



## A Fresh Perspective

### February 2017

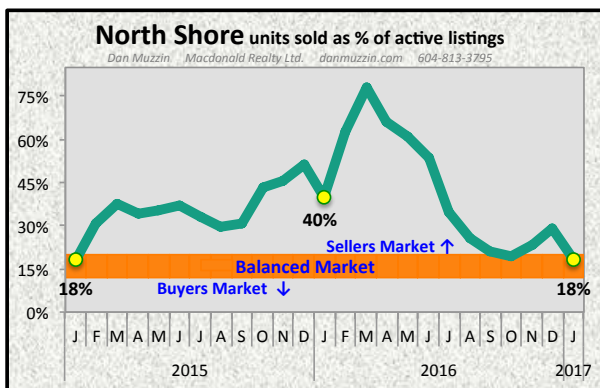
#### In this issue:

- market update
- owner-built new homes
- great value – cost saving programs
- selected sales details



#### market update

The Real Estate Board of Greater Vancouver (REBGV) reported total MLS® residential property sales of 1,523 units in January, representing 11% fewer sales than in December, and 40% less than in January 2016. Due to the reluctance of buyers and sellers of detached homes to engage, sales in January was 10% below the 10-year average for the month. At 7,238, the total number of residential property listings at January 31 was 14% higher than at the end of December, and just over 7% lower than at the end of January 2016. At 21%, the metro MLS® sales-to-active-listings ratio was 6% lower than in December.



**North Shore** home sales in January, at 142 units, were 22% less than the 181 properties sold in December, and 48% fewer than the 273 sold in January 2016. The sales-to-active-listings ratio on the North Shore plunged to 18%, from 29% in December, reflecting 17% fewer-than-normal sales for January and 26% fewer than the normal # of properties for sale as at the end of January. The North Shore houses that did sell in January took an average of 13 weeks to sell, two weeks longer than it took for those that sold in December, and four

weeks longer than the average of 9 weeks it took for houses that sold in January 2016. At January 31, there were 780 North Shore properties listed for sale (on MLS®) or 26% more than the 620 listings at the end of December, and 14% more than the 685 units for sale at January 31, 2016. Benchmark prices of houses are higher by 16% in North Vancouver and by 9% in West Vancouver, 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 January 2017 REBGV market report, visit [www.danmuzzin.com/news.html](http://www.danmuzzin.com/news.html).



## owner-built new homes

Under the Homeowner Protection Act (Act) a **new home** is defined as “a building, or portion of a building, that is newly constructed or being constructed and is intended for residential occupancy, and includes a home that is or is being substantially reconstructed.”

As an aid to local governments, owners, builders, developers, architects, designers and other interested parties, BC Housing (“BCH”) has defined the conditions under which an existing building, under renovation or reconstruction becomes a “new home.” If a project is considered to be “substantially reconstructed” it is no longer considered a renovation and requires a New Home Registration Form.

Renovations do not normally require New Home Registration Forms. However, in the case where a project is deemed to become a new home for the purposes of the Act, by virtue of it being substantially reconstructed, proof that a licensed builder has arranged for home warranty insurance for the new home or some formal exemption (such as an Owner Builder Authorization) from these requirements is required.

Although each case must be examined on its own merits and the final determination made by BCH, a home that has been changed so that 25% or less of the original structure above foundation remains, or 75% or more of the reconstructed home is new, the home is deemed to be substantially reconstructed and, thus, is a new home for the purposes of the Act.

A couple of potential scenarios where renovations could be substantial reconstructions...

- homes where the foundation is remaining, but much of the structure above the foundation is new
- pre-existing homes divided into additional dwelling units

Owner builders must occupy their new homes themselves for at least one year after obtaining an occupancy permit and are not permitted to sell or rent the new home during that one-year period.

The Homeowner Protection Office (“HPO”) is advised by the Land Title Office whenever the title of an owner-built home is transferred and the HPO pursues enforcement action if the sale is illegal (which may include compliance orders, monetary penalties, court injunctions, or convictions under the Act). If unsure of your obligations, call HPO at 604-646-7050.

-per BCH Regulatory Bulletin <https://www.bchousing.org/licensing-consumer-services/owner-builder/buying-selling-owner-built-home>

## great value – cost saving programs

With so many announcements made in the past year by governments at all levels, that affect real estate transactions and housing generally, it's easy to lose track of the many programs that are currently available to financially help homeowners and home buyers.

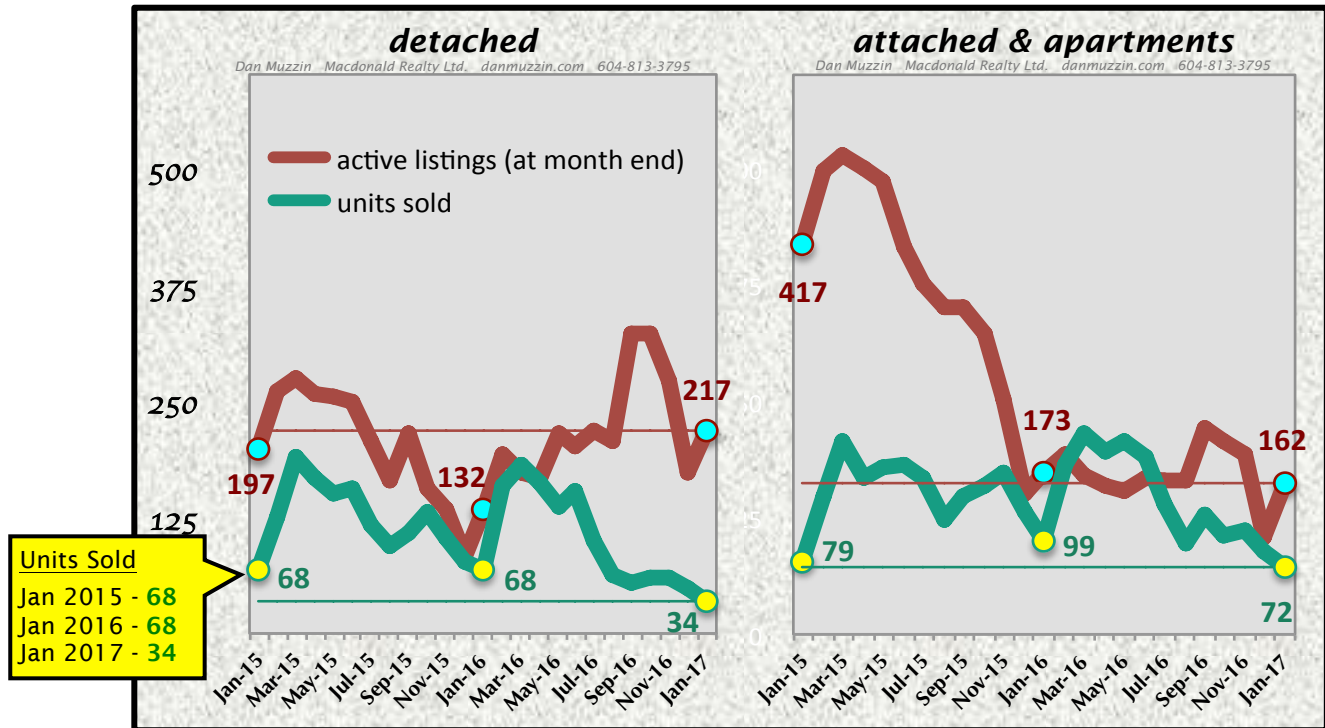
Some of the programs are designed to benefit first-time buyers, while others benefit seniors and/or buyers of newly built homes. Several schemes provide assistance to those whose renovations improve the energy efficiency of their homes.

