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## A Fresh Perspective

### November 2009

Housing activity in October continued the brisk pace of the last five months. Prices continued to rise, often to levels exceeding those of a year ago. Relative to elsewhere, domestic real estate prices actually appear to be low-priced!

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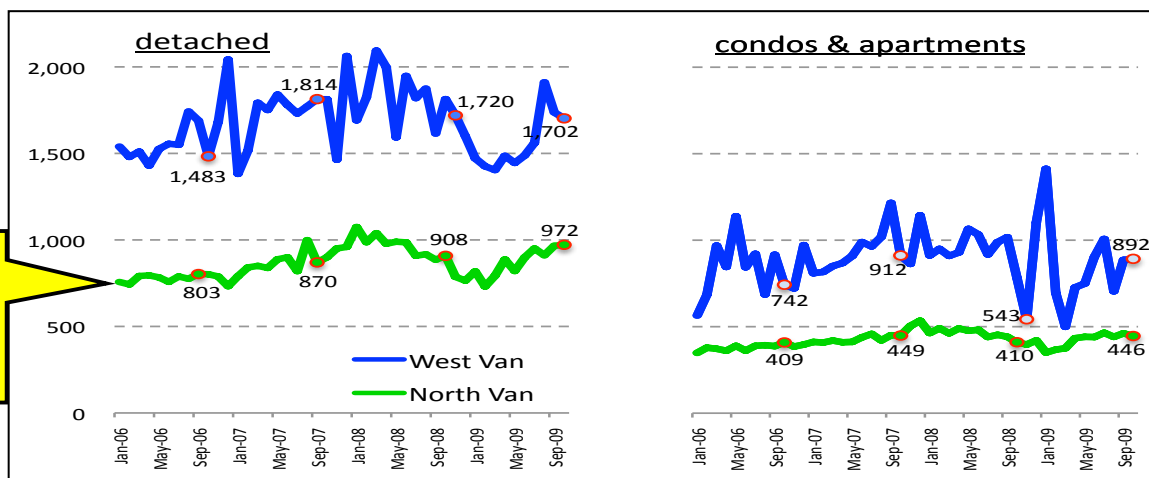
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### market update

Active housing sales continued through the first 2-3 weeks of October resulting in more sales on the North Shore than in any previous October. Selling prices continued rising to levels above those of a year ago, although they remain lower than the peaks of early 2008. The Real Estate Board of Greater Vancouver reports that high confidence and low mortgage rates are continuing to drive sales activity.

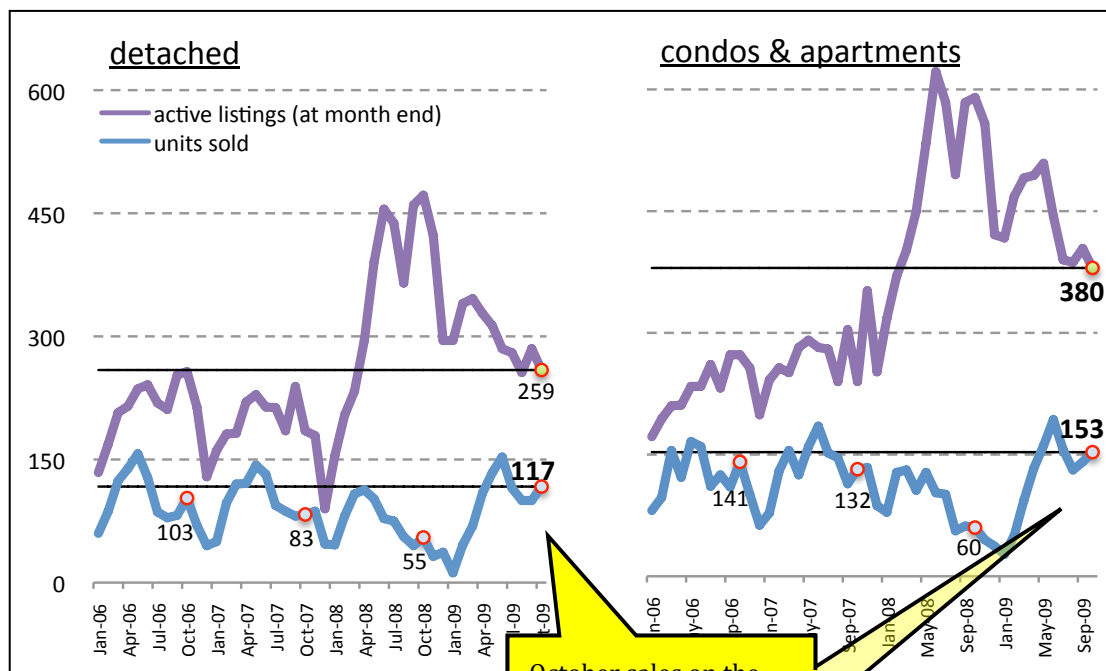
#### Average Selling Prices (\$000)



