



a fresh perspective

December 2021

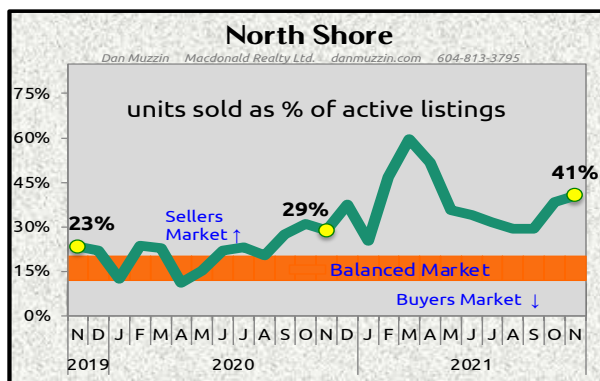
in this issue...

- market update
- depreciation reports
- selected sales details



market update

The Real Estate Board of Greater Vancouver (REBGV) reported total MLS® residential property sales of 3,428 units in November, which was a decrease of 2% compared to October and 12% more sales than in November 2020. Total residential sales activity for the month for all property-types throughout the metro region, came in at 22% above the 10-year historical average for November. At 8,034 the number of residential property listings at November 30 was 13% fewer than at the end of October, and 35% less than at November 30, 2020. The metro MLS® sales-to-active-listings ratio was 48%, compared to 44% at the end of October. The Home Price Index composite benchmark price for all properties in Greater Vancouver is 16% higher than that of 12 months ago and 3% higher than 6 months ago.



North Shore home sales in November, at 324 units were 7% less than the 348 properties sold in October, and 7% fewer than the 349 sold in November 2020. The sales-to-active-listings ratio on the North Shore increased to 41%, from 38% in October, reflecting 17% higher-than-normal total sales for November and approximately 34% fewer properties for sale than the 10-year average for the end of November (*details on pages 7 & 8*). The North Shore detached homes that sold in November took an average of 8 weeks to sell, three weeks faster than the 11 weeks it took for those that sold in

October, and five weeks quicker than the 13 weeks it took for detached homes that sold in November 2020. At November 30, there were 798 North Shore properties for sale on MLS® or about 12% fewer than the 905 listings at the end of October, and 34% fewer than the 1,212 units for sale at November 30, 2020. Compared to 12 months ago, benchmark prices of detached homes are up by 17% in North Vancouver and 16% in West Vancouver.

As prices and market conditions can vary dramatically by neighbourhood, feel free to call Dan to better understand how the market is doing where YOU live. For the entire November 2021 REBGV market report, visit www.danmuzzin.com/news.html.



depreciation reports

Used properly, depreciation reports add to the value of a building.

Often written by engineers, or other building experts, a depreciation report reviews all the systems of a building, such as windows, building envelope, HVAC, elevators, roofing, electrical, and plumbing and provides a 30-year timeline on the expected repairs, maintenance, and replacement of each system.

For some strata owners, depreciation reports, or reserve fund reports, as they are sometimes called, can be a cause of significant consternation as they see these reports as only highlighting the negatives about a building, and therefore are a detriment to the value of the property. That is not the intention, and it is not the reality.

Depreciation reports bring a degree of certainty. A major financial issue for strata lot owners is repair and maintenance costs for what can be a large and expensive building. Because depreciation reports set out the repairs and maintenance expected, along with associated cost estimates, for all of the systems of the building over a 30-year period, it can be a valuable planning tool and a budgeting tool for the strata and, perhaps more importantly, for each of the strata owners to better plan how to save up to afford those costs.

In addition to being useful for current strata owners, they are also valuable to prospective owners as they answer a fundamental question about owning a property... How much is it going to cost me to maintain this property? Prospective buyers can buy into a building without fear of surprises as the details and estimated expected costs to owners are included

Increasingly, insurers and mortgage lenders require depreciation reports. For these institutions, a depreciation report is a window into the future costs and risks in the building. Therefore, a strata corporation with no report is going to be perceived as a greater risk from a financial institution's point of view.

For both lenders and insurers, consistency in strata fees reduces risks. Lenders are clearer on the costs to their mortgage borrowers, and insurers see the potential financial risks coming. Conversely, large unexpected levies and significant sudden claims will only lessen institutional enthusiasm to lend or insure on those strata properties. Not having a depreciation report is only going to raise concerns for these institutions.

A depreciation report is a call to be prepared. Conversely, buying into a strata corporation without a depreciation report, or continuing to invest in such a property without getting a depreciation report completed is unnecessarily risking an owner's capital.

