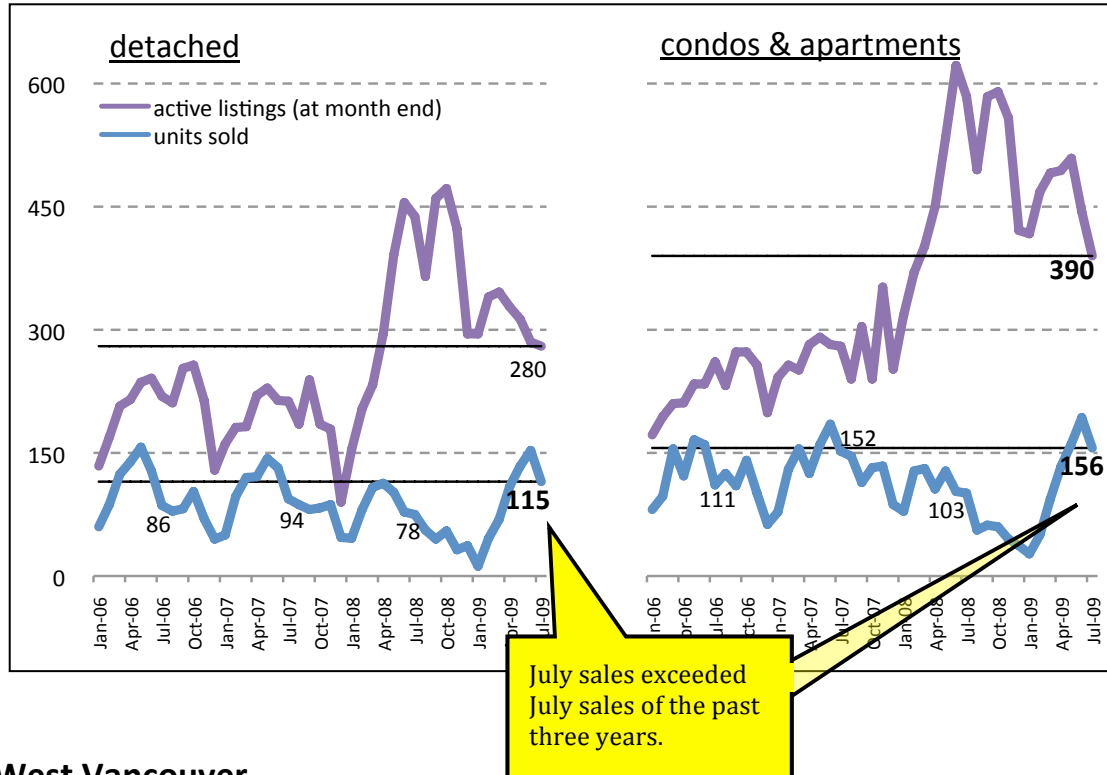
Average Selling Prices (\$000)



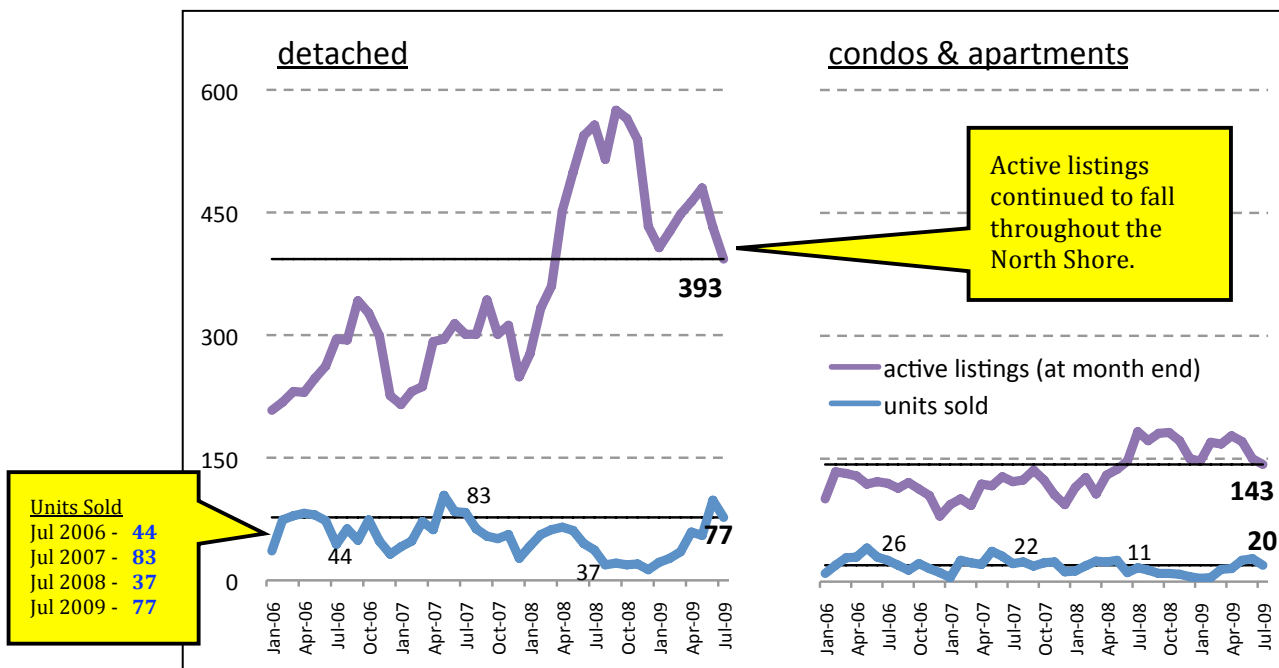
Once its available, a copy of the complete REBGV monthly report can be found on my website at www.danmuzzin.com/news.html, click *Market Results – July 2009*.