For a complete list of cost saving programs including a brief description of each and “[Learn more](#)” links to much more online information for each of them, refer to the last two pages of this newsletter, or call Dan at 604-813-3795.

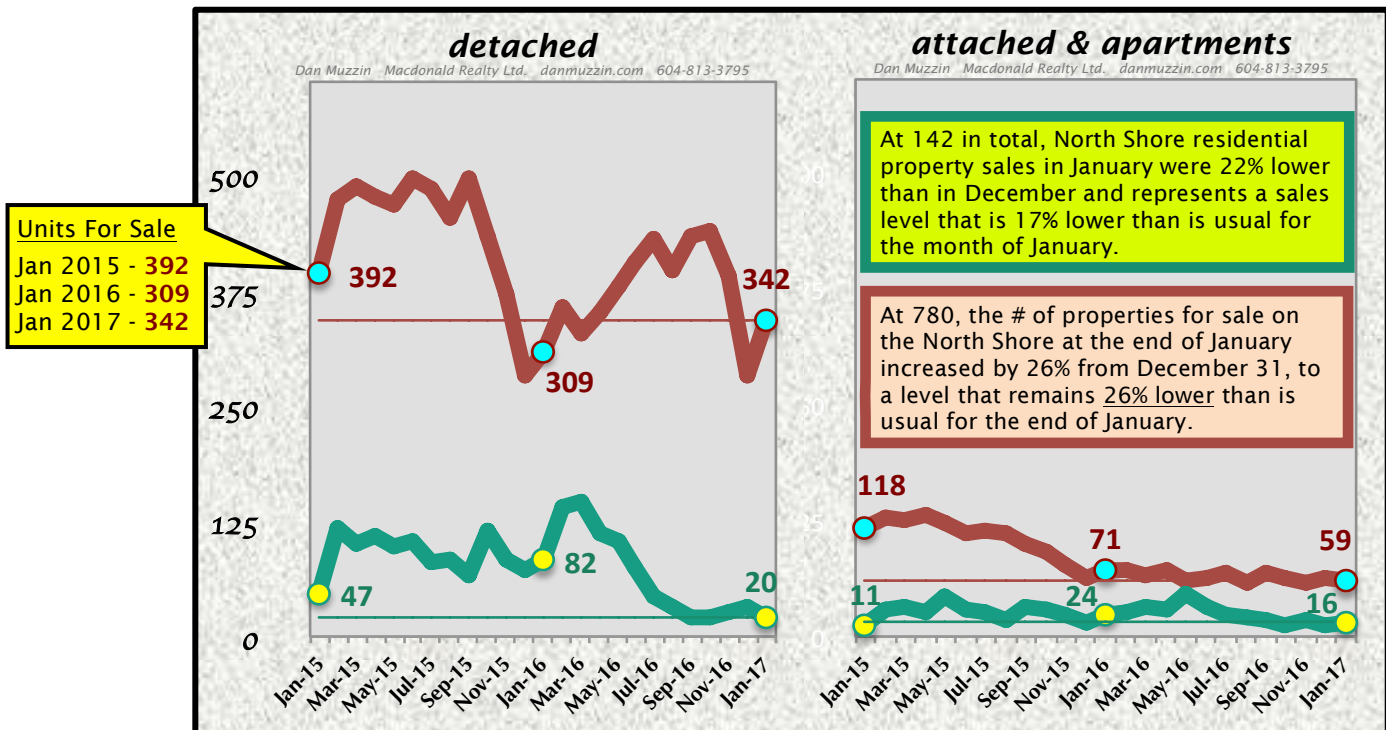


The following charts show the inventory of North Shore homes for sale on the last day of each month from January 2015 to January 2017, and the sales for each month.

