



a fresh perspective

May 2020

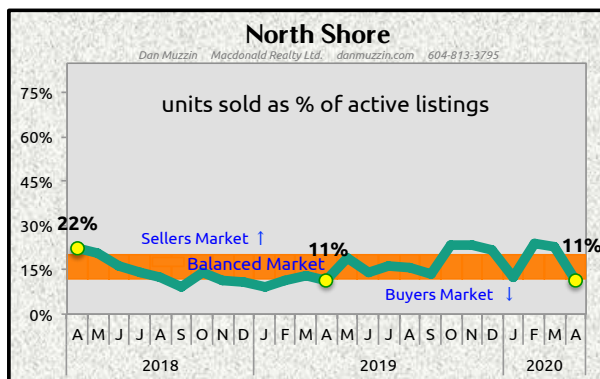
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market update



The Real Estate Board of Greater Vancouver (REBGV) reported total MLS® residential property sales of 1,109 units in April, which represented a 56% sales decrease from March and 39% fewer sales than in April 2019. Total residential sales activity for the month for all property-types throughout the metro region, came in at 63% below the 10-year historical average for April. At 9,389 the total number of residential property listings at April 30 was 2% less than at the end of March, and 35% fewer than at April 30, 2019. At 12%, the metro MLS® sales-to-active-listings ratio was 14% lower than in March. The Home Price Index composite benchmark price for all residential properties in Greater Vancouver is 2% higher than that of 12 months ago and 4% higher than 6 months ago.



North Shore home sales in April, at 123 units were 53% fewer than the 259 properties sold in March, and 37% less than the 196 sold in April 2019. The sales-to-active-listings ratio on the North Shore dropped to 11%, from 23% in March, reflecting remarkably 63% fewer-than-normal total sales for April and 20% fewer listings than the average # of properties for sale as at the end of April (*details on page 7*). The North Shore detached homes that sold in April took an average of 12 weeks to sell, about a week less than the 13 weeks it took for those that sold in March, and 5 weeks quicker than the 17 weeks it took for houses

that sold in April 2019. At April 30, there were 1,095 North Shore properties for sale on MLS® or 3% fewer than the 1,131 listings at the end of March, and 36% fewer than the 1,711 units for sale at April 30, 2019. Benchmark prices of detached homes are higher by 2% in North Vancouver and, in West Vancouver they are approximately the same as, from 12 months ago.

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 April 2019 REBGV market report, visit www.danmuzzin.com/news.html.



what now?

Several times in the past few weeks prospective home sellers and buyers have asked "*what does the pandemic-affected housing market look like and what should we expect with lockdown loosening?!*"

Like always, there are so many moving parts. Some factors to consider include...

- income uncertainty - newly unemployed, some for long term, some for short term;
- market value of consumers' wealth has been impacted by the recent stock market movements;
- some family wealth redistribution, as haves will do what they can to assist have-nots;
- although Bank of Canada reductions to its policy interest rate have put downward pressure on mortgage rates, lenders have actually increased their rates to reflect additional pandemic-related risks, like the potential higher risk that borrowers will be unable to meet future debt obligations;
- some of the life events that trigger real estate transactions continue (like births, deaths and divorce) regardless of coronavirus or market conditions; it should also be noted that other life events that often trigger property purchases/sales (like marriages and job transfers to/from other locations) have slowed substantially; and
- there are people who have already committed to selling their homes and MUST now purchase (or rent, but where?), or who have purchased their next homes and MUST now sell.

So what will be the impact of these factors?

- some buyers will be forced to reduce their affordable target price range, or have become unable to purchase at all
- some buyers will recognize good value in today's offerings and, once they recognize the right home, will purchase now
- those sellers that must sell now will keep their properties on the market or list soon, and possibly accept offers at the lower end of their acceptable price range
- longer term, some sellers may be encouraged to sell as they become uncomfortable with or unable to meet their mortgage obligations (although where would they move to?)
- some people will simply choose to wait and see

In times of great uncertainty, most people seem to choose to wait and see what happens. The problem then becomes how to recognize when is the right time to step in. Although we all want to buy at the lowest point of a market cycle and sell at the highest point, history shows that only market-lottery winners achieve that. Typically, potential home buyers will watch prices fall and then, once they realize prices are no longer falling and decide to act, they find that good properties are all attracting competing bids and selling for amounts that exceed asking prices. The most recent example of this was in Feb and the first 2 weeks of Mar 2020! Similarly, sellers often wait for higher general activity only to find they are competing against other sellers that have also been waiting to see what happens. Those with good properties to sell will always sell (provided their list prices are realistic).

At the moment, the number of homes for sale is much lower than usual for this time of year, as is the number of buyers. However the sellers and buyers that are out there now tend to be very serious about their intentions. And, active buyers are increasingly frustrated with the lack of choice.

Recommendation to buyers has always been (and still is) the one that's found every month in the footnote in the bottom left hand corner of the previous page of this market update.

