



A Fresh Perspective

February 2012

In this issue:

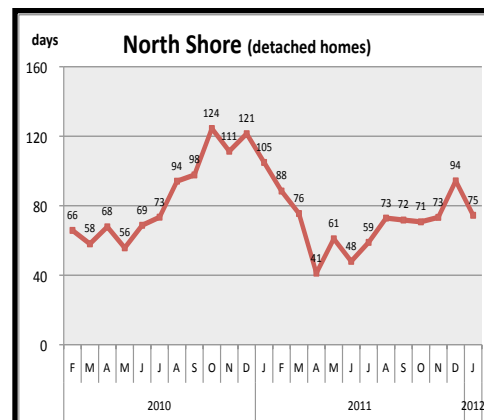
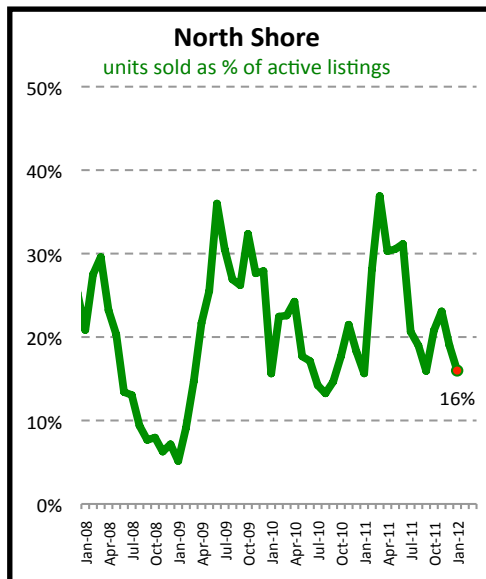
- market update
- selected sales details
- strata document alert
- great value – mortgage choices



market update

The Real Estate Board of Greater Vancouver (REBGV) reported total MLS® residential property sales of 1,577 units in January representing a 5% decline from the levels of December, and 13% fewer than in January 2011. At 13,456, the total number of residential property listings at January 31 was 11% more than at the end of December, and almost 20% more than at the end of January 2011. The metro MLS® sales to active listings ratio rose back to the November 2011 level of about 17%, suggesting balanced market conditions.

North Shore home sales, at 183 units, were slightly higher by 1% over December, and 14% higher than in January 2011. The sales to active listings ratio on the North Shore dipped to 16%, from 19% in December, which suggests the local housing market continues to be in balance favoring neither buyers nor sellers. In January, North Shore single-family homes sold on average in 75 days compared to 94 days in December, and 105 days in January 2011.

