



A Fresh Perspective

June 2016

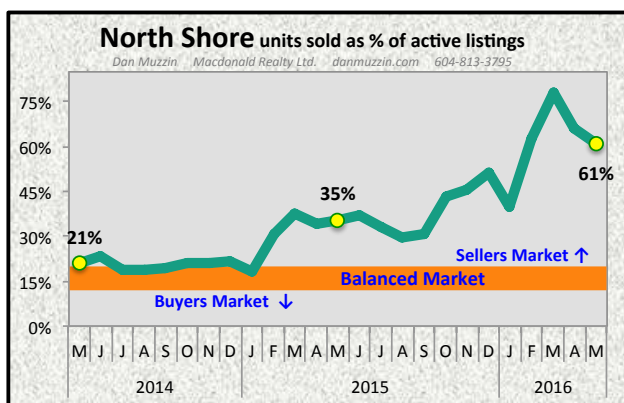
In this issue:

- market update
- new assignment (“flipping”) rules
- great value – keeping current
- selected sales details



market update

The Real Estate Board of Greater Vancouver (REBGV) reported total MLS® residential property sales of 4,769 units in May, representing little change from sales in April, and 18% more than in May 2015. It ranked as the highest sales total on record for May. At 7,726, the total number of residential property listings at May 31 was approximately 2% more than at the end of April, and 37% fewer than at the end of May 2015. At 62%, the metro MLS® sales-to-active-listings ratio slipped by 1% from April and continues to reflect very strong market conditions throughout the region.



North Shore home sales in May, at 492 units, were 1% fewer than the 498 properties sold in April, and 5% more than the 469 sold in May 2015. The sales-to-active-listings ratio on the North Shore decreased to 61%, from 66% in April, reflecting 25% higher-than-normal sales for this time of year and 46% fewer-than-normal # of properties for sale as at the end of May. North Shore houses that sold in May took an average of 5 weeks to sell, the same as for sales in April, and 5 weeks

faster than the 10 weeks it took for houses that sold in May 2015. At May 31, there were 806 North Shore properties listed for sale (on MLS®) or 7% more than the 752 listings at the end of April, and 39% fewer than the 1,328 units for sale at May 31, 2015. Benchmark prices of houses rose by 38% in North Vancouver and by 37% 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 May 2016 REBGV market report, visit www.danmuzzin.com/news.html.



new assignment (“flipping”) rules

Further to the so-called shadow flipping concerns discussed in Dan’s newsletter of April 2016, new regulations that further protect sellers in residential real estate transactions were approved by the BC government and took effect starting May 16, 2016.

With these new rules, REALTORS® who draft offers to buy property must include two separate terms about contract assignment in the offer...

1. one that requires the seller’s consent to transfer the contract; and
2. one that requires any resulting profit to be returned to the seller.

“When people decide to sell their homes – potentially one of their biggest assets – we need to make sure they have all of the information they need to make a decision about what is best for themselves and their families,” Finance Minister Michael de Jong said. “Contract assignment fulfils a legitimate role in real estate transactions, and in certain situations can protect consumers if their circumstances change during a transaction. The changes we have made empower sellers by providing for full disclosure, informed consent and the opportunity for sellers to insist they receive any resulting financial benefit.”

If the prospective buyer wants to remove these terms from the offer, the buyer’s REALTOR® must notify the seller that the terms have been removed from the offer. The seller has the power to reject the offer and insist on one or both of the terms. Sellers must be advised to seek independent professional advice. Sellers’ REALTORS® are also required to discuss with their clients whether the proposed contract would be assignable and whether there would be any conditions on assignment, including whether the seller is entitled to any profit.

These changes are designed to prevent situations in which a buyer purchases a property, only to reassign the contract at a higher price before the closing date, without the seller approving the assignment. By ensuring conditions around assignment are transparent at the outset, sellers are in a better position to decide whether or not to accept an offer.

The regulations apply to offers made on or after May 16, 2016. The regulations will not apply to contracts signed before that date.

The standard form Contract of Purchase and Sale now includes the following term...

20A. RESTRICTION ON ASSIGNMENT OF CONTRACT: The Buyer and the Seller agree that this Contract: (a) must not be assigned without the written consent of the Seller; and (b) the Seller is entitled to any profit resulting from an assignment of the Contract by the Buyer or any subsequent assignee.