## North Vancouver



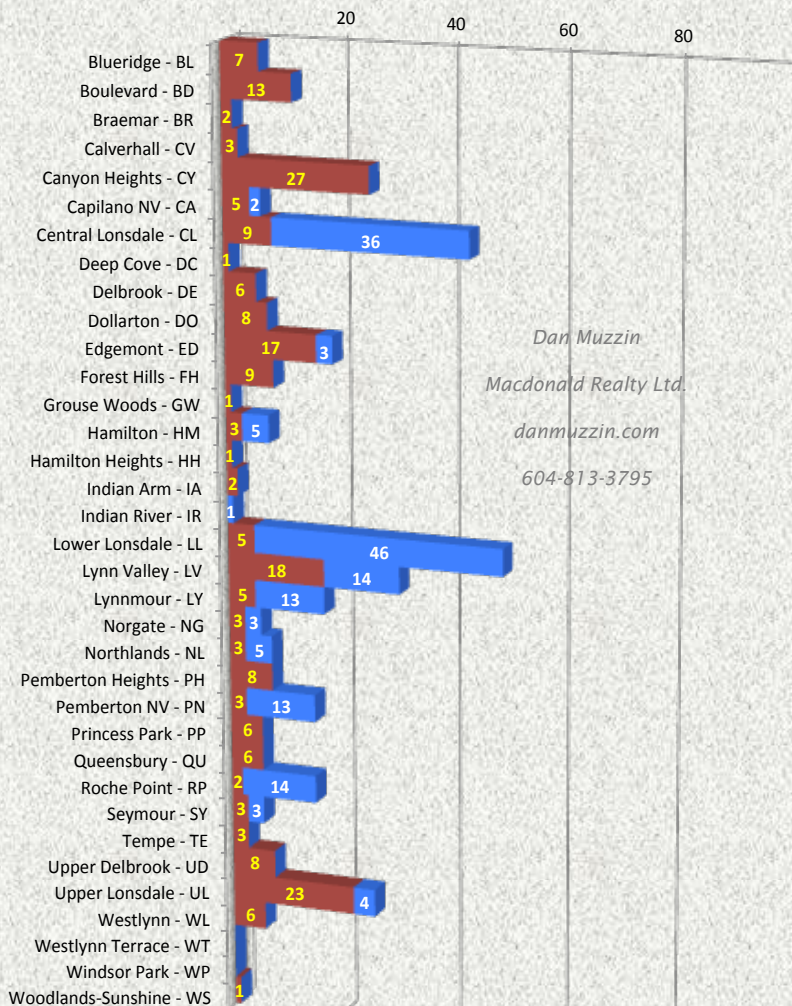
## West Vancouver



## # of North Shore properties for sale at January 31, 2017 (on MLS®)

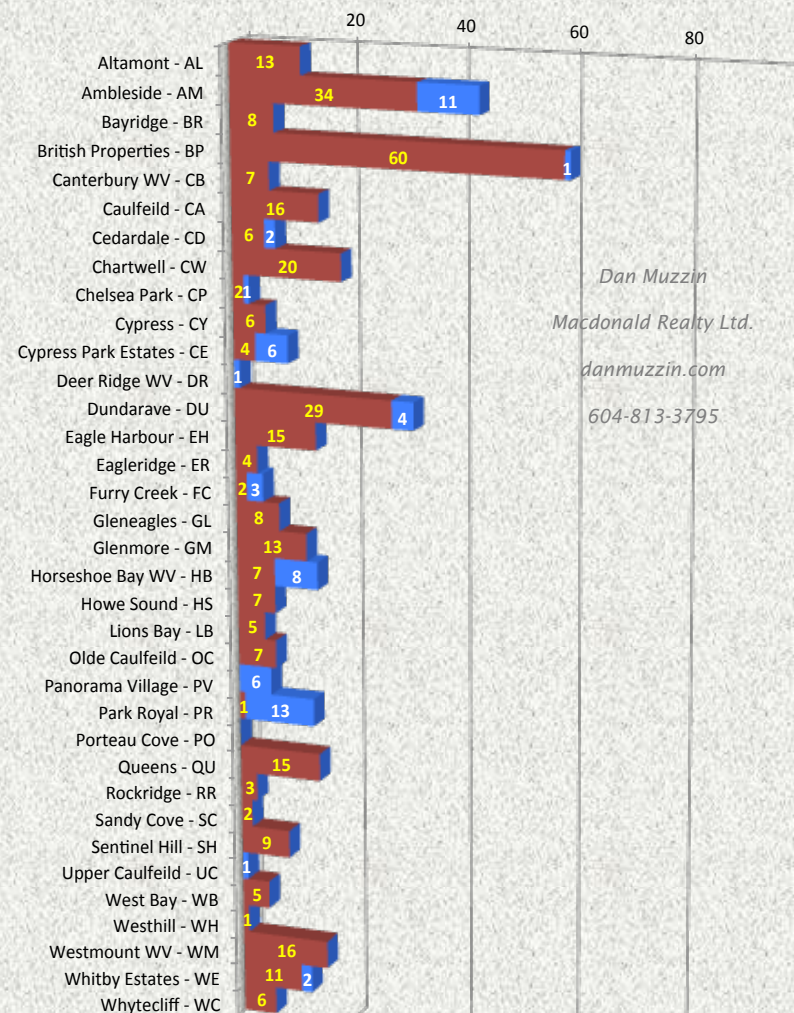
### North Vancouver

■ detached (217) ■ attached/apts (162)



### West Vancouver

■ detached (342) ■ attached/apts (59)



Dan Muzzin

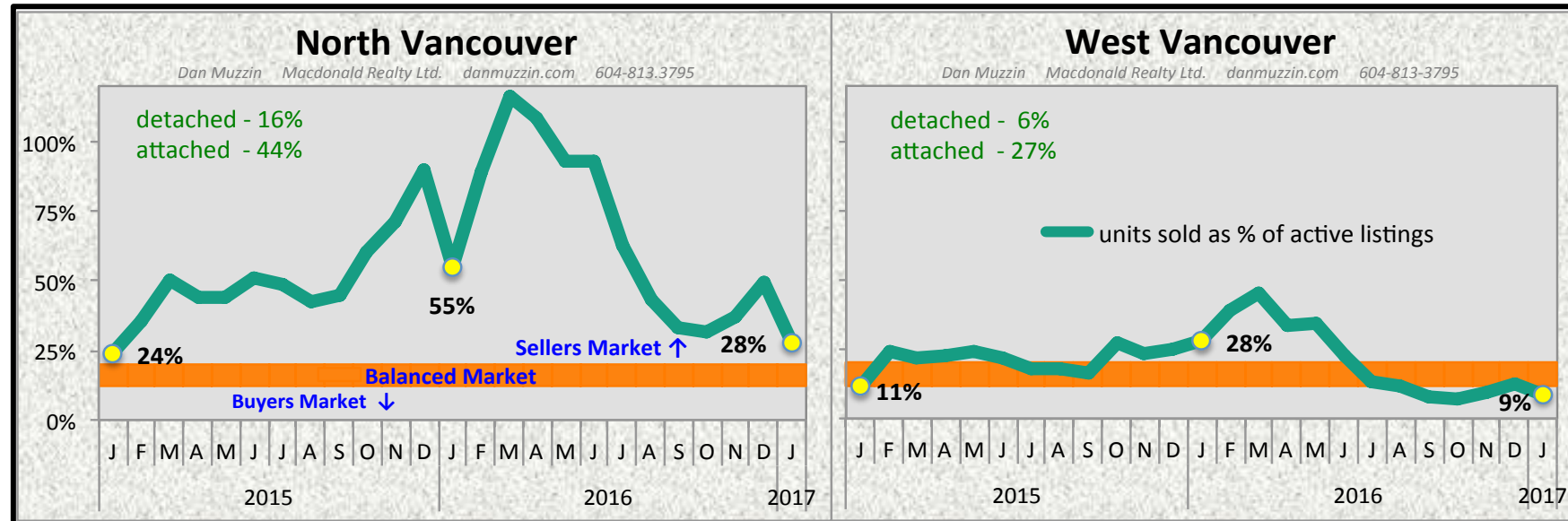
Macdonald Realty Ltd.