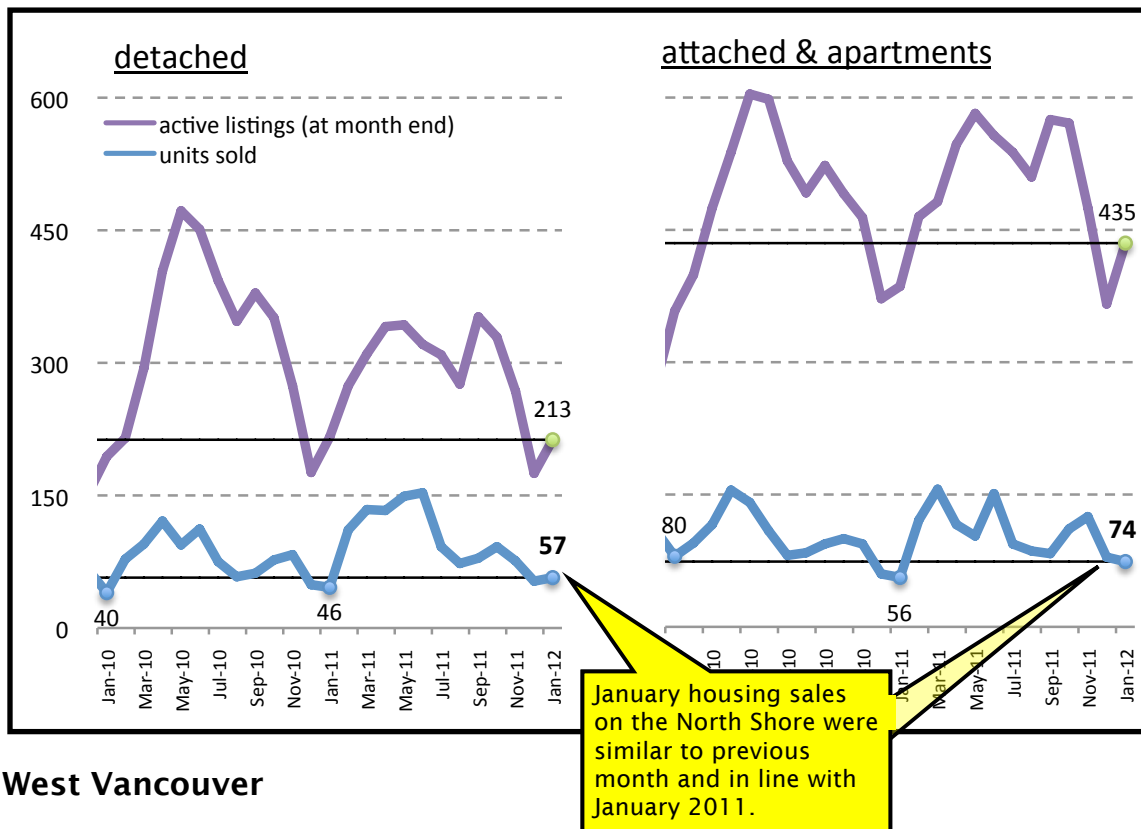


As prices and sales can vary dramatically by neighbourhood, feel free to call me for market performance in your area. For the complete January 2012 REBGV market report, click on www.danmuzzin.com/news.html.