--	--	--	--

INITIALS

BC2057 REV. DA MAY 2016

COPYRIGHT - BC REAL ESTATE ASSOCIATION AND CANADIAN BAR ASSOCIATION (BC BRANCH)

For more, feel free to call Dan at 604-813-3795.

great value – keeping current

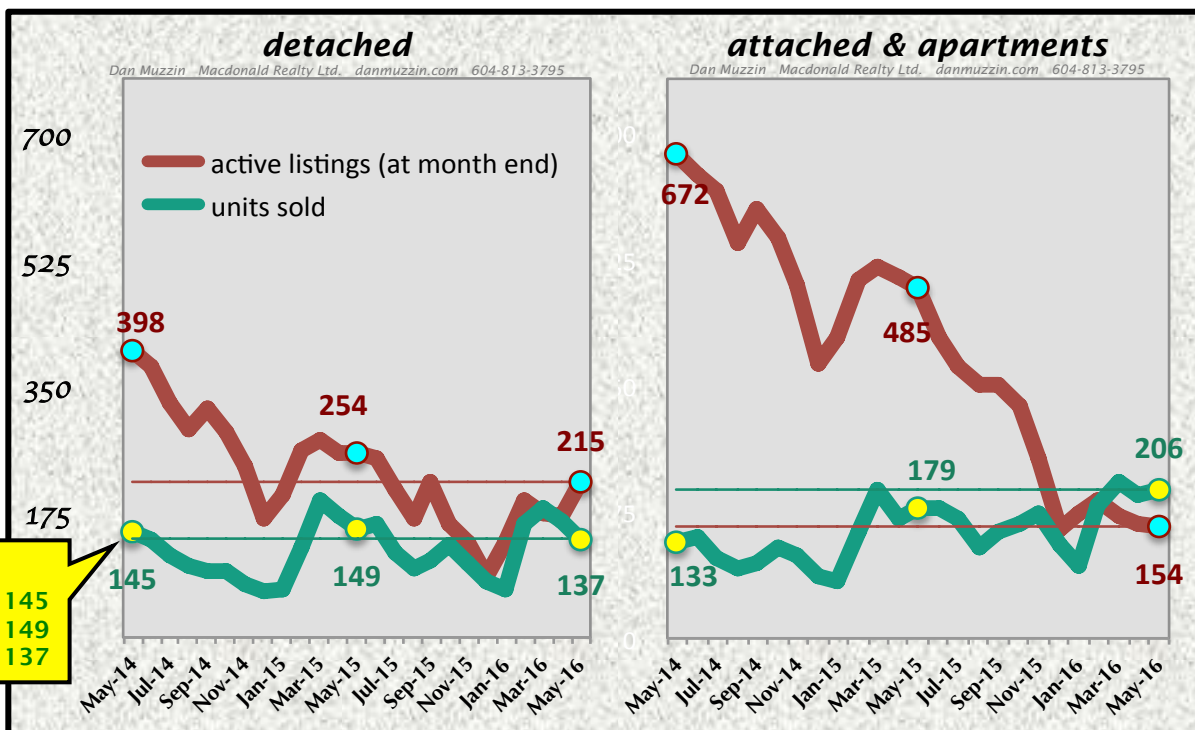
Over time, conditions change, participants change, housing products come and go, available grants change, and housing-related legislation affecting things like property transfer tax, mortgages, REALTOR® agency and property transactions change.

The housing market is dynamic. Can you imagine the importance of being up to date?