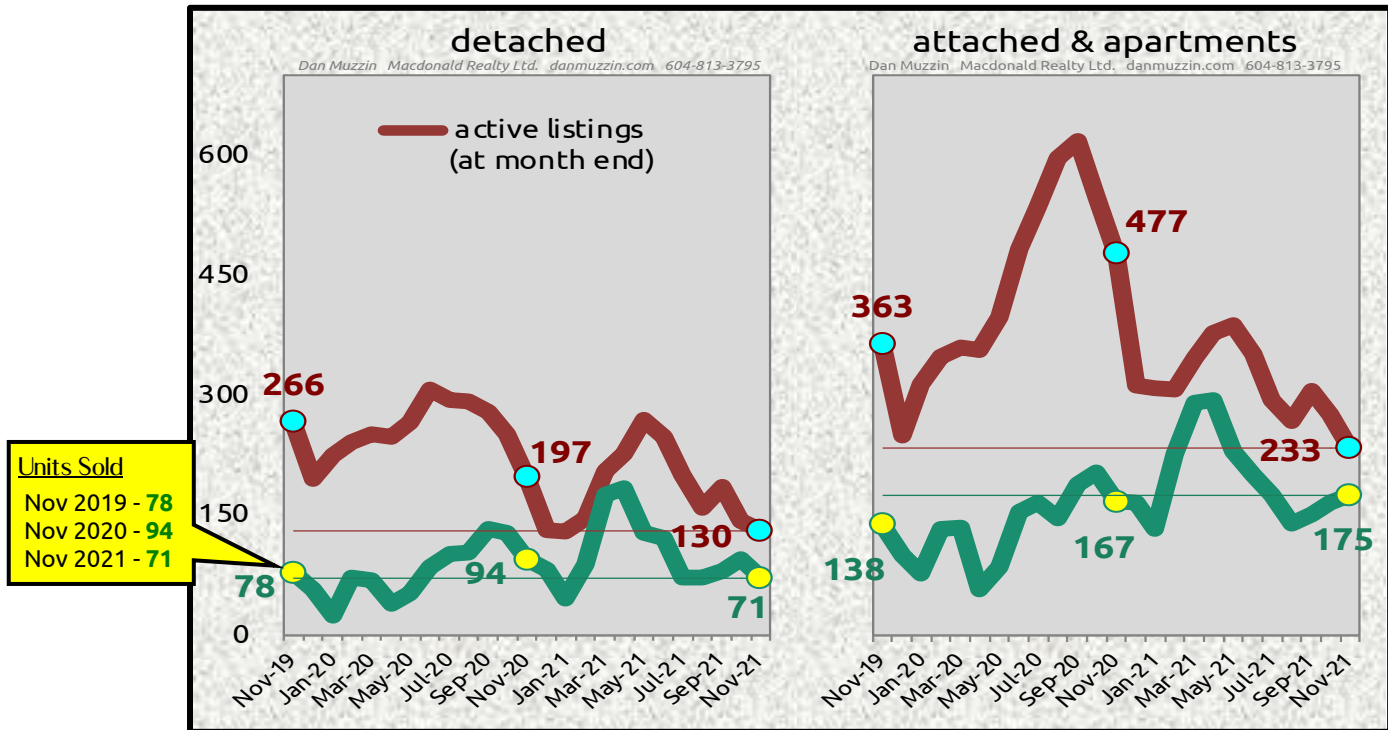
Unfortunately, often depreciation reports are commissioned, then not actually implemented. Regardless of strata corporation action or inaction on the contents of a depreciation report, individual owners should take it seriously and calculate their own anticipated contributions when funds are eventually needed.

Saving now to be ready to pay a possible individual levy contribution, to be imposed on a single owner sometime in the future, surely is prudent.