The following charts show the inventory of active listings at the end of each month from Jan 2006 to Jul 2009, and the number of properties that sold each month.

North Vancouver

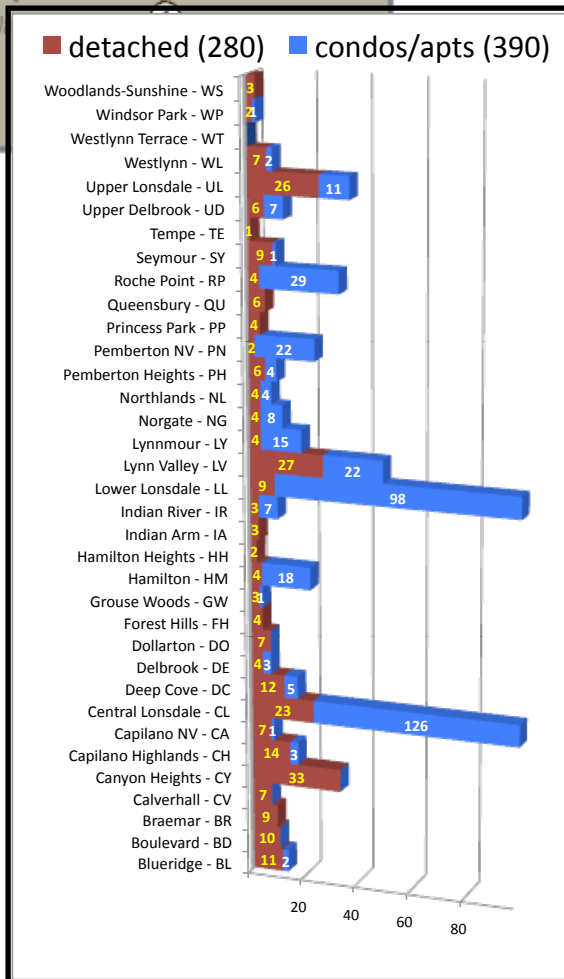
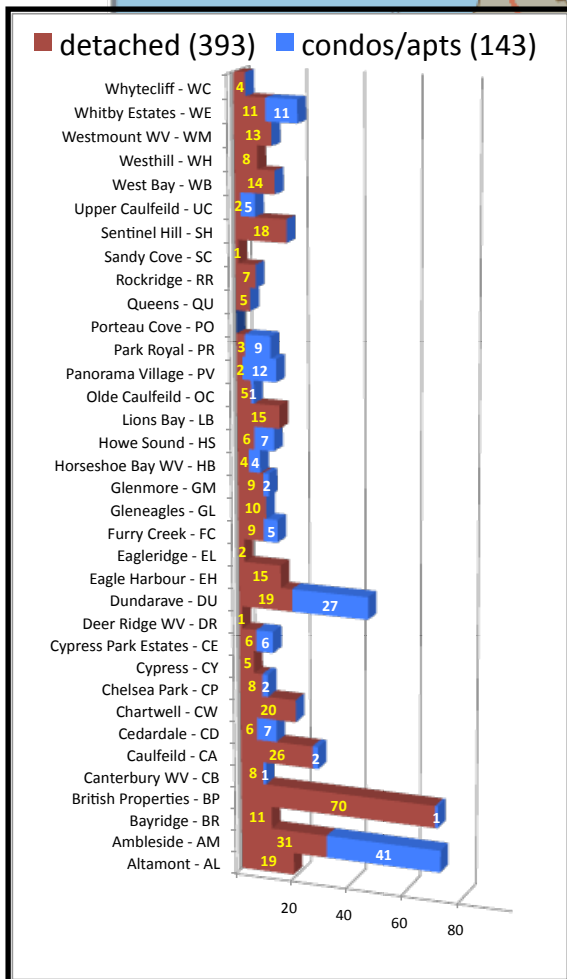
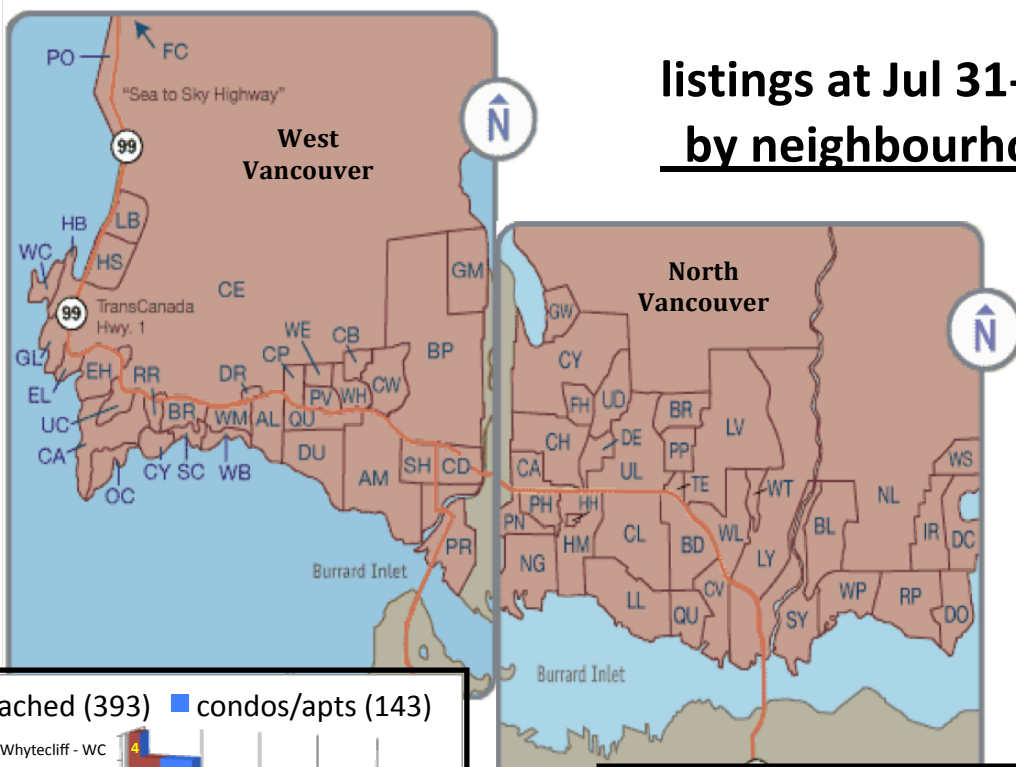