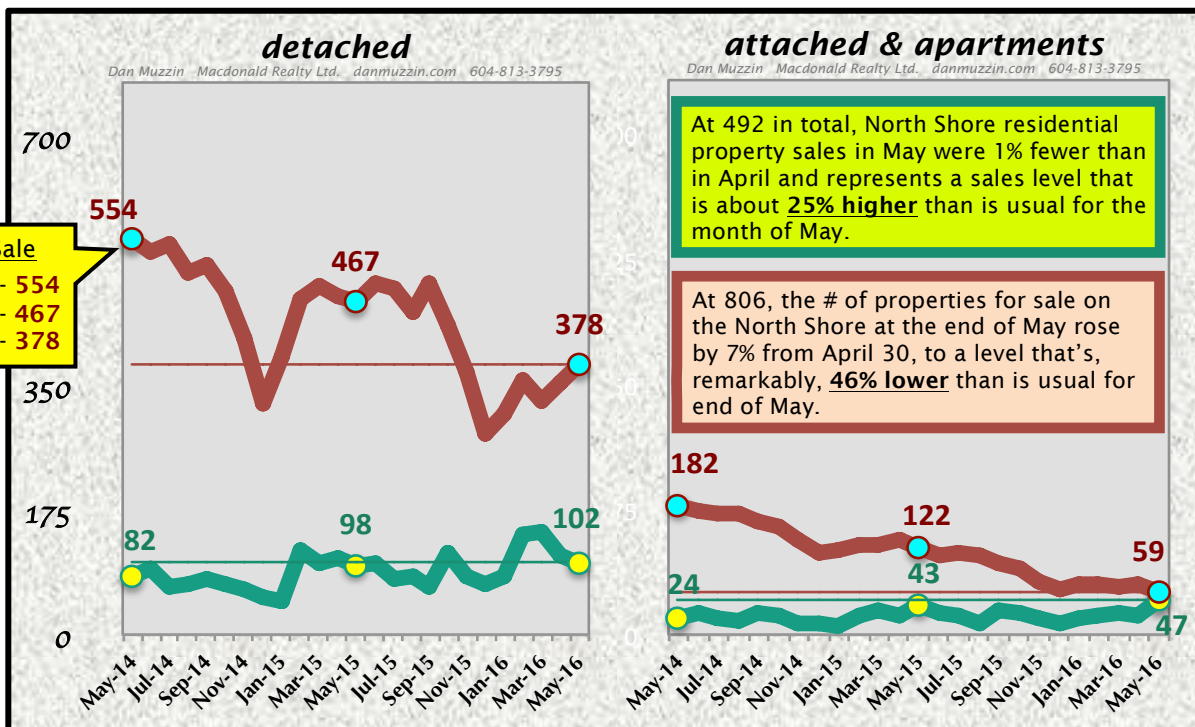


The following charts show the inventory of North Shore homes for sale on the last day of each month from May 2014 to May 2016, and the sales for each month.