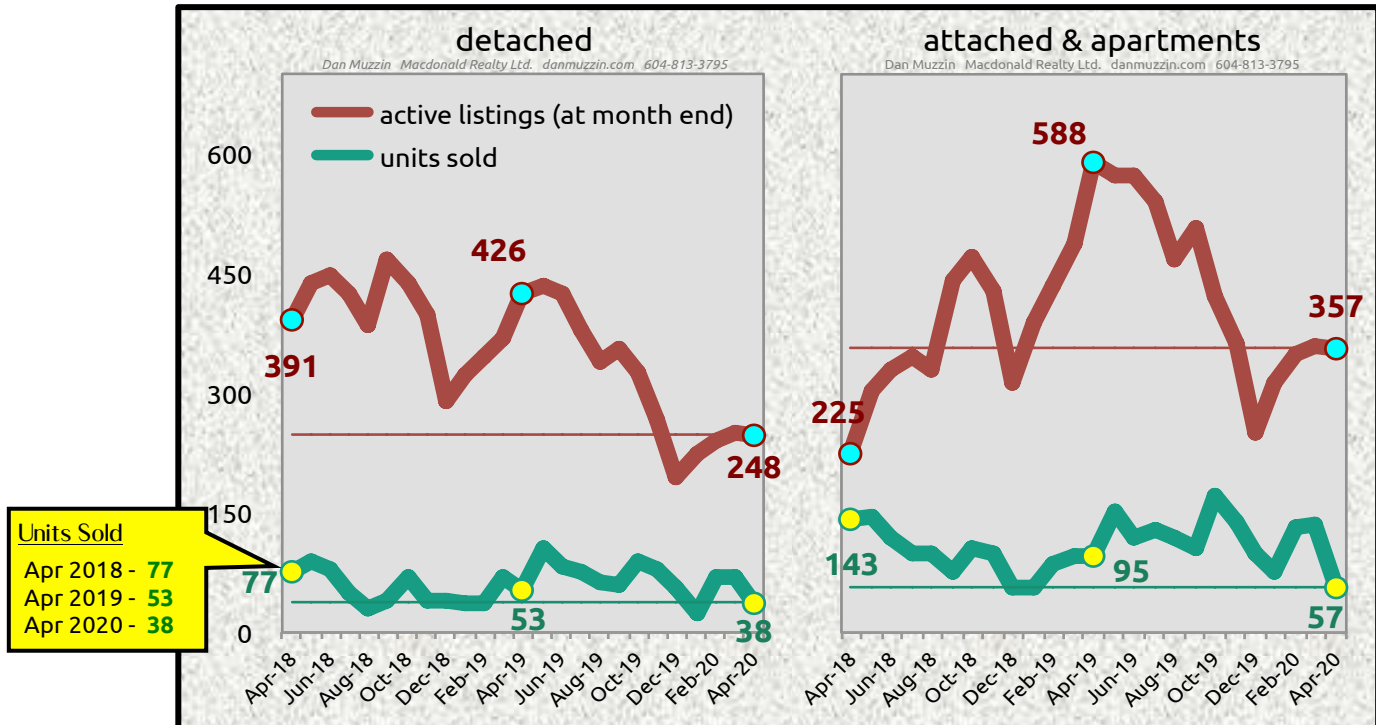
Recommendation to sellers, especially those who have pressing reasons to sell, is that to move on with your life one needs to list in order to sell. Good properties will sell for full value. If uncomfortable listing now, at least get on with decluttering, repairs, maintenance and gardening so that you'll be ready to list when comfortable.

Expect lockdown easing to trigger high volume sales. For more, call Dan at 604-813-3795.