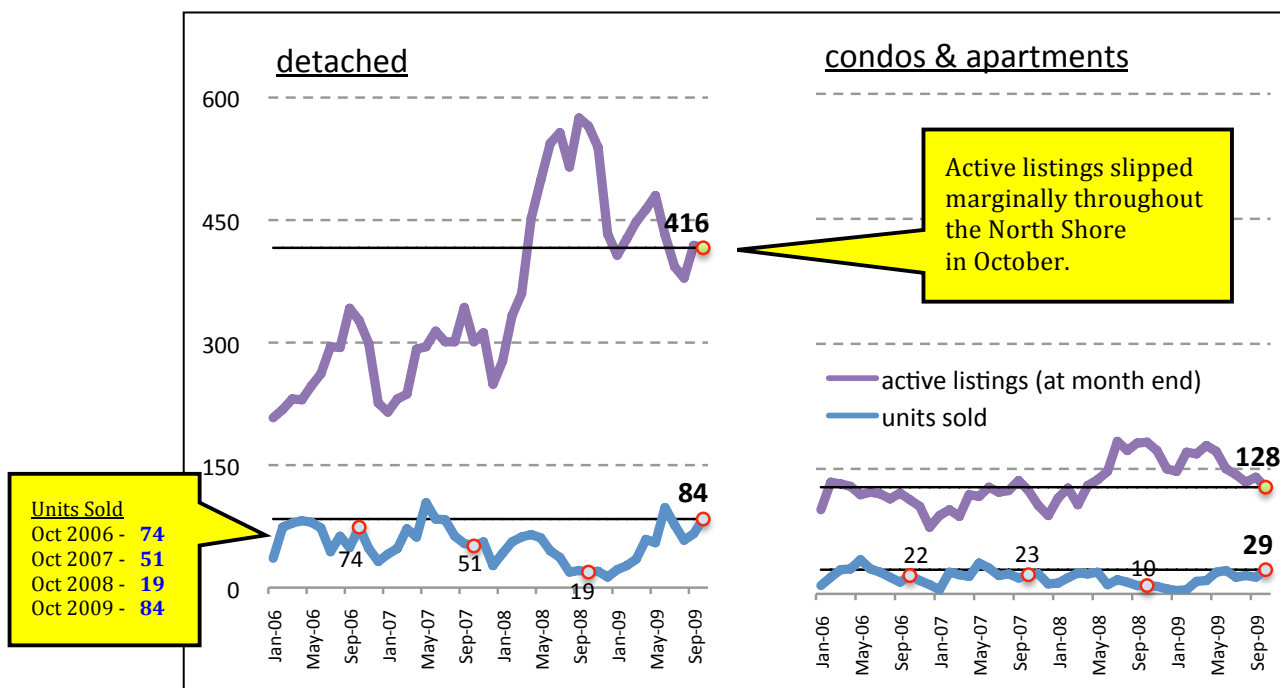


The following charts show the inventory of active listings at the end of each month from Jan 2006 to Oct 2009, and the number of properties that sold each month.