West Vancouver



listings at Jul 31-09 by neighbourhood

These tables show in which North Shore neighbourhoods the listed properties are located, and can be cross-referenced to the maps on the left.



tempest in a hst pot?

The government of BC announcement that it intends to harmonize its PST with the federal GST is causing an uproar around the province, including real estate circles.

Currently, a 5% GST levy (and no PST) is added to the cost of real estate related services such as REALTOR® commissions, notary/lawyer fees, building inspection fees, and mortgage fees. GST is also added to the selling price of newly constructed housing, which typically accounts for approximately 10% of all housing sales.

If approved by the legislature, starting July 1, 2010, the GST charges on these real estate services will be replaced by a 12% harmonized sales tax, or HST.

Bad news, right? ...Not necessarily! What clearly appears to be a 7% cost increase to consumers, may not be as bad as it seems.

Currently, businesses can recover 5% GST (but not 7% PST) paid on goods and services they purchase. In future, they can recover the entire 12% HST and therefore lower their costs. If one believes that real estate fees are determined by some form of cost-plus approach, then since the costs of real estate services providers should be lower, their HST-included fees may be lower than initially expected.

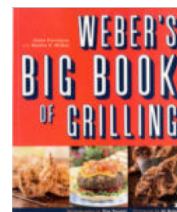
Conversely, if you believe that real estate fees are determined by market conditions, the hue and cry over the HST may again be overstated. For market-based believers, supply and demand will determine the price of real estate fees (and newly built housing), and if HST-included prices are deemed excessive, they will slip to more acceptable levels.

For more on the proposed HST, go to the provincial government website at:

www.fin.gov.bc.ca/scp/hst/index.html.

great value

Although I'm on record for promising to never include recipes in these newsletters, I must admit this month's great value comes pretty close!



Whether you use your barbecue all year round, or only on special occasions, it's handy to have something close by to remind you "how to ..." or to generate easy-to-bbq ideas for something new. The "Weber's Big Book of Grilling" is just that.

It's full of suggestions for grilling techniques and recipes for fruits, vegetables, meats, seafood, and desserts (think Beer Can Chicken, and Disappearing Tenderloin). It also includes sauces, marinades and rubs, and a short section on smoke cooking.

For those who have a Weber BBQ, following the suggested cooking method (direct or indirect), temperature level, and cooking time will virtually guarantee delicious results.

This excellent bbq idea generator can be found at most bookstores for under \$25.