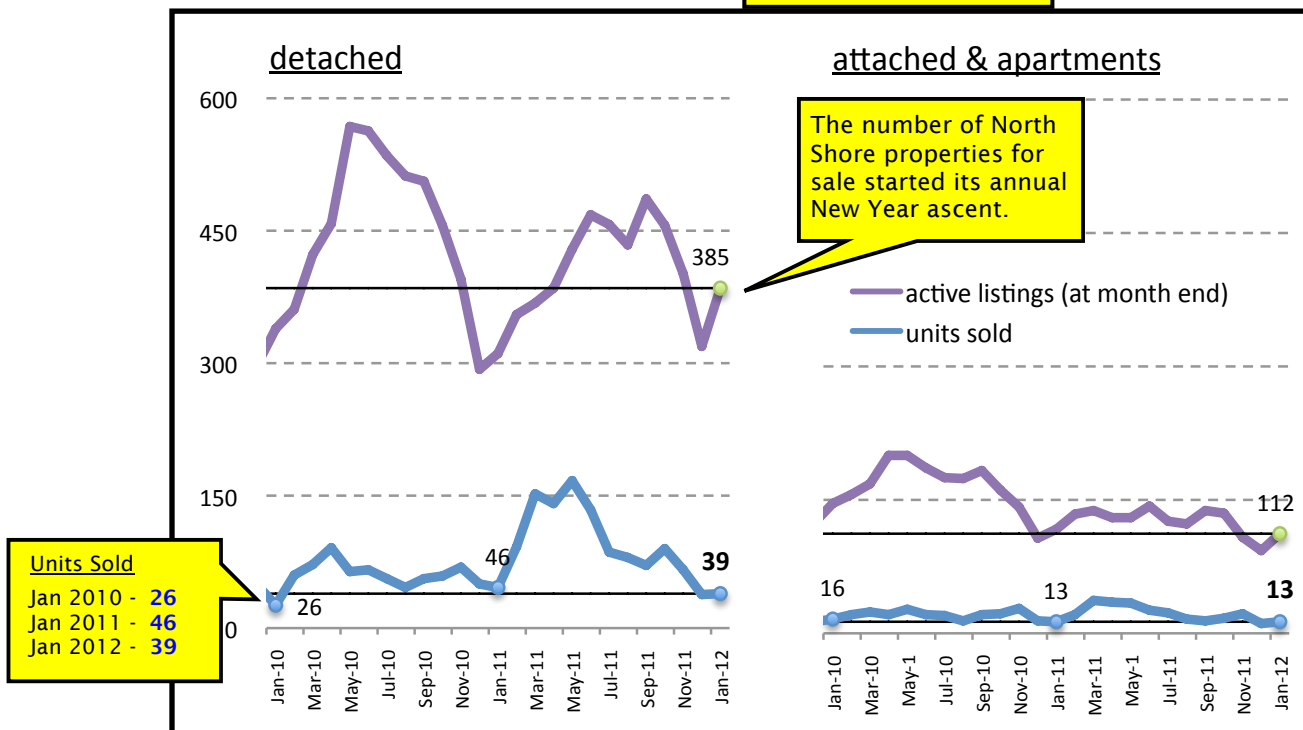


The following charts show the inventory of homes for sale on the last day of each month from January 2010 to January 2012, and the sales for each month.