danmuzzin.com

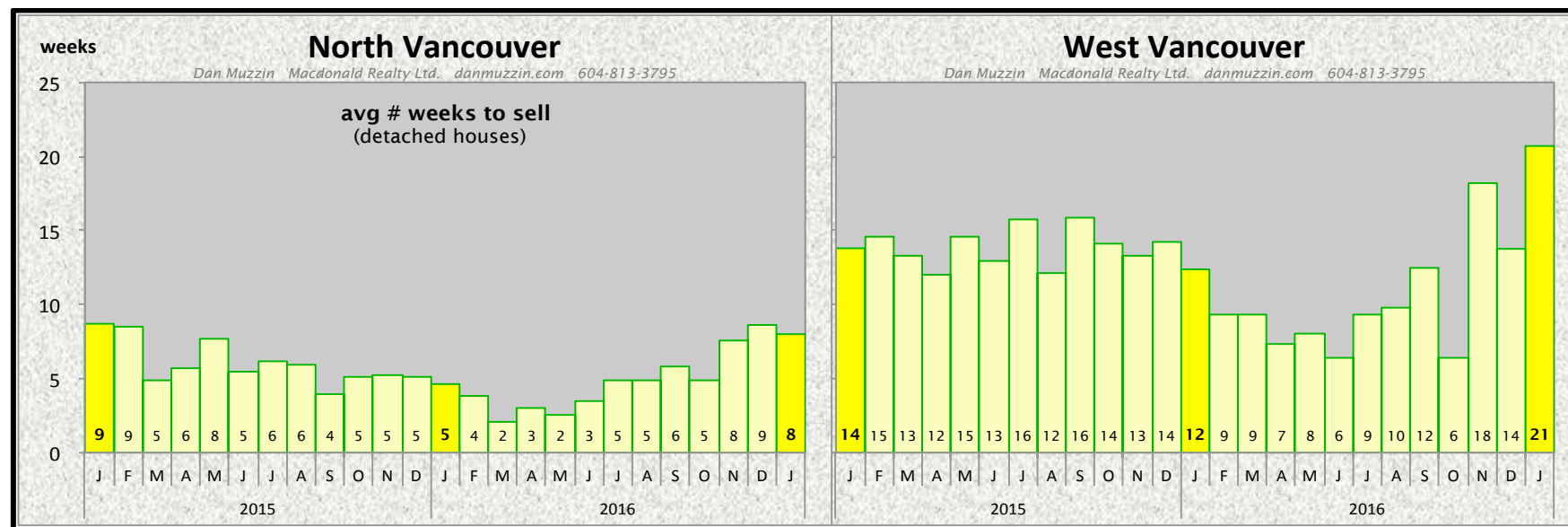
604-813-3795



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



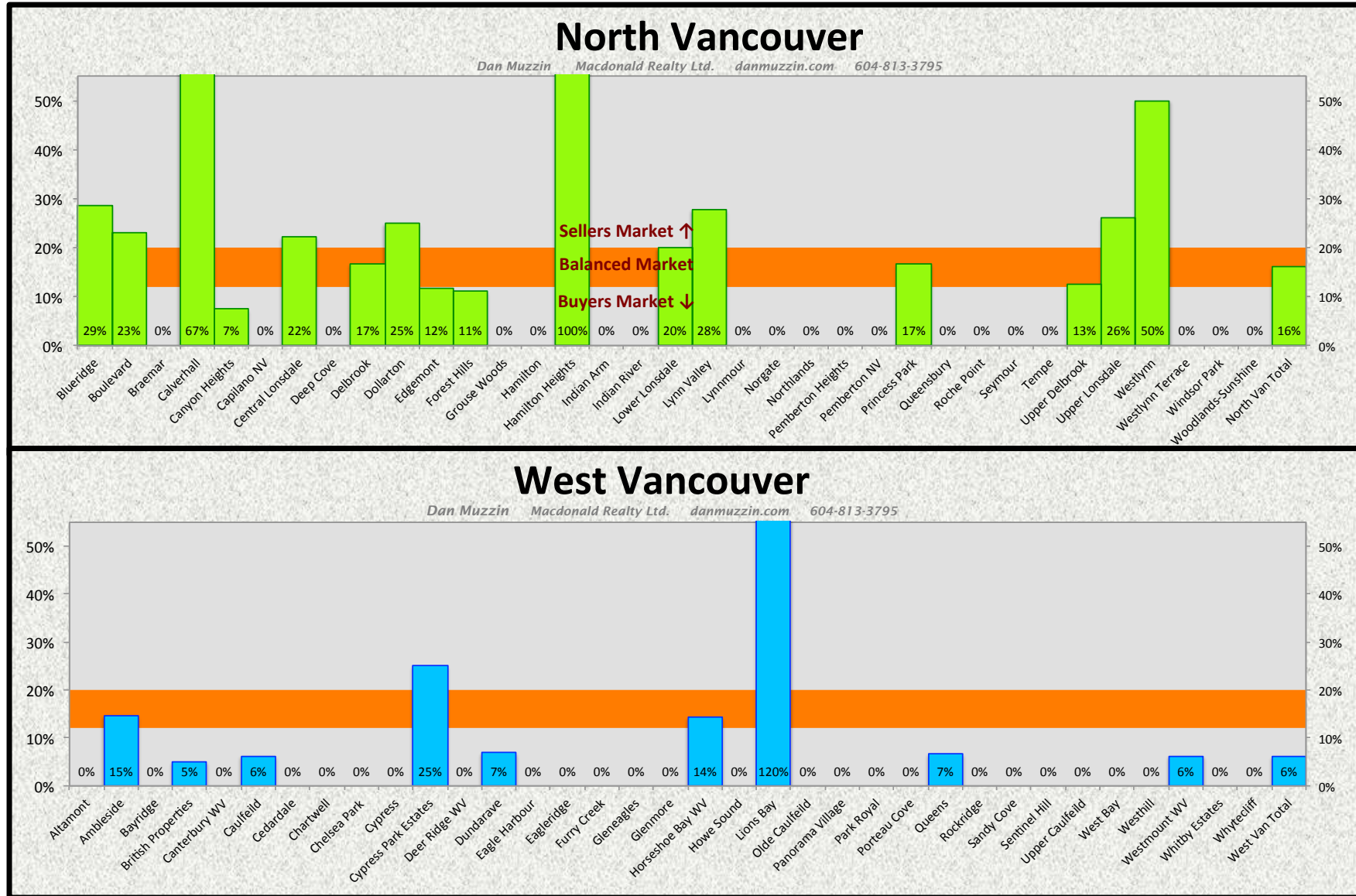
*average # of weeks it took for detached houses to sell*