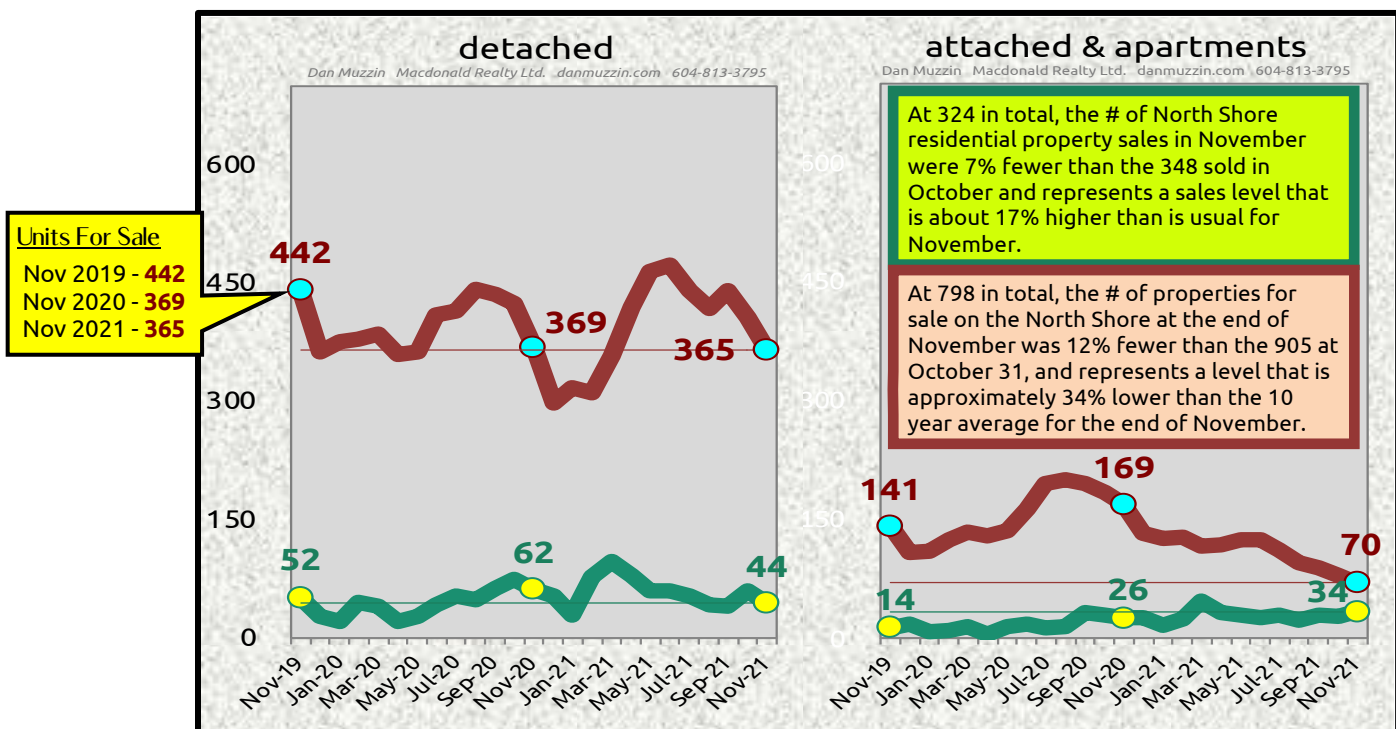


The following charts show the inventory of North Shore homes for sale on the last day of each month from November 2019 to November 2021, and the sales for each month.

North Vancouver



West Vancouver



of North Shore properties for sale at November 30, 2021 (on MLS®)

North Vancouver

■ detached (130) ■ attached & apts (233)

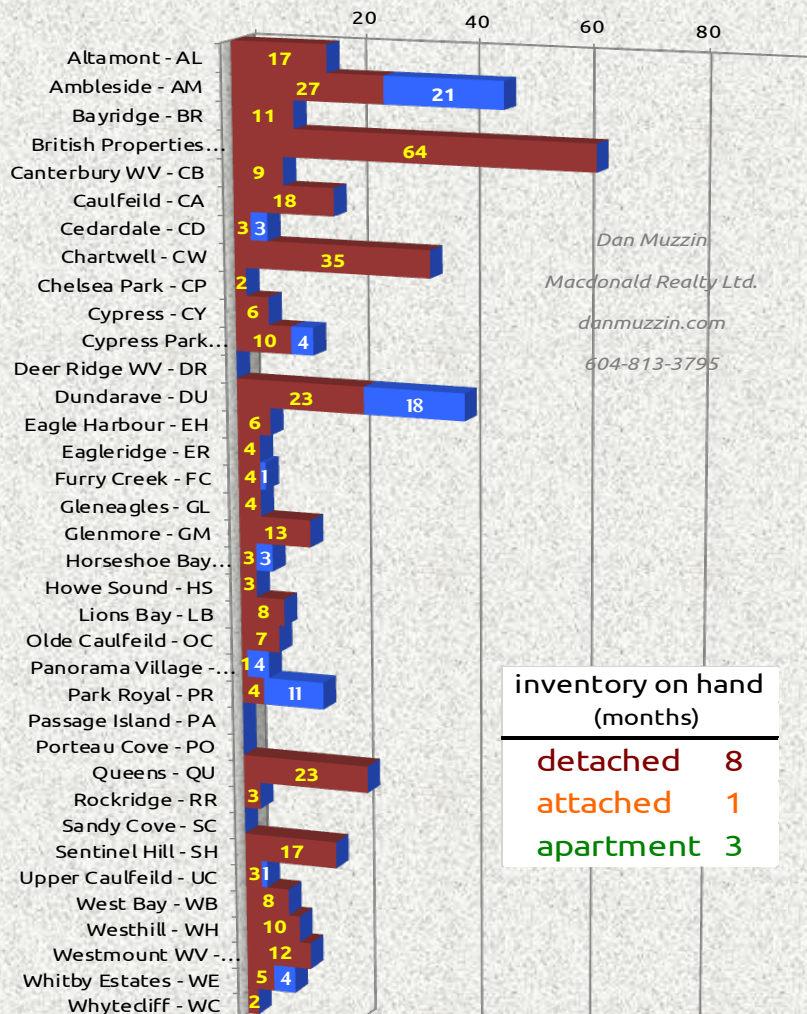


inventory on hand
(months)

detached 2
attached 1
apartment 1

West Vancouver

■ detached (365) ■ attached & apts (70)



inventory on hand
(months)