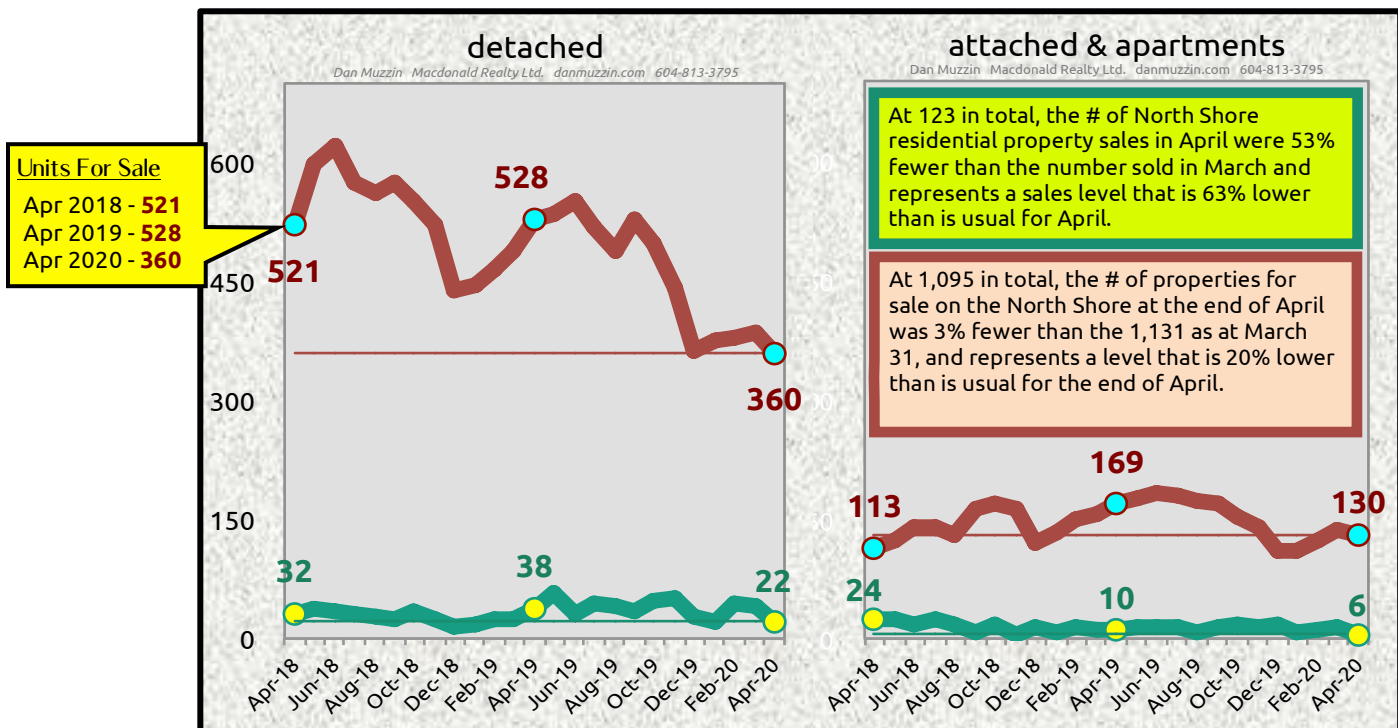


The following charts show the inventory of North Shore homes for sale on the last day of each month from April 2018 to April 2020, and the sales for each month.

North Vancouver



West Vancouver

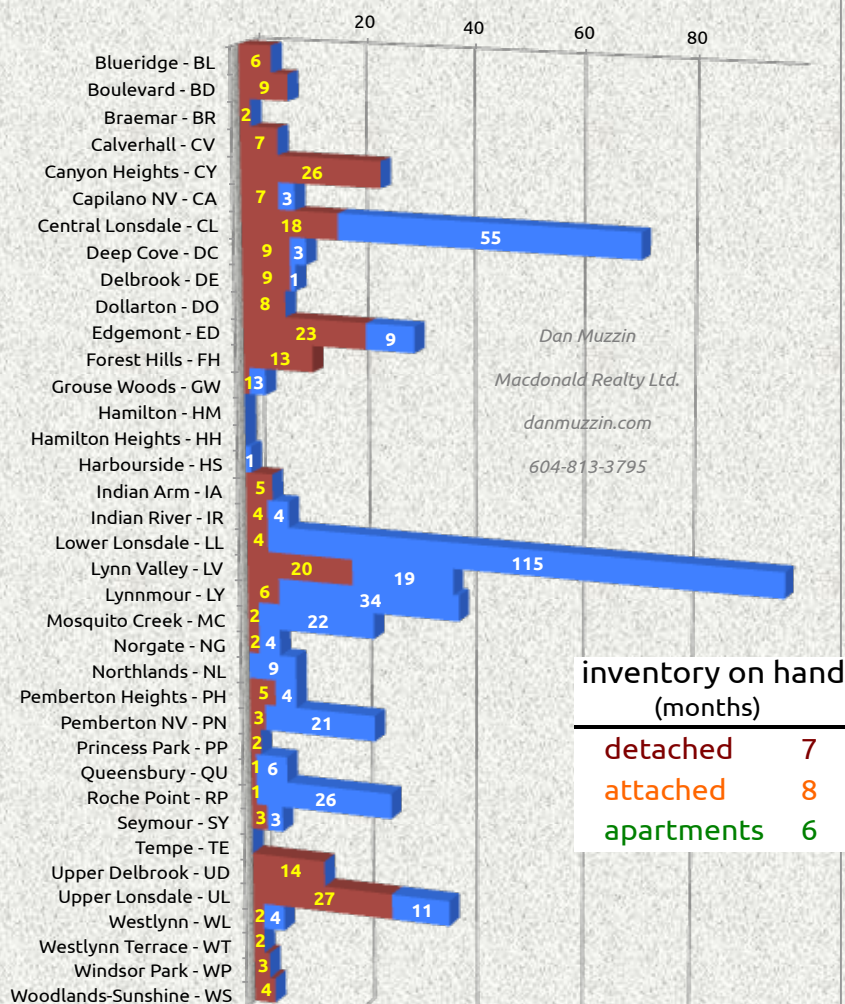




of North Shore properties for sale at April 30, 2020 (on MLS®)