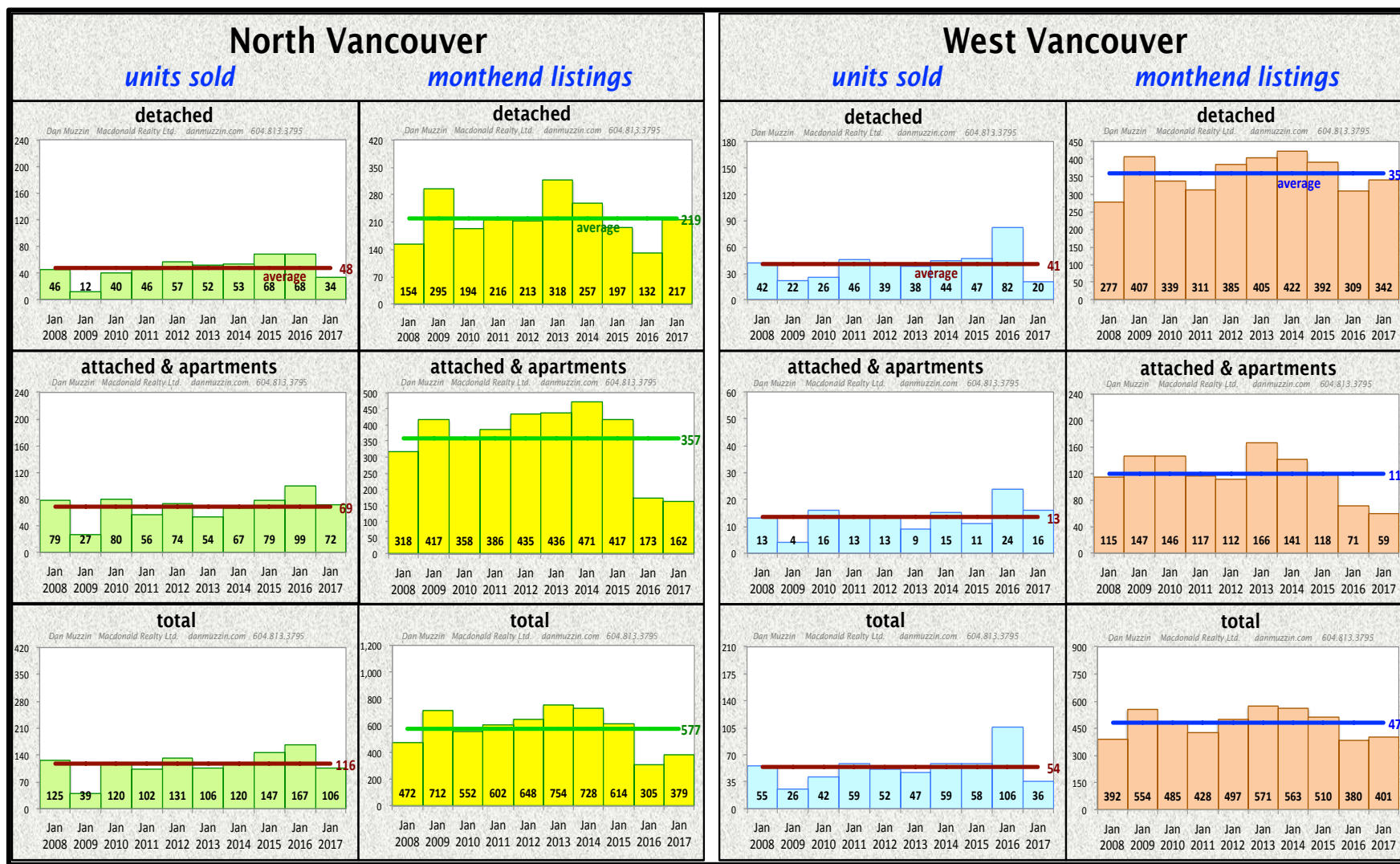


do housing conditions in your neighbourhood favour sellers, buyers or are they in balance?

single-family detached houses sold in January 2017, as % of the number of houses for sale at January 31, 2017