detached 8
attached 1
apartment 3

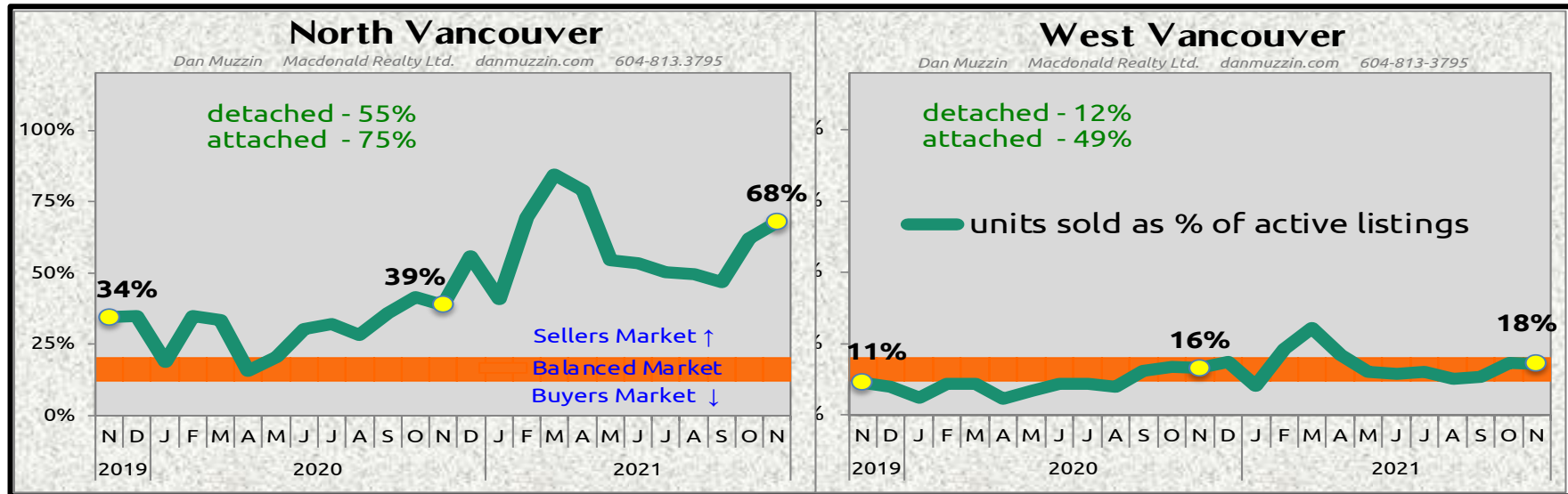
selected sales details



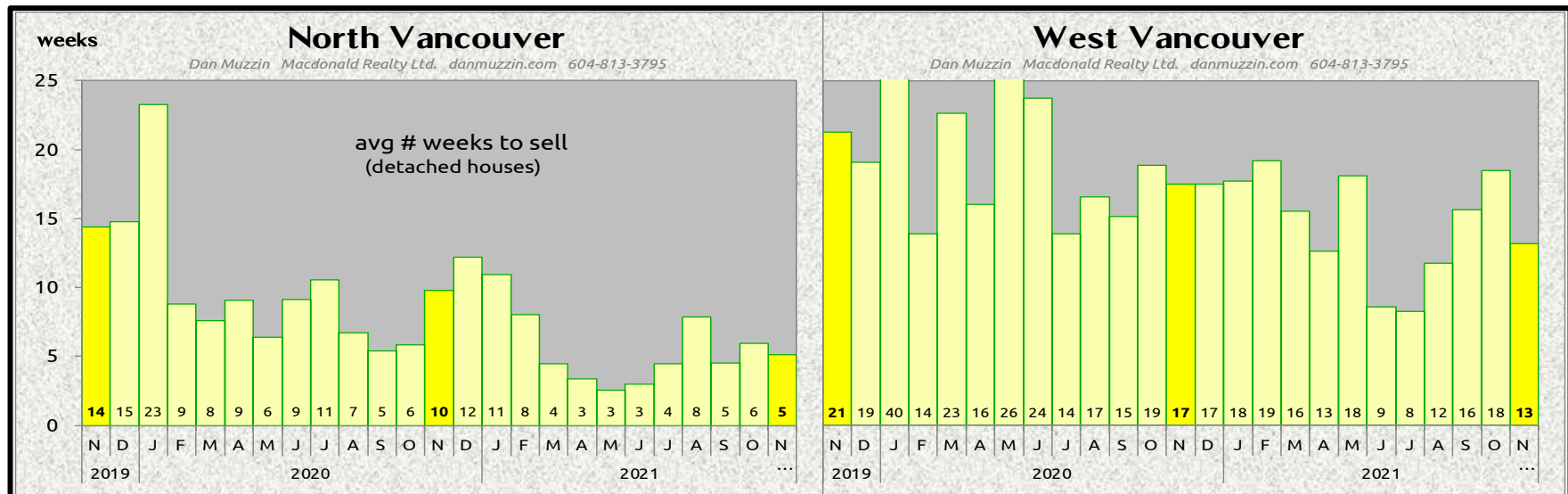
Dan Muzzin 604-813-3795



properties sold during the month, as a % of properties for sale at end of the month