North Vancouver



West Vancouver

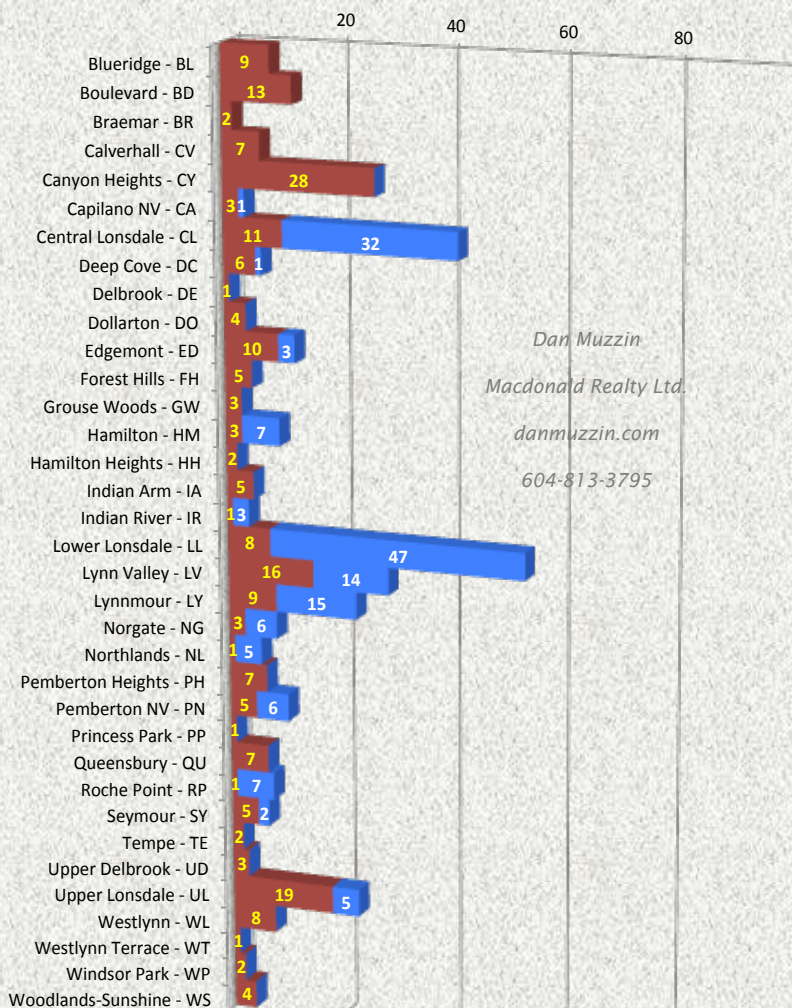


of North Shore properties for sale at May 31, 2016 (on MLS®)

North Vancouver

■ detached (215)

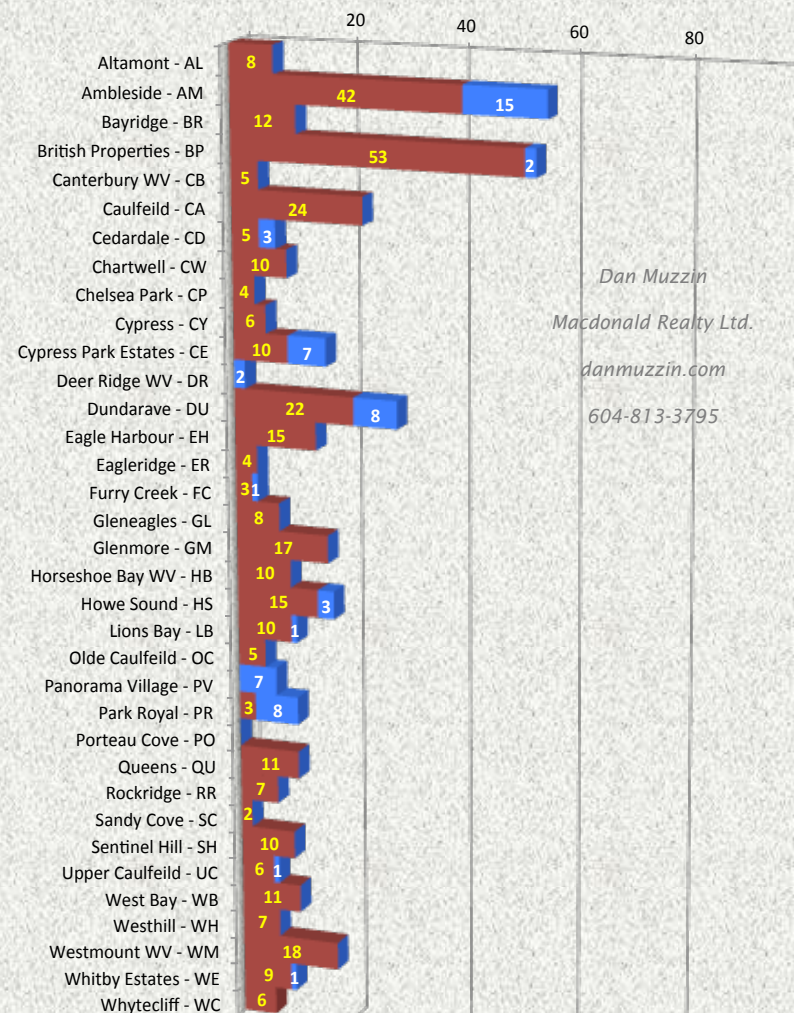
■ attached/apts (154)



West Vancouver

■ detached (378)

■ attached/apts (59)