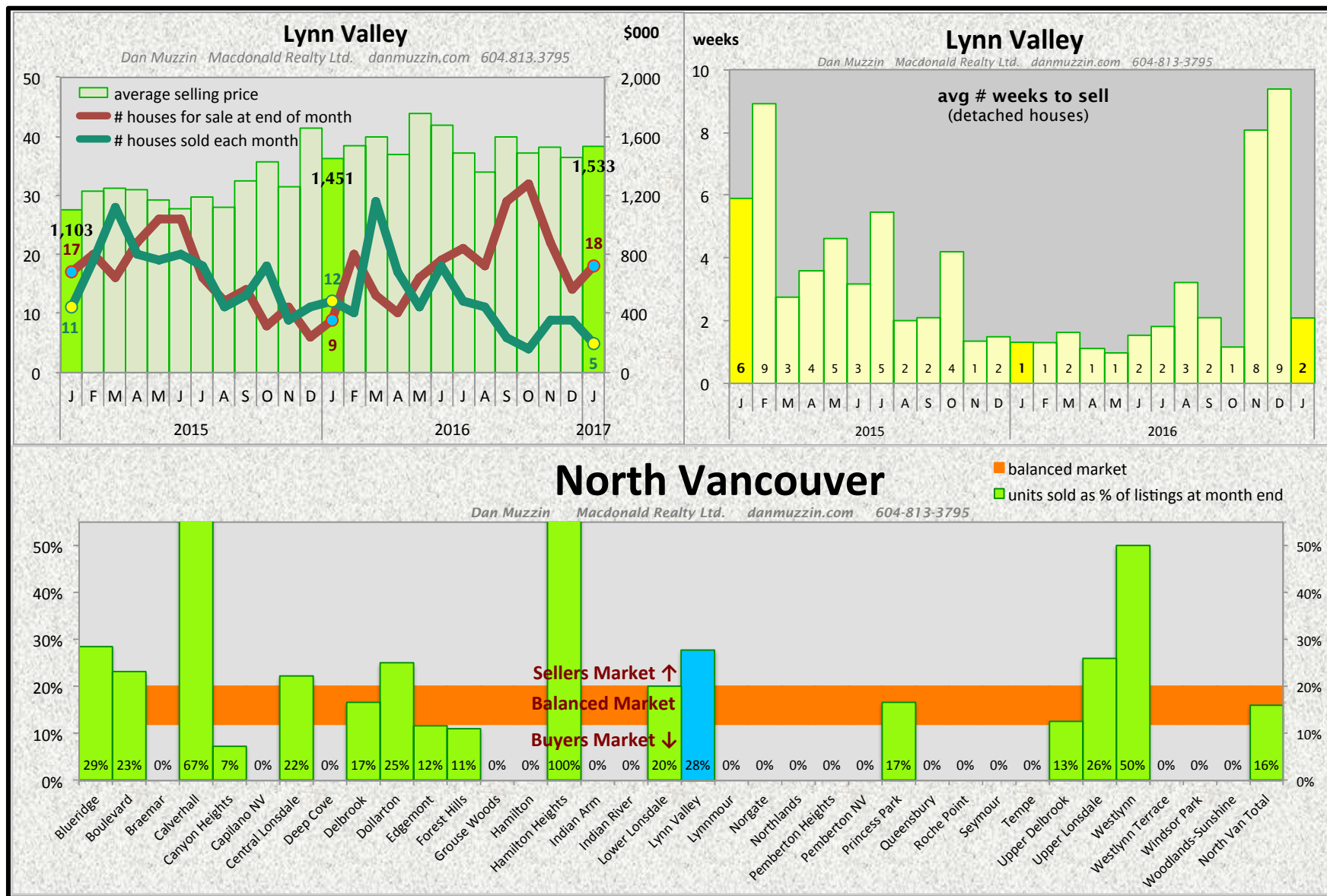


## compare 2008 – 2017 Sales and Listings for the month of January



## Lynn Valley housing snapshot - January 31, 2017

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

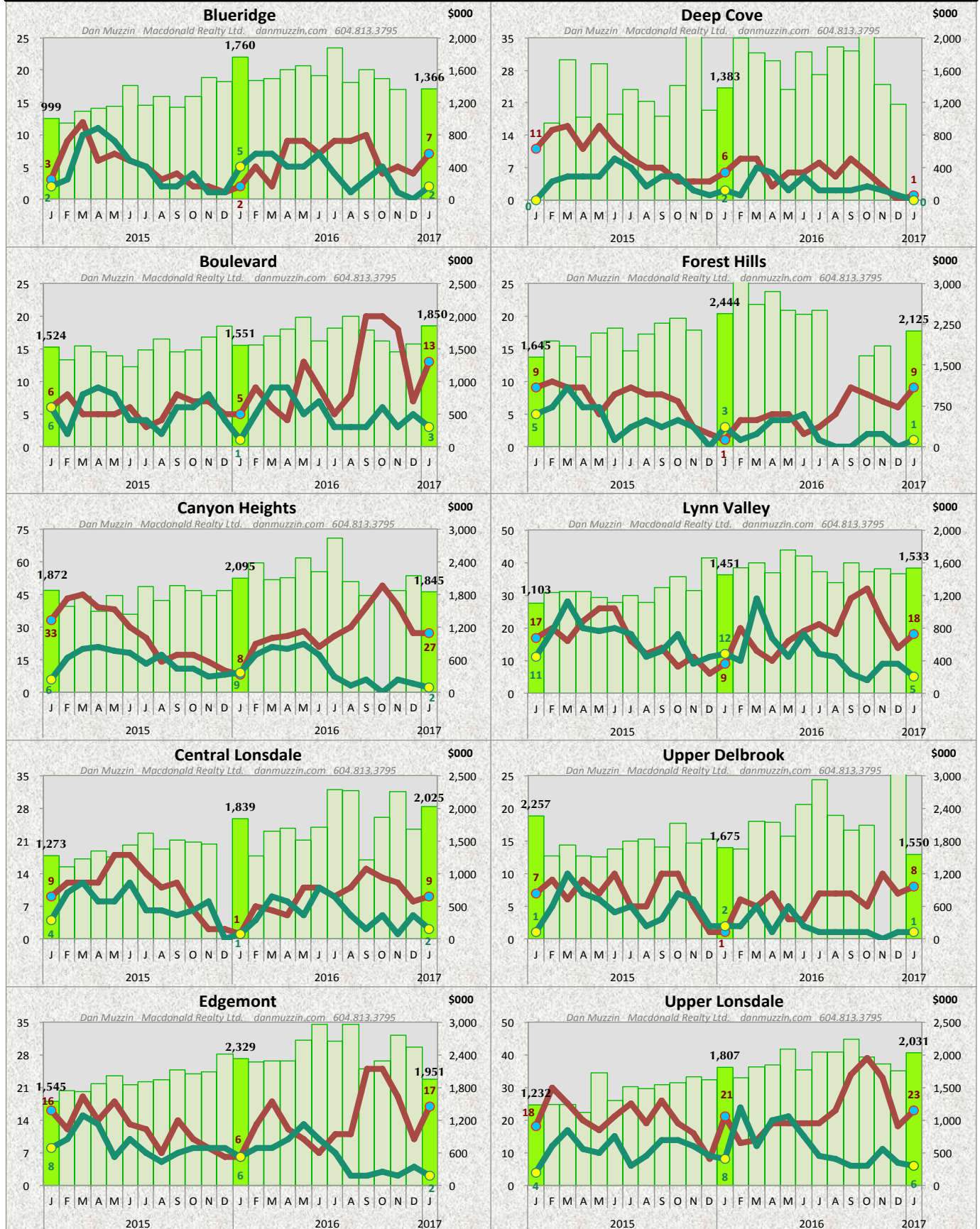




# sales details for selected North Vancouver neighbourhoods



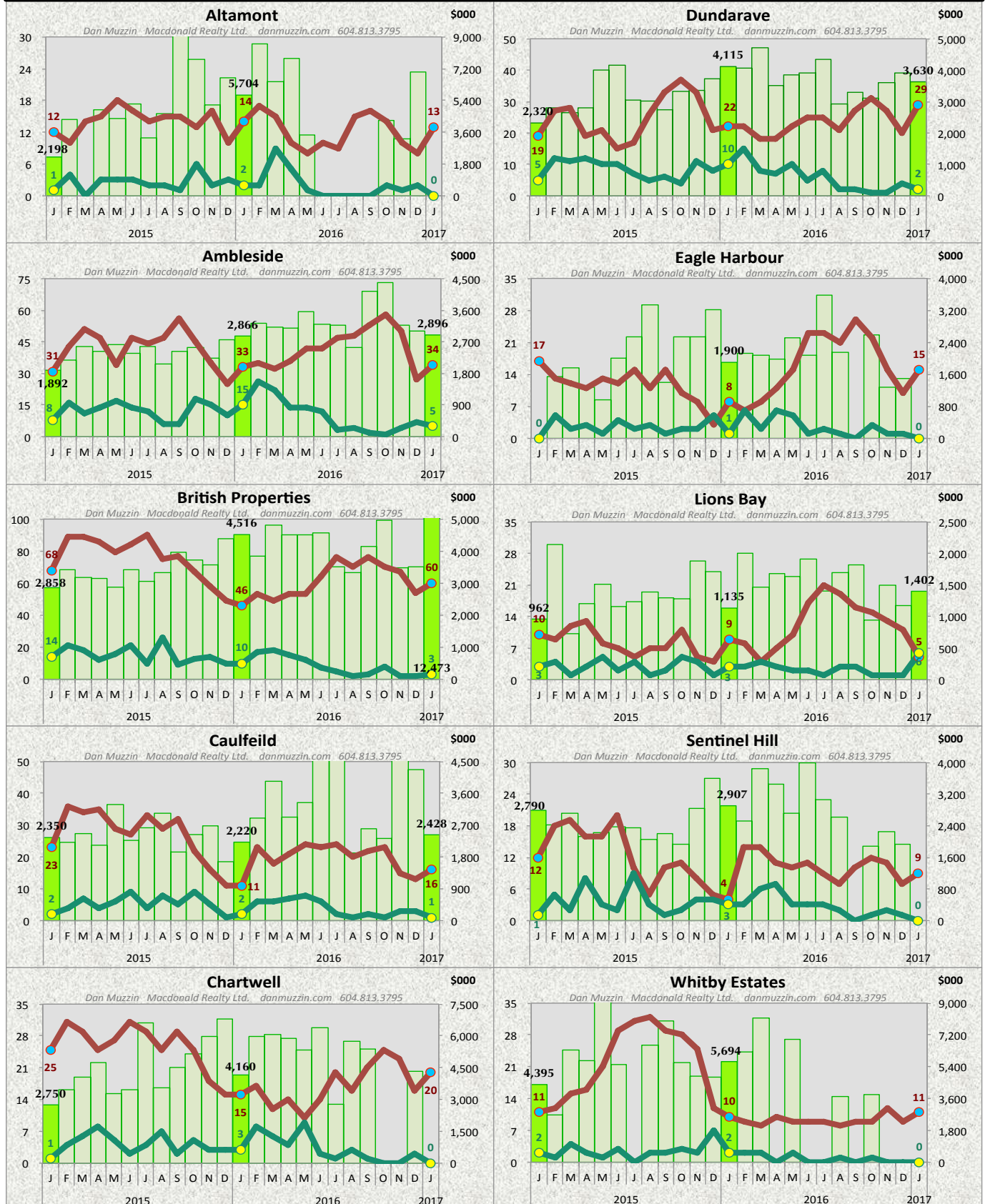
■ average selling price 
 — # houses for sale at end of month 
 — # house sales for month



# sales details for selected West Vancouver neighbourhoods



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



## 1. BC Home Owner Mortgage and Equity (HOME) Partnership program

Offers qualifying first-time buyers with a down payment, a matching down payment loan of up to 5% of the purchase price to a maximum of \$37,500 on a home priced up to \$750,000. The loan is interest-free and payment-free for 5 years. Then buyers can repay their loan or make monthly payments at prevailing interest rates. Loans are due after 25 years.

## 2. BC Property Transfer Tax (PTT) First-Time Home Buyers' Program

Qualifying first-time buyers may be exempt from paying the PTT of 1% on the first \$200,000 and 2% on the remainder of the purchase price of a resale home priced up to \$475,000. There is a proportional exemption for homes priced between \$475,000 and \$500,000. At \$500,000 and above the rebate is nil. [Learn more.](#) 1.250.387.0604

## 3. BC Property Transfer Tax Newly Built Home Exemption

Qualifying buyers of new homes may be exempt from paying the PTT on a newly built home or newly subdivided unit priced up to \$750,000, saving buyers up to \$13,000; and a partial exemption on newly built homes priced \$750,000 to \$800,000. [Learn more.](#) 1.888.355.2700

## 4. BC Home Owner Grant

Reduces property taxes for home owners with an assessed value up to \$1,600,000. Is reduced \$5 for each \$1,000 and eliminated homes assessed at **\$1,714,000 or \$1,754,000 in northern/rural areas.** Basic grant:

- up to \$570 in property taxes on principal residences in the Capital, Greater Vancouver and Fraser Valley regional districts;
- an additional grant of \$200 to rural home owners elsewhere in the province; and
- an additional grant of \$275 to seniors aged 65+, those who are permanently disabled and veterans of certain wars. [Learn more](#) or contact your municipal tax office.



## 5. BC Property Tax Deferral Programs

- **Property Tax Deferral Program for Seniors.** Qualifying home owners aged 55+ can defer property taxes.
- **Financial Hardship Property Tax Deferral Program.** Qualifying low-income home owners can defer property taxes.
- **Property Tax Deferral Program for Families with Children.** Qualifying home owners who financially support children under age 18 can defer property taxes. [Learn more.](#) 1-888-355-2700

## 6. Home Buyers' Plan

Qualifying home buyers can withdraw up to \$25,000 (couples can withdraw up to \$50,000) from their RRSPs for a down payment. Home buyers who have repaid their RRSP may be eligible to use the program a second time. Canada Revenue Agency. [Learn more](#) or to participate in the [Home Buyers' Plan](#) or call 1.800.267.6999

## 7. GST/HST New Housing Rebate

New home buyers can apply for a [rebate](#) for the 5% GST if the purchase price is \$350,000 or less. The rebate is equal to 36% of the GST to a maximum rebate of \$6,300. There is a proportional GST rebate for new homes costing \$350,000 - \$450,000. There is no rebate for homes priced at \$450,000 and above. [Canada Revenue Agency.](#) 1.800.959.8287

## 8. First-Time Home Buyers' Tax Credit (HBTC)

Eligible individuals who bought a qualifying home in 2016 can claim the home buyers' amount of \$5,000 on line 369 of Schedule 1 when filing their 2016 income tax and benefit returns. For 2016, the maximum home buyers' tax credit (HBTC) is \$750, which is calculated by multiplying the home buyers' amount of \$5,000 by the federal non-refundable tax credit rate of 15% (equal to the lowest personal income tax rate for the year). [Learn more.](#) 1.800.959.8281