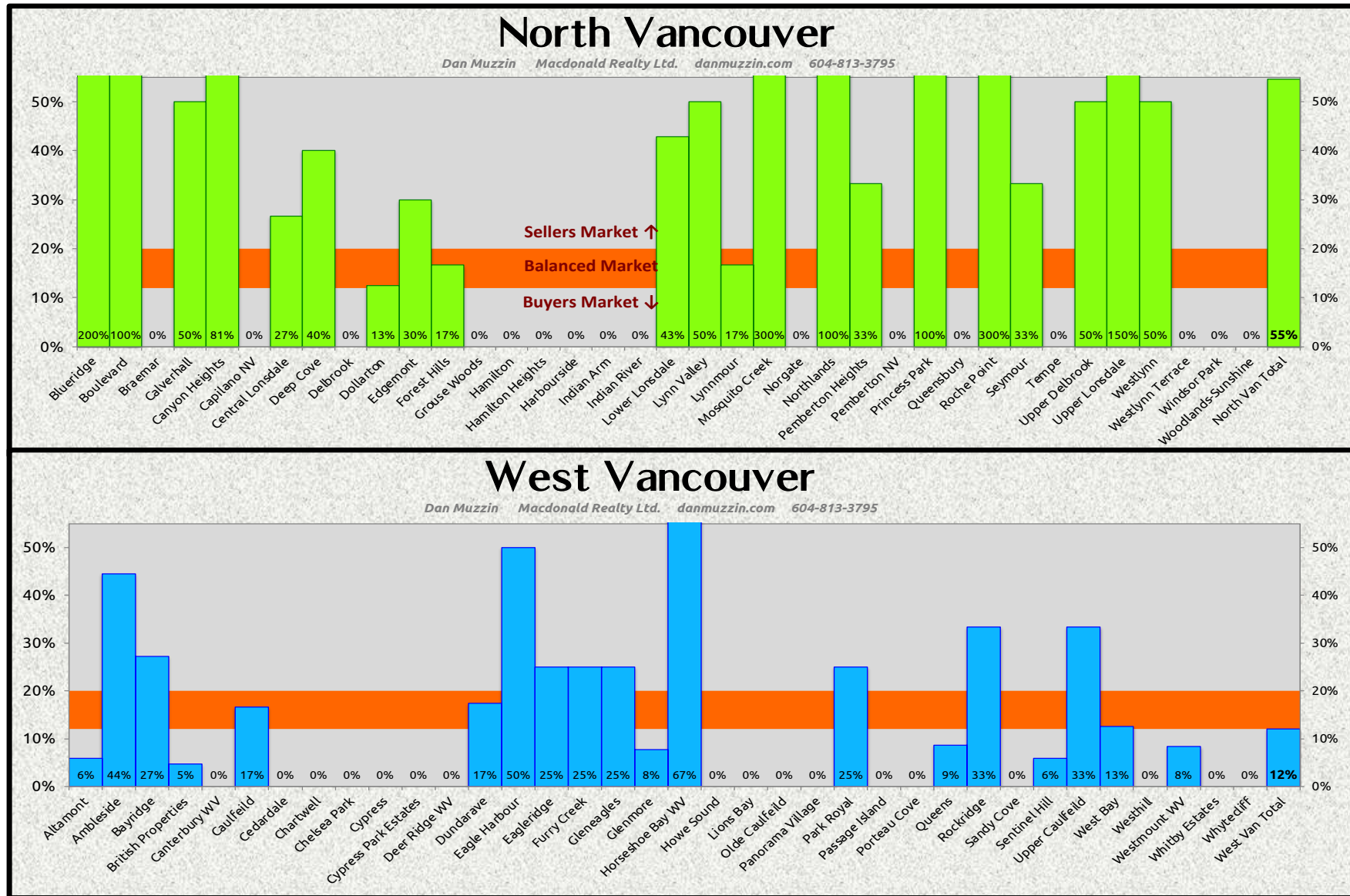
average # of weeks it took for detached houses to sell