Dan Muzzin

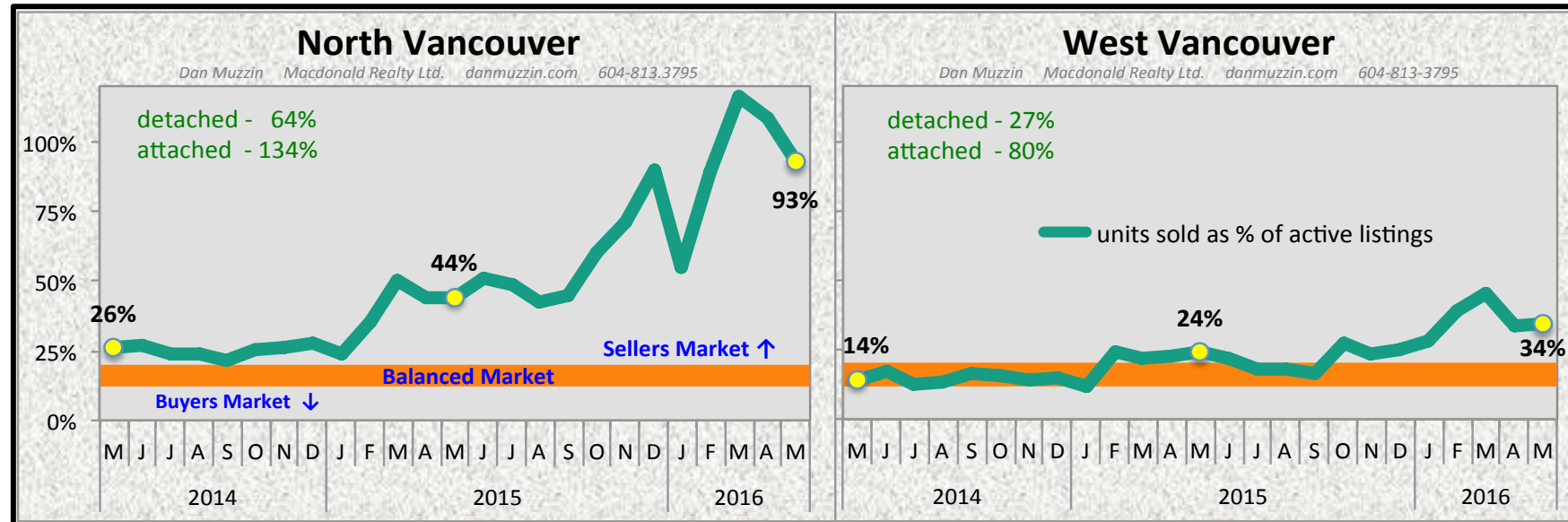
Macdonald Realty Ltd.