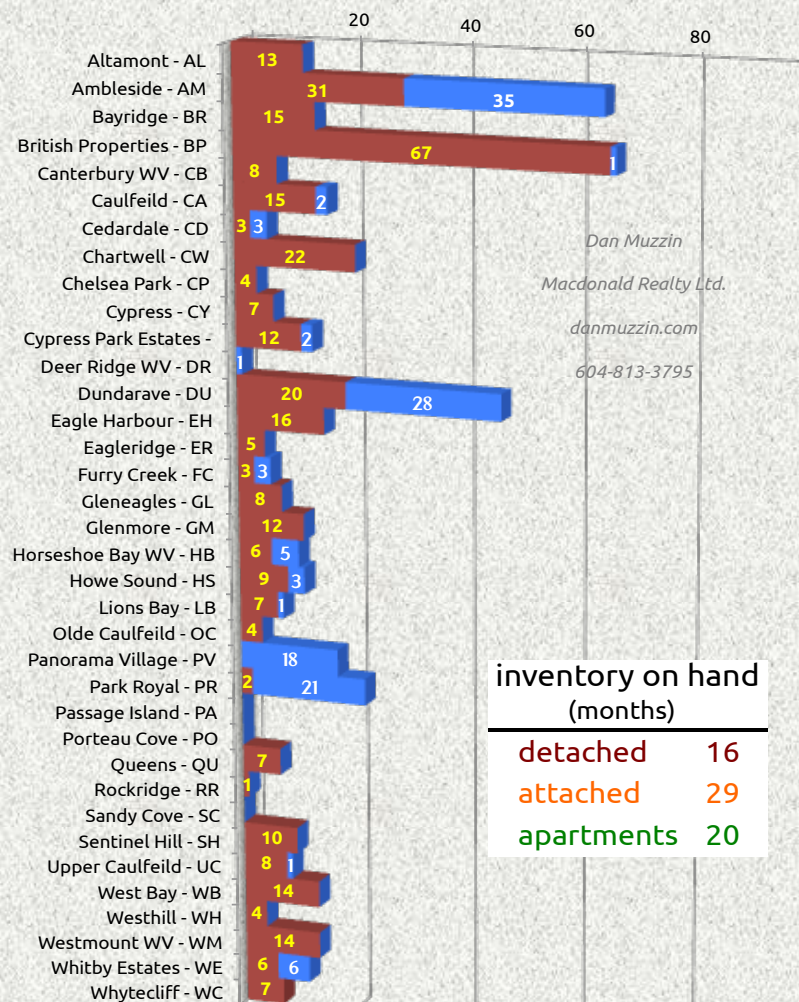
North Vancouver

■ detached (248) ■ attached & apts (357)



West Vancouver

■ detached (360) ■ attached & apts (130)