## North Vancouver

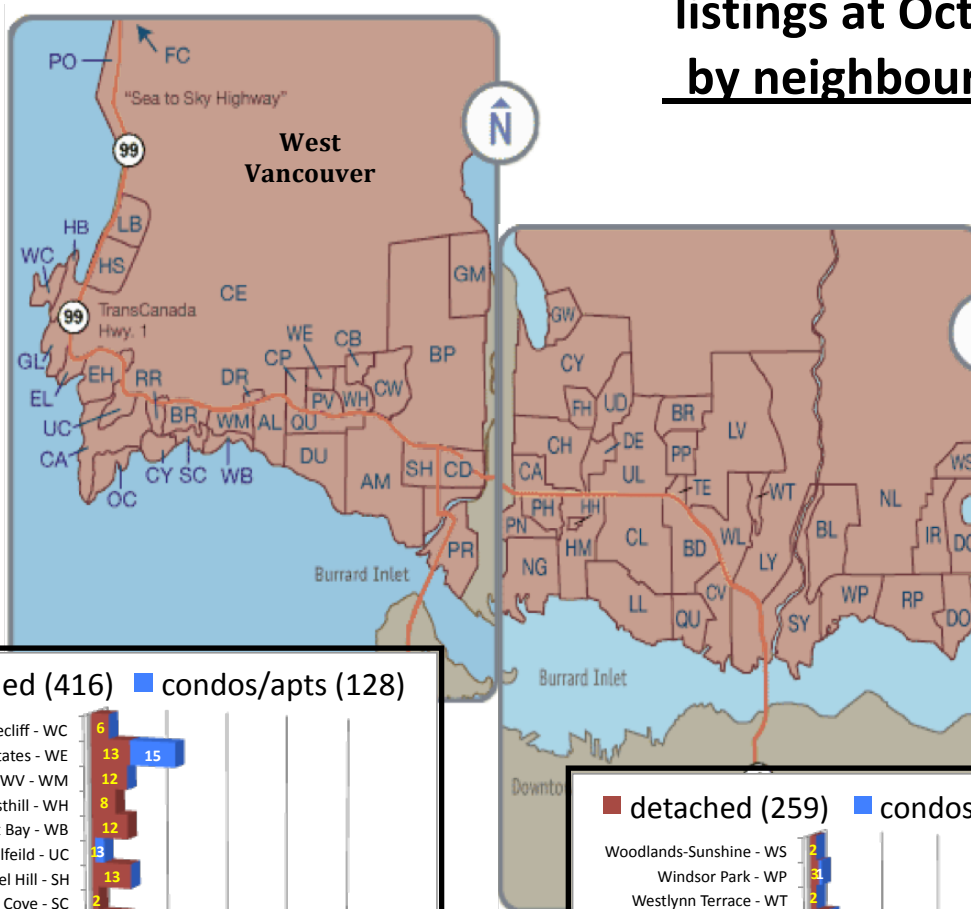


## West Vancouver

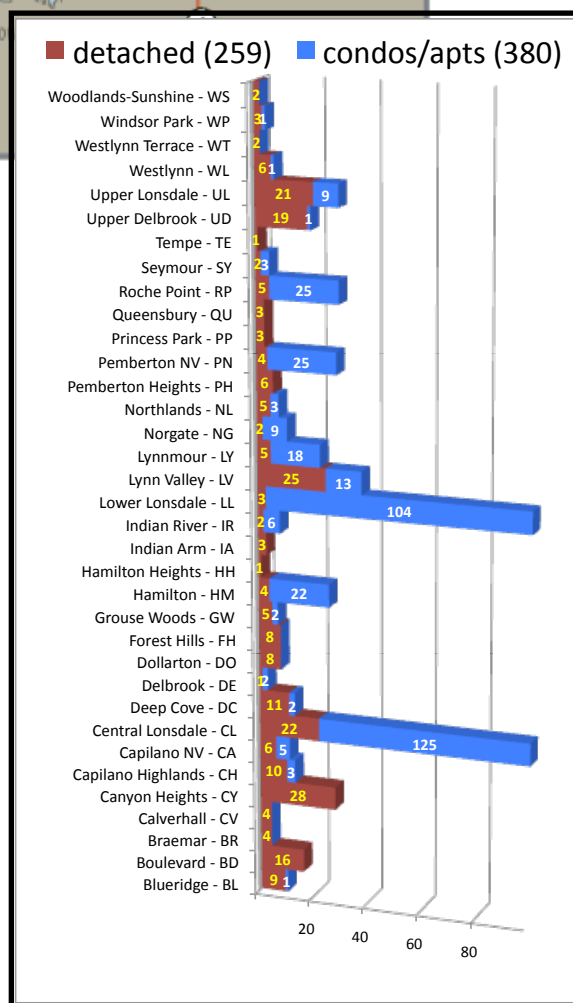
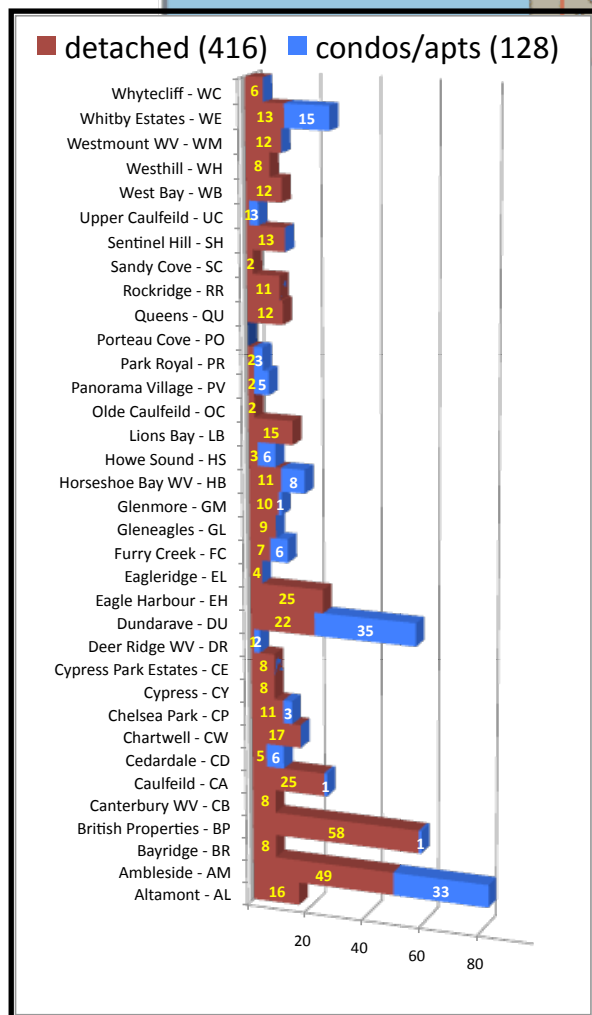