danmuzzin.com

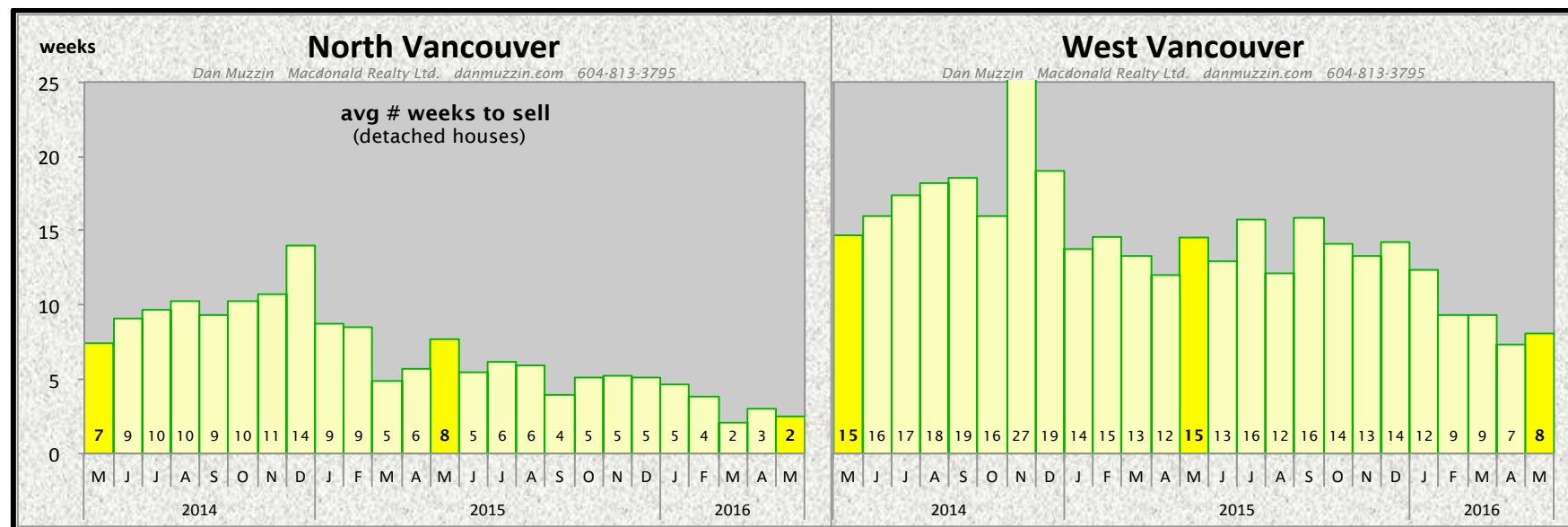
604-813-3795



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

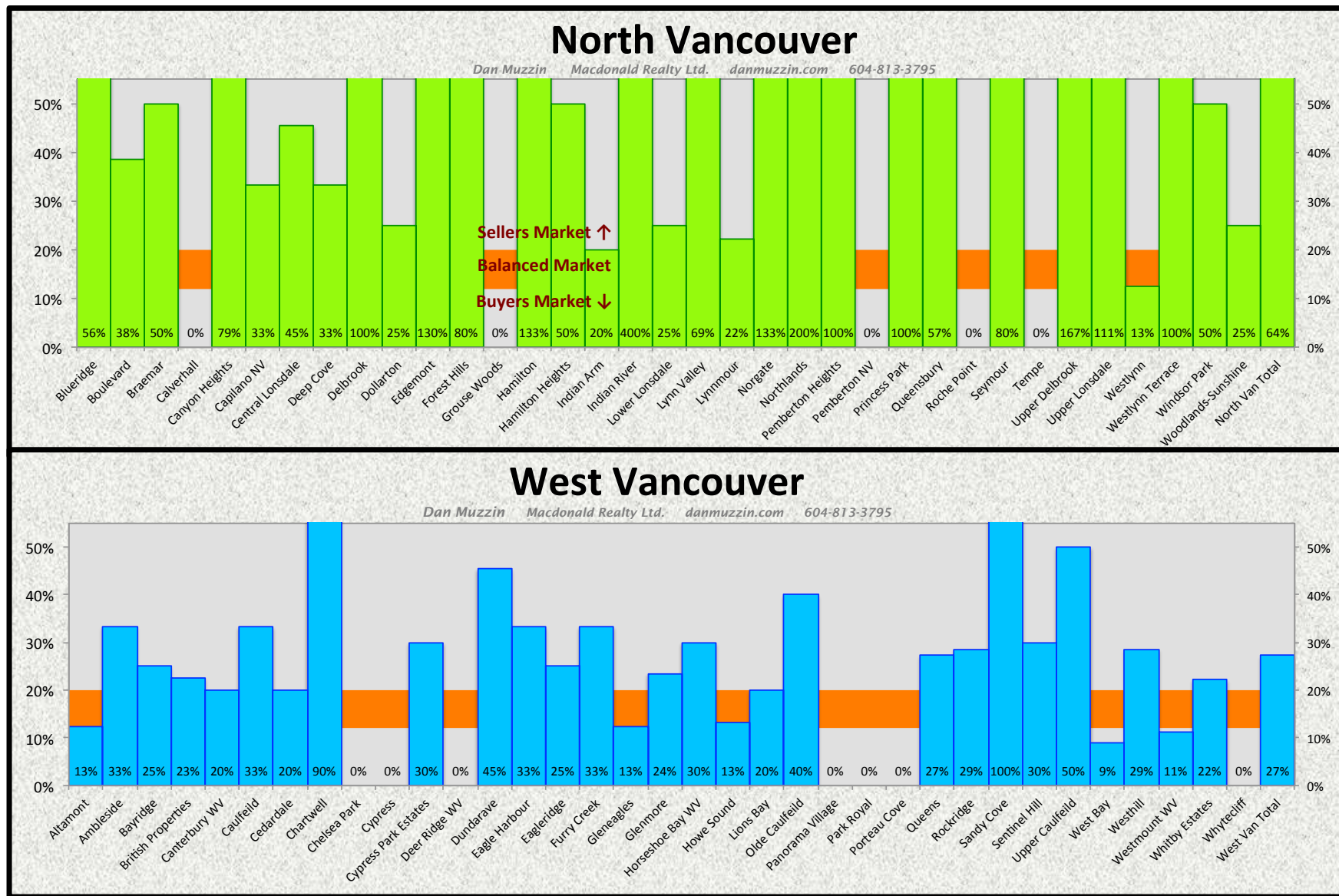