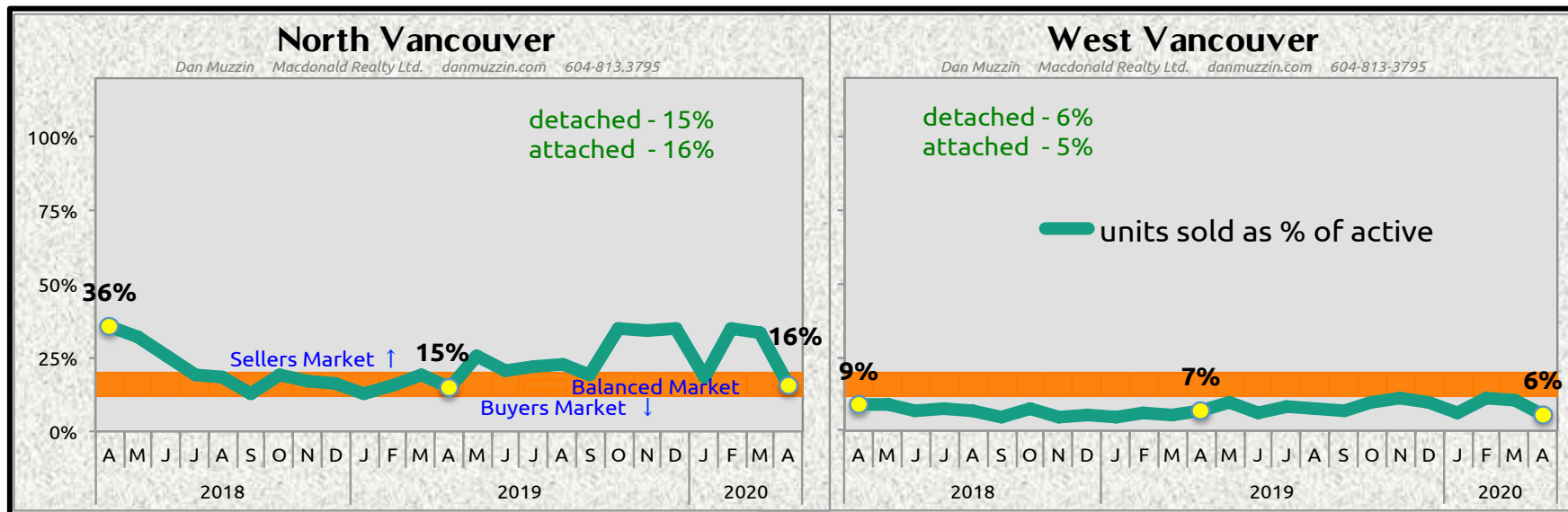
selected sales details



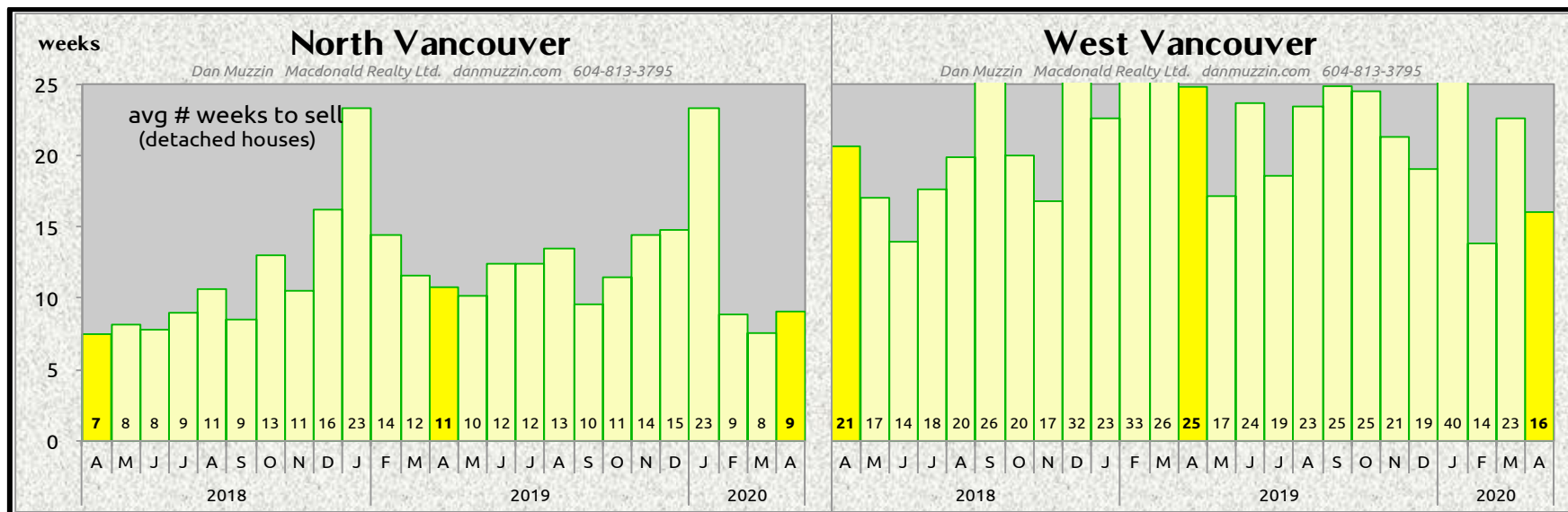
Dan Muzzin 604-813-3795



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



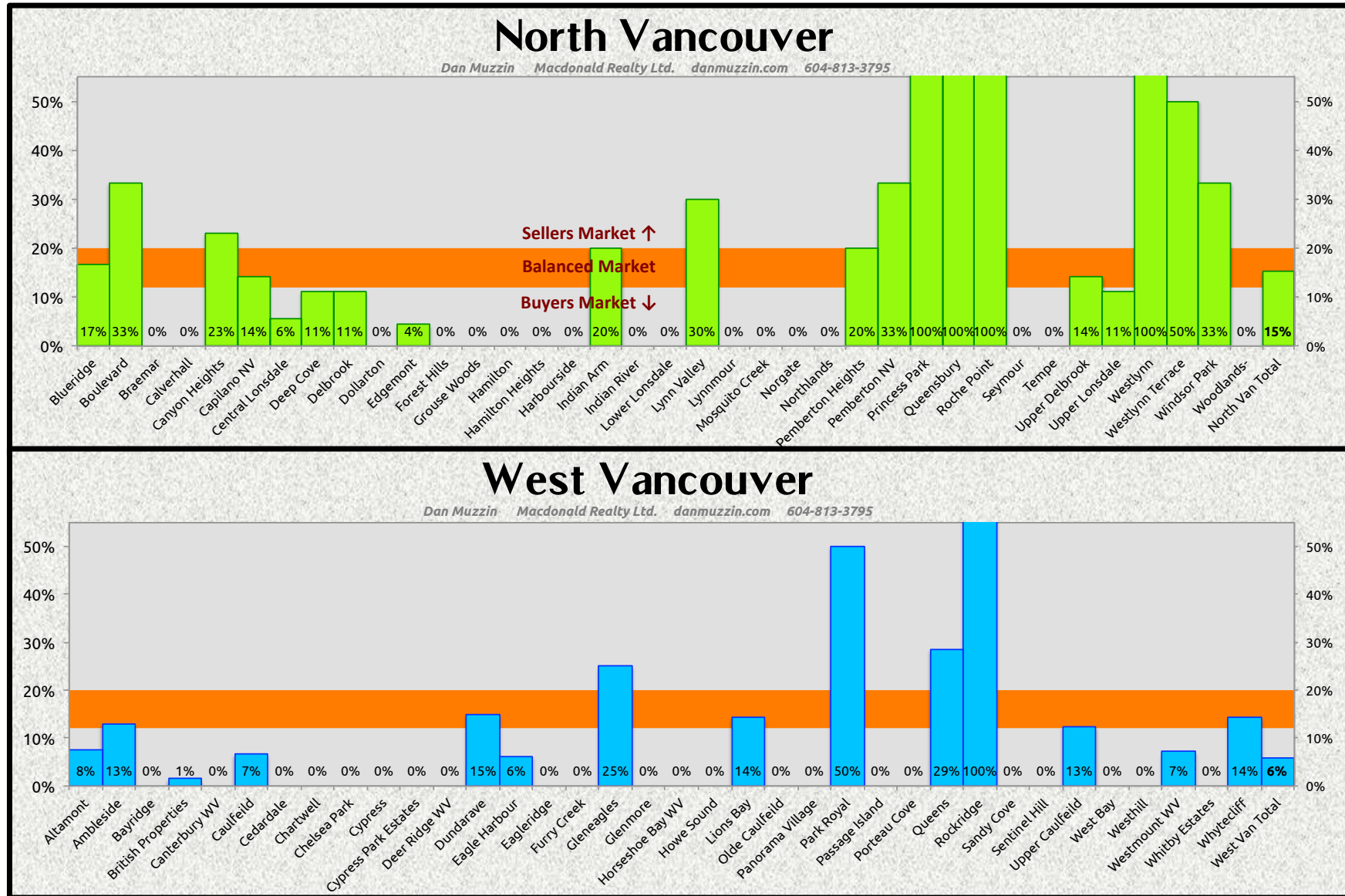