## 9. Home Adaptations for Independence (HAFI)

A program jointly sponsored by the provincial and federal governments provides up to \$20,000 to help eligible low income seniors and disabled home owners and landlords finance modifications to their homes to make them accessible and safer. [Learn More.](#) 604.433.2218 or toll-free 1.800.257.7756

## 10. BC Seniors' Home Renovation Tax Credit

Assists eligible seniors 65+ with the cost of some permanent home renovations to a principal residence to improve accessibility. The maximum refundable credit is \$1,000 per tax year and is calculated as 10% of the qualifying renovation expense (maximum \$10,000). Forms are available online. [Learn more.](#) Toll-free 1.800.959.8281

## 11. CMHC Mortgage Loan Insurance Premium Refund

Provides home buyers with CMHC mortgage insurance, a 10% premium refund and possible extended amortization without surcharge when buyers purchase an energy efficient home or make energy saving renovations. [Learn more.](#) 604.731.5733

## 12. Energy saving mortgages

Financial institutions offer special mortgages to home buyers/owners making homes energy efficient. For example, home owners who have a home energy audit within 90 days of receiving an **RBC Energy Saver™ Mortgage** may qualify for a rebate of \$300 to their RBC account. **BMO Eco Smart Mortgage™** rewards customers for making energy efficient choices.



## Cost Savings Program (continued)

### 13. Low interest renovation loans

Financial institutions offer 'green' loans for home owners making energy efficient upgrades, for example, [Vancity Home Energy Loan](#) and [RBC's Energy Saver loan](#) offers 1% off the interest rate for a fixed rate installment loan over \$5,000 or a \$100 rebate on a home energy audit on a fixed rate installment loan over \$5,000. For information visit your financial institution.

### 14. Energy Conservation and Assistance Program

[BC Hydro](#) and [FortisBC](#) offer free energy assessments and energy saving products to income-qualifying households for upgrades ranging of \$300 to \$5,000.

### 15. FortisBC new home energy rebate offer

FortisBC and BC Hydro customers can receive rebates when building ENERGY STAR new homes or installing high-efficiency natural gas fireplaces. [Learn more.](#)

### 16. Home Energy Rebate Offer

BC Hydro and FortisBC offer home owners [rebates](#) for upgrades and improvements, including insulation, space & water heating systems and ventilation to reduce your energy bill. Includes a bonus offer for completing 3+ upgrades. Total value of available rebates: **\$5,300 per household.** [Learn more.](#) 1.877.740.0055.

### 17. Energy savings kits

BC Hydro and FortisBC offer income-qualifying customers a free energy saving kit containing products to help save energy and money. [Learn more.](#)



### 18. ENERGY STAR Appliances

BC Hydro Power Smart and various municipalities are offering \$100 mail-in rebates to home owners buying ENERGY STAR clothes dryers and refrigerators. Coquitlam, New Westminster, North Vancouver City, North Vancouver District, Richmond, Vancouver and West Vancouver are participating. [Learn more.](#)

### 19. FortisBC rebates for homes

Rebates for home owners include a \$300 rebate for purchasing an EnerChoice fireplace, or up to \$1,800 off an ENERGY STAR water heater, or a \$1,000 rebate for switching to natural gas (from oil or propane) and installing an ENERGY STAR heating system. Total value of available rebates: **\$5,300 per household.** [Learn more.](#) 1.800.663.8400

### 20. FortisBC Rebate for rental apartment buildings

The Rental Apartment Efficiency Program for owners and managers of rental apartment buildings of 9 or more units includes a water-efficient shower head and a kitchen and bathroom faucet aerator, an energy assessment and ongoing professional assistance. [Learn more](#) and [FAQ's](#).

### 21. Join the Power Smart Team

Become a member of Team Power Smart and start a challenge to reduce your electricity use by 10% over the next year. If you're successful you'll earn a \$50 reward. [Learn more.](#)

### 22. Building Energy Retrofit funds

The City of Vancouver's \$1 million fund includes a \$150,000 grant to the Vancouver Heritage Foundation for retrofits to pre-1940s homes, a new Home Energy Efficiency Empowerment Program for 675 homeowners to evaluate energy efficiency, and a \$1 million to a Green Landlord Program to help non-market apartment building owners and operators reinvest in buildings and reduce energy costs. [Learn more](#) (City of Vancouver).

### 23. Rain barrel subsidy programs

Metro Vancouver municipalities offer rain barrels for sale at a discount for residents: [Richmond](#) - \$30, [Burnaby](#) - \$70, [Coquitlam](#) - \$72, [West Vancouver](#) - \$55. Other municipalities have similar offers.

### 24. Water saving kits

Metro Vancouver municipalities offer water saving kits to reduce water use including [Burnaby](#), [Coquitlam](#), and [Delta](#).

### 25. Local government water conservation incentives

Includes: **Toilets:** [North Vancouver District](#) offers a \$50 rebate to residents installing a low-flush toilet. [Richmond](#) offers a \$100 utility rebate. Visit your municipality's website and enter 'toilet rebate.'

**Clothes washers:** replace your old clothes washer with a new, high efficiency ENERGY STAR clothes washer and receive a \$100 or \$200 rebate from [Richmond](#).

**26. Local government water meter programs**  
Municipalities may offer water metering, so you pay only for the amount of water you use. [Burnaby](#) (scroll down), [Delta](#), [Richmond](#) and [West Vancouver](#) have programs. Visit your municipality's website and enter 'water meter.'

### 27. Vancouver Thermal Imaging program

A new program to help detached homeowners identify heat loss and connect them with energy-saving incentives. Neighbourhoods piloting the program include Strathcona, Hastings Sunrise, Dunbar-Southlands, Riley Park and Victoria Frasersview. [Learn more.](#) Contact [chris.higgins@vancouver.ca](mailto:chris.higgins@vancouver.ca).

### 28. Leaders in Energy Management Program

Partners BC Hydro with BC's largest commercial, government and institutional customers (who spend \$200,000 or more/year on Hydro). Customers gain access to energy management programs, tools and incentives. [Learn more.](#) 1.800.474.6886

### 29. Business Energy Saving Incentives

Provides financial incentives to organizations that replace inefficient technologies with energy efficient technologies. [Learn more.](#) 1.800.474.6886

### 30. FortisBC rebate program for businesses

For commercial buildings, provides a rebate of up to \$45,000 for the purchase of an energy efficient boiler, up to \$15,000 for the purchase of a high-efficiency water heater and receive funding towards a new construction energy study. [Learn more.](#)