average # of weeks it took for detached houses to sell

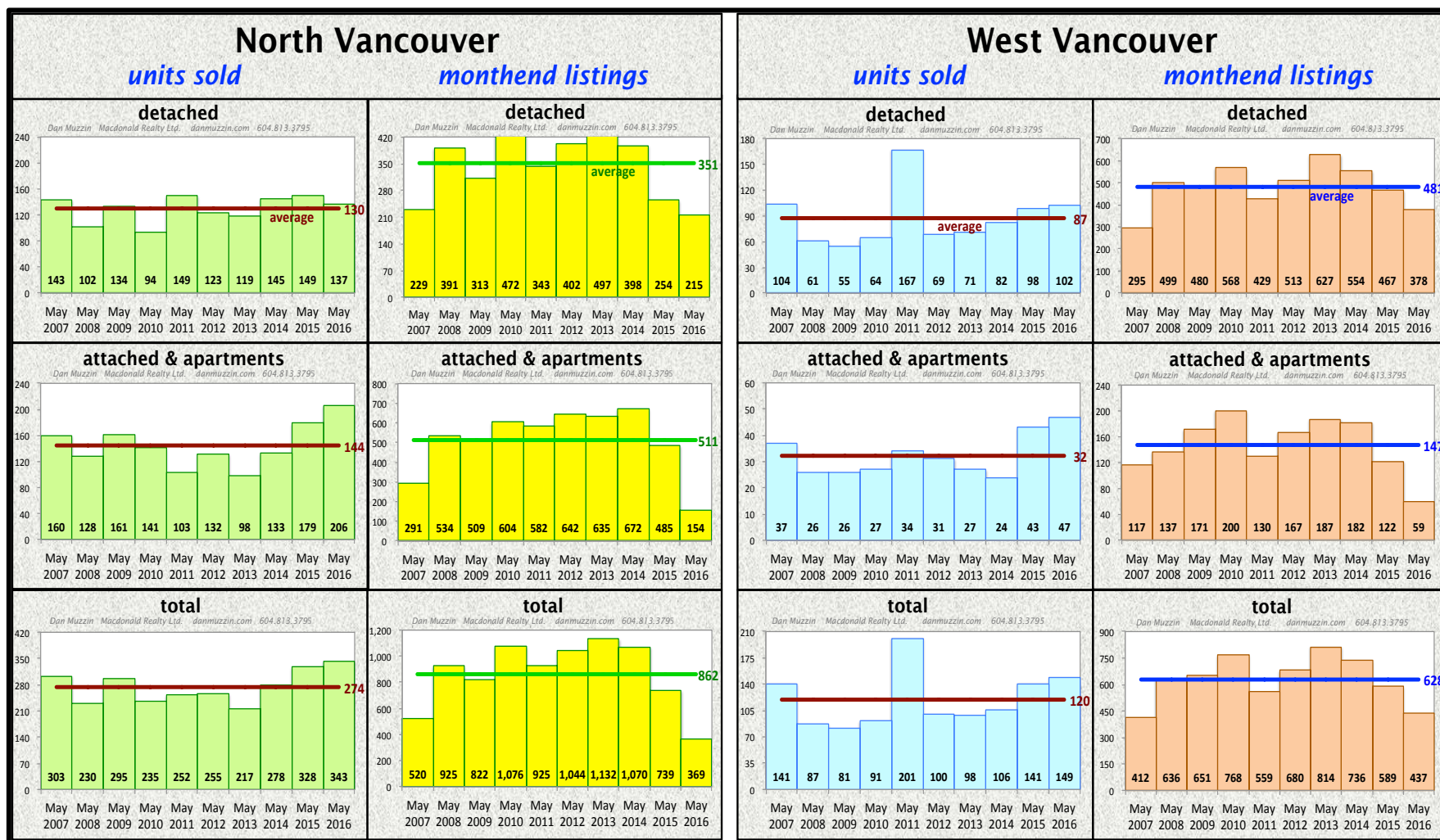


do housing conditions in your neighbourhood favour sellers, buyers or are they in balance?