average # of weeks it took for detached houses to sell





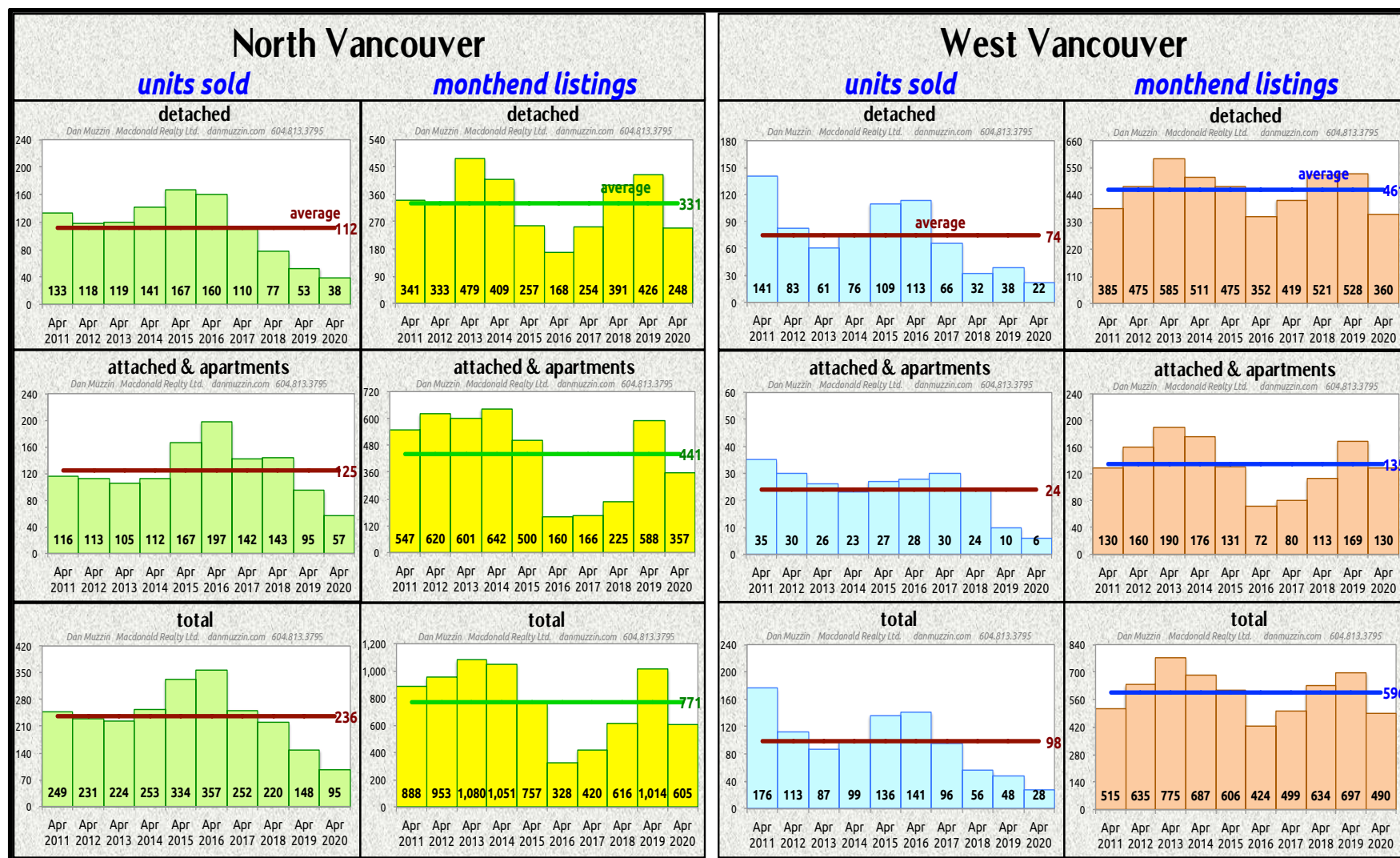
do housing conditions in your neighbourhood favour sellers, buyers or are they in balance?