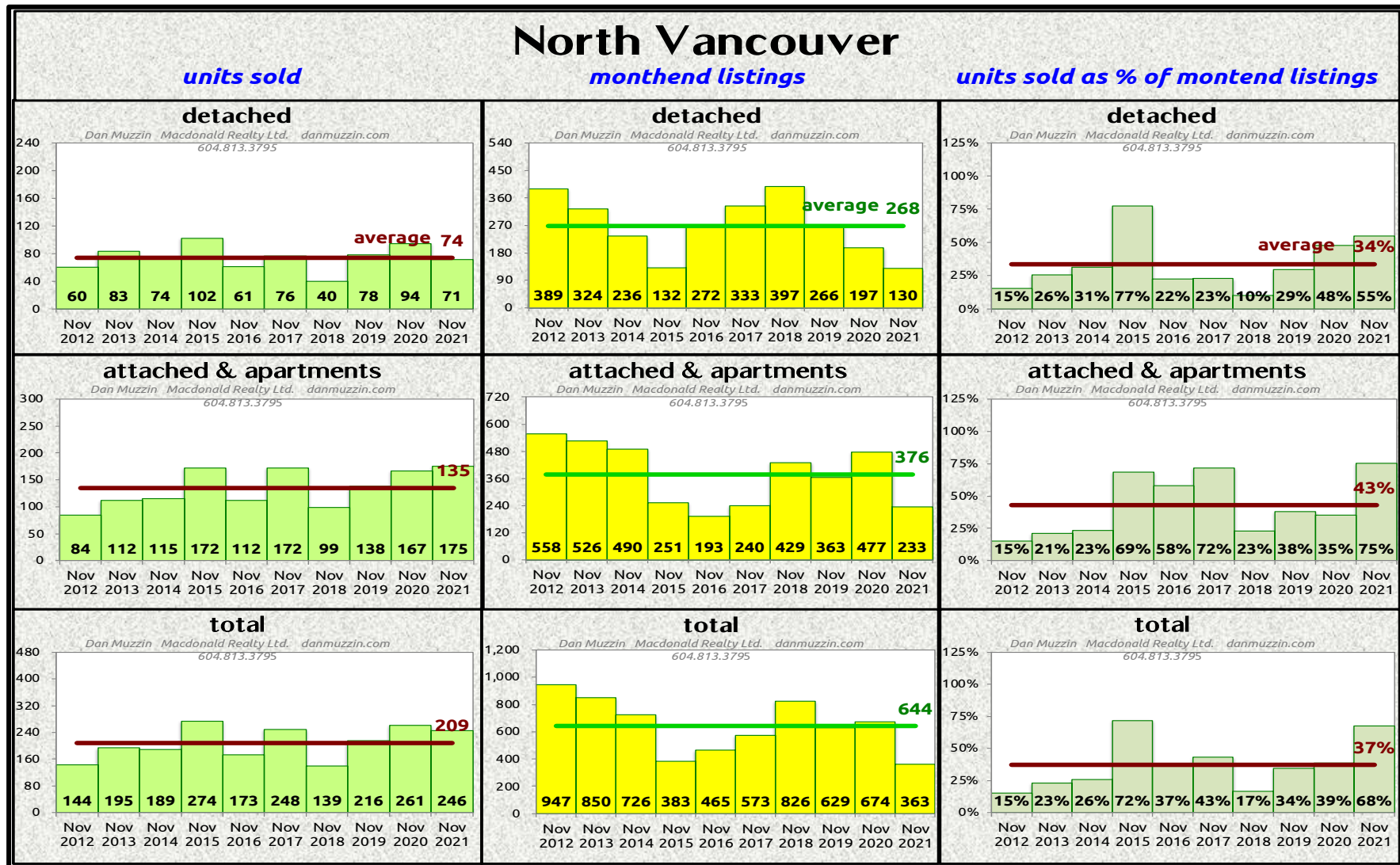
do housing conditions in your neighbourhood favour sellers, buyers or are they in balance?

single-family detached houses sold in November 2021, as % of the number of houses for sale at November 30, 2021