North Vancouver



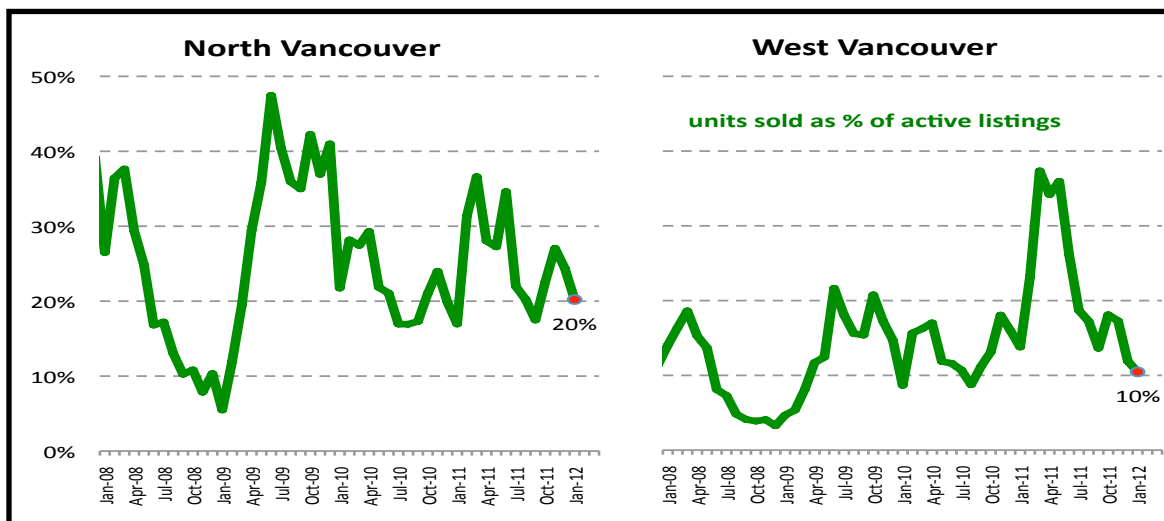
West Vancouver



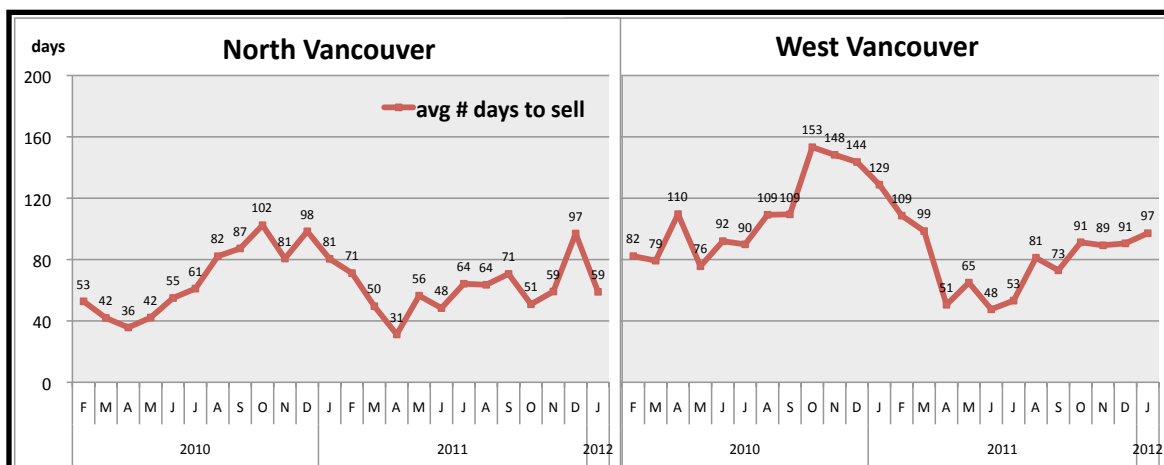


selected sales details

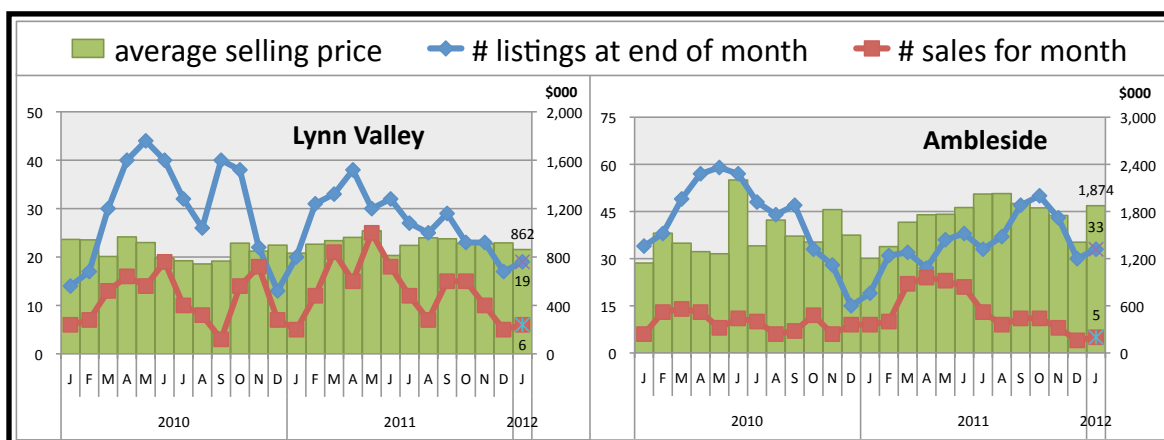
properties sold, as a % of # of properties for sale at end of month



average # of days it took for detached houses to sell



sales by neighbourhood (detached houses) call me for sales details in your local area





strata document alert

In December 2011, the provincial government changed several important strata requirements. The changes mainly concern depreciation reports and contributions to a strata corporation's contingency reserve fund (CRF).

Depreciation Reports - A strata corporation's depreciation report estimates the life expectancy of major items and the ultimate cost of their maintenance, repair or replacement over the next 30 years. The report must also include a financial forecast that offers at least three cash flow funding models for the CRF.

Every strata corporation, with some exemptions, has until December 2013 to prepare a depreciation report and thereafter must update its depreciation report every three years.

Funding the CRF - In the past, once a strata corporation's CRF exceeded the amount of the previous year's operating budget, the law prohibited further CRF contributions. Now, the corporation may approve further contributions as part of the ordinary budget approval process after considering the depreciation report.

For details http://www2.news.gov.bc.ca/news_releases_2009-2013/2011ENER0125-001607.htm

great value – mortgage choices

Last month, the Bank of Montreal, in an attempt to gain market share during the slower winter housing months, surprised the mortgage industry by introducing a posted 2.99% 5-year fixed rate mortgage to the marketplace.

The move prompted a bit of a mortgage war as other lenders played catch-up to match what was done by BMO. The result of this maneuvering is that consumers now have some of the lowest rate options in history.

Strategically, some of the banks see mortgage lending as an effective loss-leader in order to capture greater overall banking market share. Since a mortgage is often a 20+ year commitment, your lender will have plenty of opportunities to offer you an assortment of lucrative financial products such as banking services, credit cards, commercial loans, lines-of-credit, private banking, and investment products. Some banks may be willing to earn low or no profits in their mortgage operations in order to attract more customers to their higher margin products.

What does this mean for borrowers?

While it's always nice to get the best rate possible, remember that there's more to a mortgage than just the interest rate. This mortgage battle has resulted in lowering rates of MANY different types of mortgages so now should be the time to sit down with a professional mortgage specialist or broker and see what is best for your set of circumstances.

Please feel free to contact me if you have any questions, or would like to be referred to reputable lenders or mortgage brokers.