single-family detached houses sold in April 2020, as % of the number of houses for sale at April 30, 2020





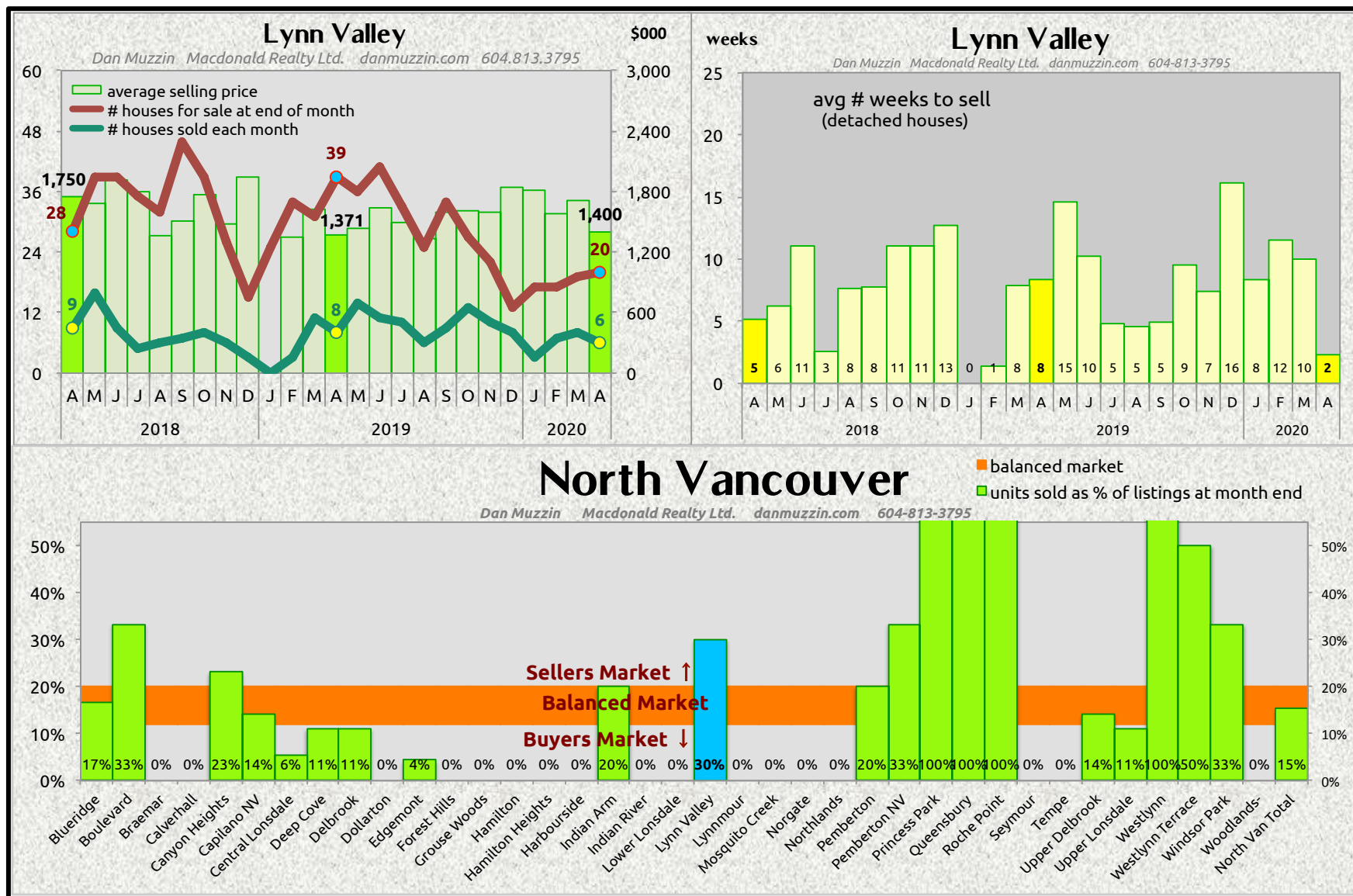
compare 2011 – 2020 Sales and Listings for the month of April