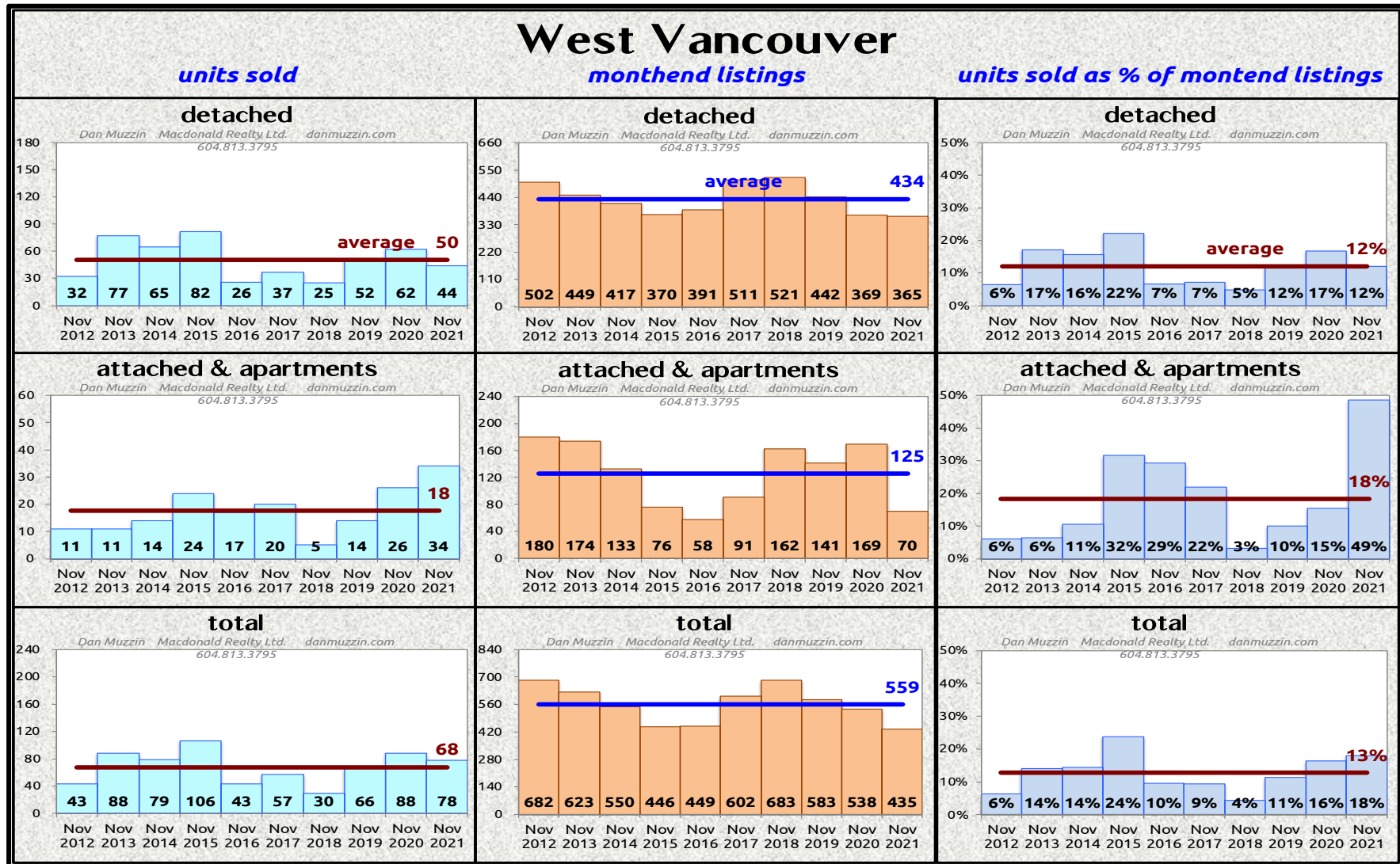


compare 2012 – 2021 Sales and Listings for the month of November





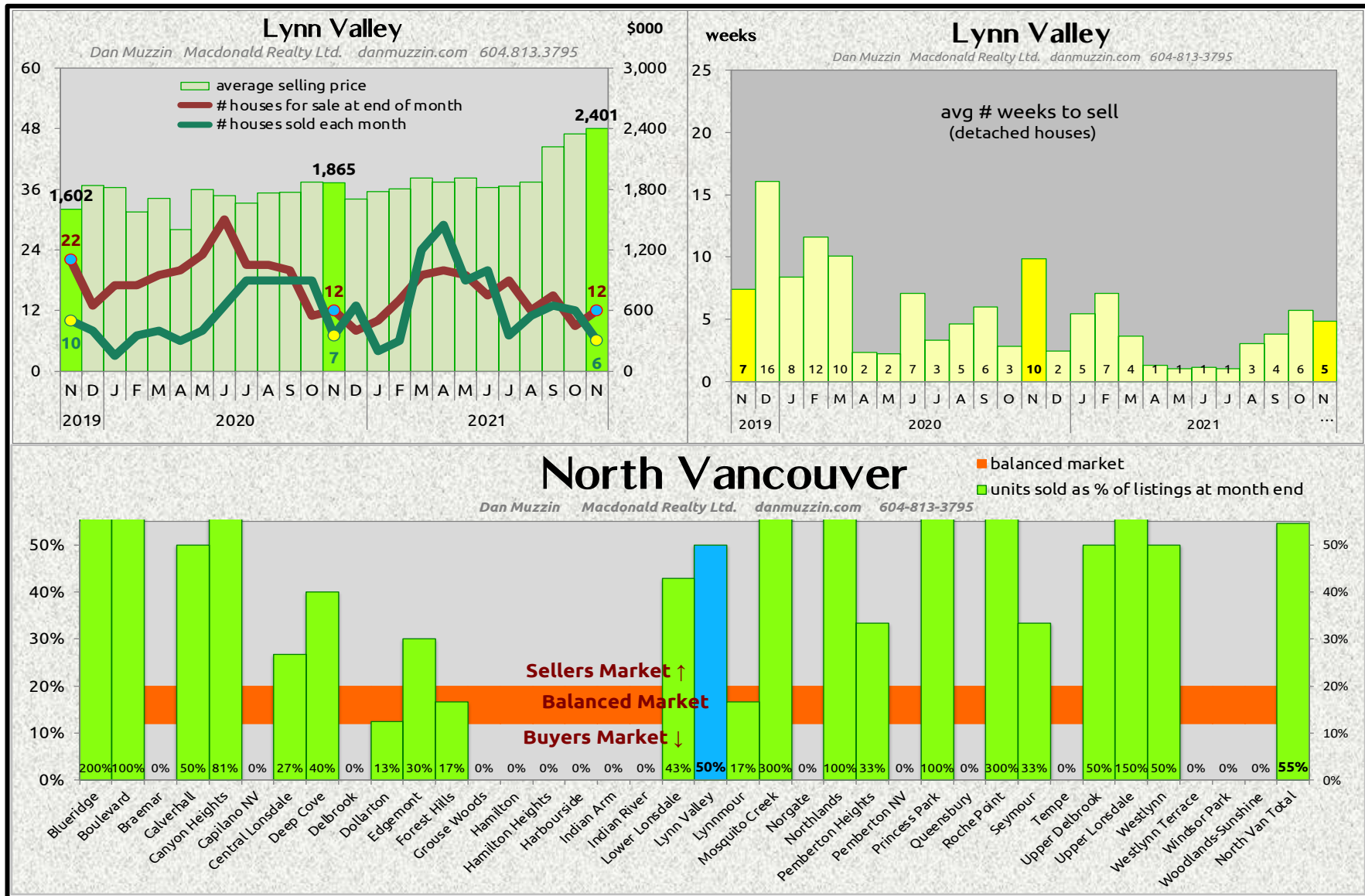
compare 2012 – 2021 Sales and Listings for the month of November