## listings at Oct 31-09 by neighbourhood



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





## **reminder from Canada Revenue Agency**

“The non-refundable Home Renovation Tax Credit (“HRTC”) is based on eligible expenses for work performed or goods acquired after January 27, 2009, and before February 1, 2010, in respect of an eligible dwelling, pursuant to an agreement entered into after January 27, 2009.

Canadian homeowners should be aware of the deadline to ensure they are able to claim the non-refundable tax credit of up to \$1,350 for their home renovation or alteration. Eligible expenses for goods acquired during this period, even if they are installed after January 2010, will still qualify. If an eligible expense involves work performed by a contractor or a third party, and the work is not completed by the end of the eligible period, only the portion that is completed before February 1, 2010 will qualify even if a payment has been made.

In addition, there is no requirement that homeowners pay the amount in full before the deadline. For example, if you are billed by a contractor for goods acquired and work performed before the deadline and you do not pay the bill until after the deadline, your expenses would still be eligible for the HRTC provided that you met all the other requirements.

It is also important to note that the HRTC is non-refundable and will reduce your federal income tax, if you have any. However, if the total of your non-refundable tax credits is more than your federal income tax, you will not receive a refund for the difference.”

For more information about documentation required to support your expenses, visit [www.cra-arc.gc.ca/nwsrm/txtps/2009/tt091103-eng.html](http://www.cra-arc.gc.ca/nwsrm/txtps/2009/tt091103-eng.html) or call CRA's toll free income tax enquiries service at 1-877-959-1272.

## **great value – Canadian real estate**

By Canadian standards, housing prices in Greater Vancouver are very high. However, compared to some parts of the world they are actually rather reasonable! In Hong Kong, for instance, a 6,160 sq ft luxury apartment recently sold for a record price of almost C\$10,000/sq ft. It sold for HK\$439 million, which equates to just over C\$60 million.

It's interesting to note that the Hong Kong Monetary Authority requires that banks limit mortgage loans to no more than 70% of the total purchase price. Further, to help moderate lenders' financial risks, it recently asked the banks to cut the loans they make to buyers of luxury properties priced over HK\$20 million (C\$2.75 million) a unit, to no more than 60%.

By comparison, lenders in Canada will loan up to 80%, and if the buyer obtains mortgage insurance lenders will loan up to 95%, of the total purchase price.