Lynn Valley housing snapshot – April 30, 2020

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

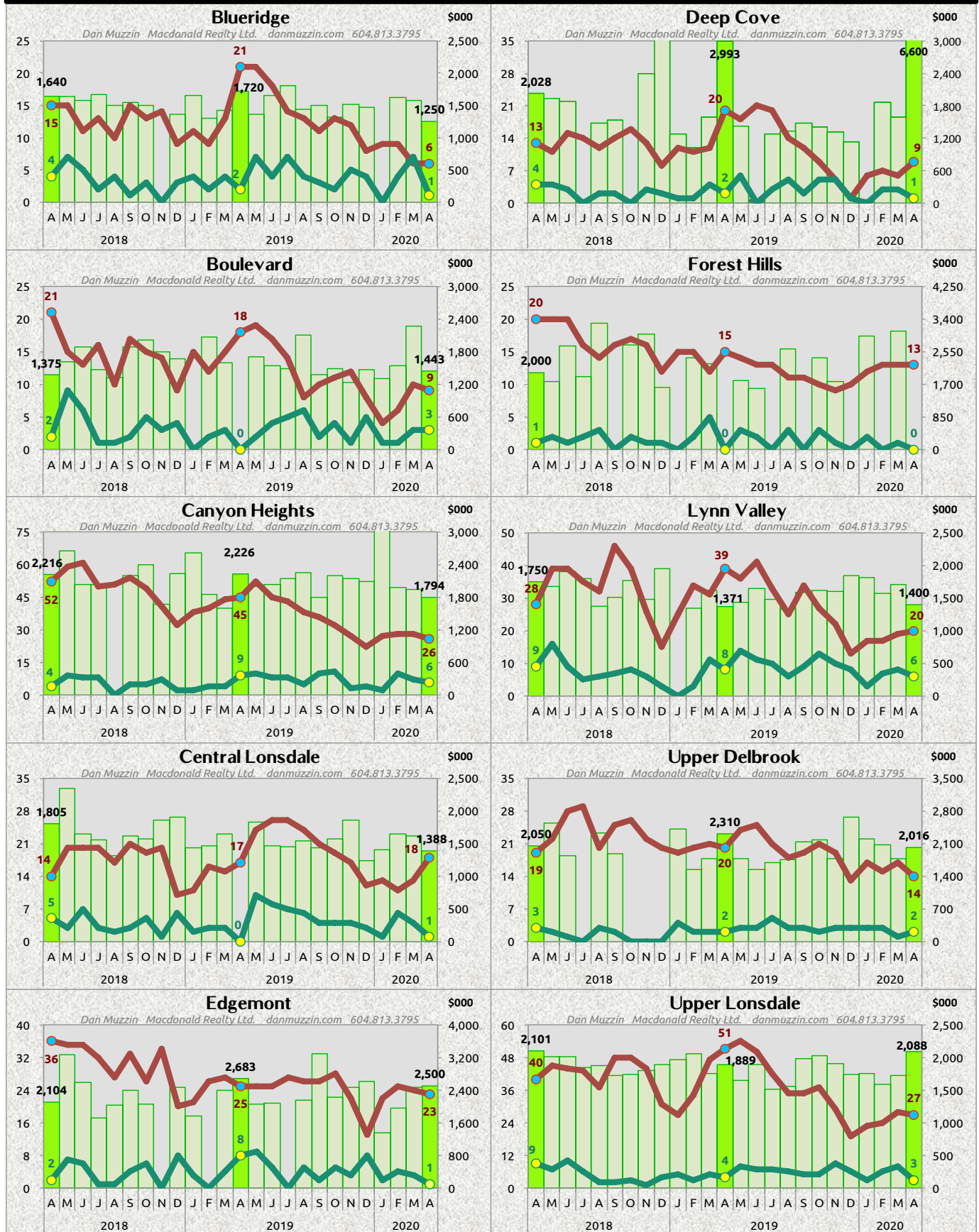


chart data obtained from Real Estate Board of Greater Vancouver

danmuzzin.com

sales details for selected West Vancouver neighbourhoods



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