Lynn Valley housing snapshot – November 30, 2021

For a housing snapshot of **your** neighbourhood ...call Dan



sales details for selected North Vancouver neighbourhoods



average selling price # houses for sale at end of month # house sales for month

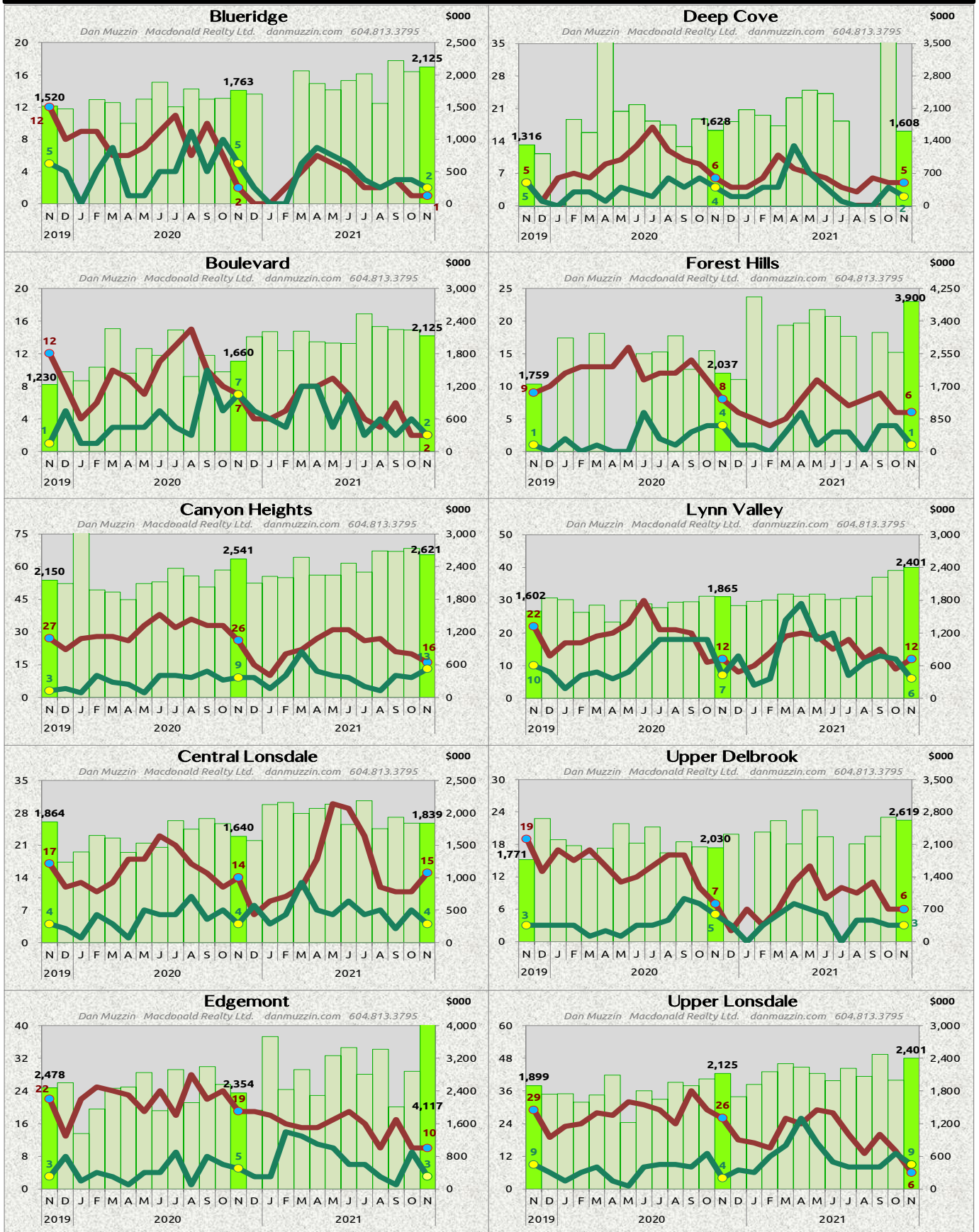


chart data obtained from Real Estate Board of Greater Vancouver

danmuzzin.com

sales details for selected West Vancouver neighbourhoods



average selling price # houses for sale at end of month # house sales for month