single-family detached houses sold in May 2016, as % of the number of houses for sale at May 31, 2016

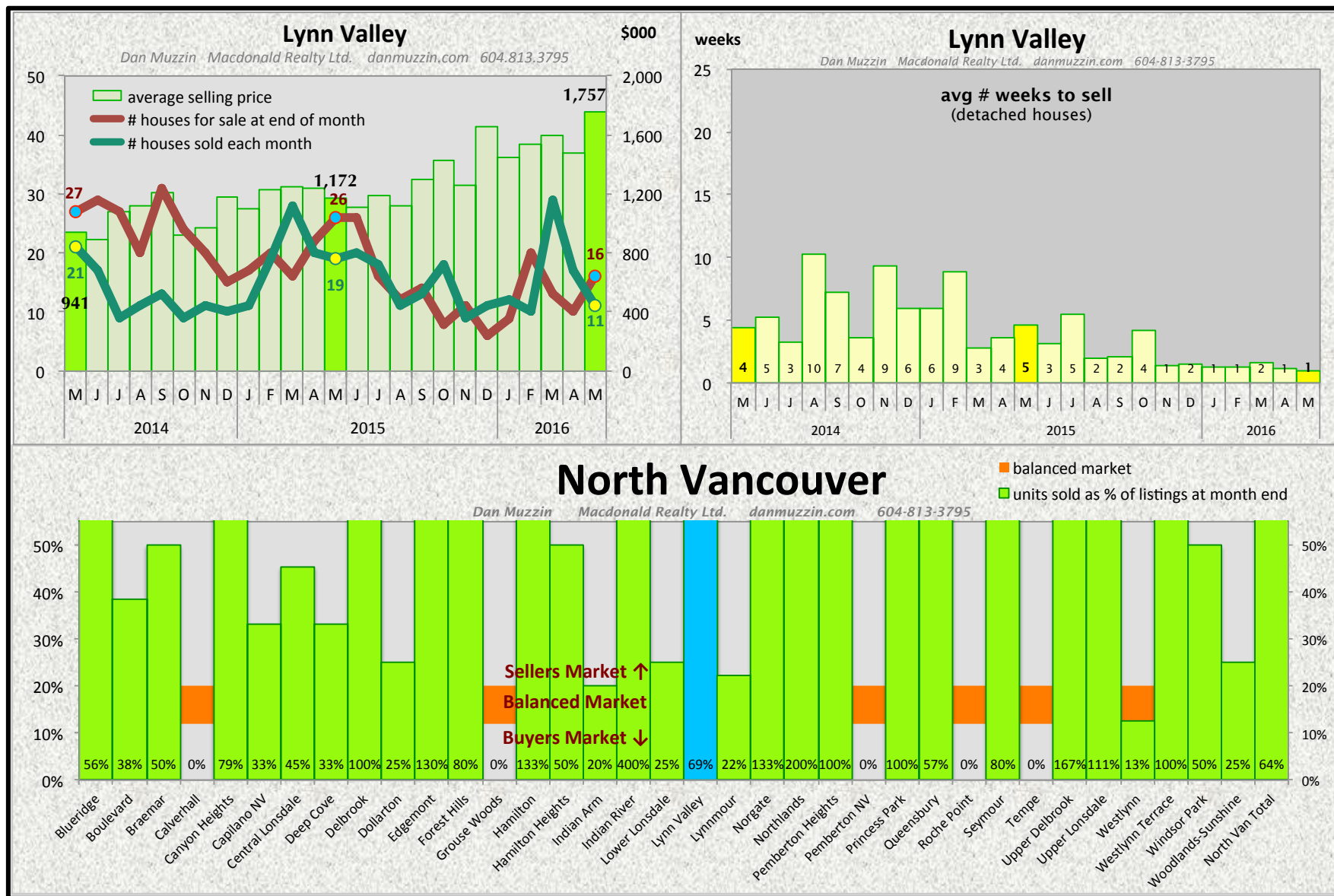


compare 2007 – 2016 Sales and Listings for the month of May



Lynn Valley housing snapshot – May 31, 2016

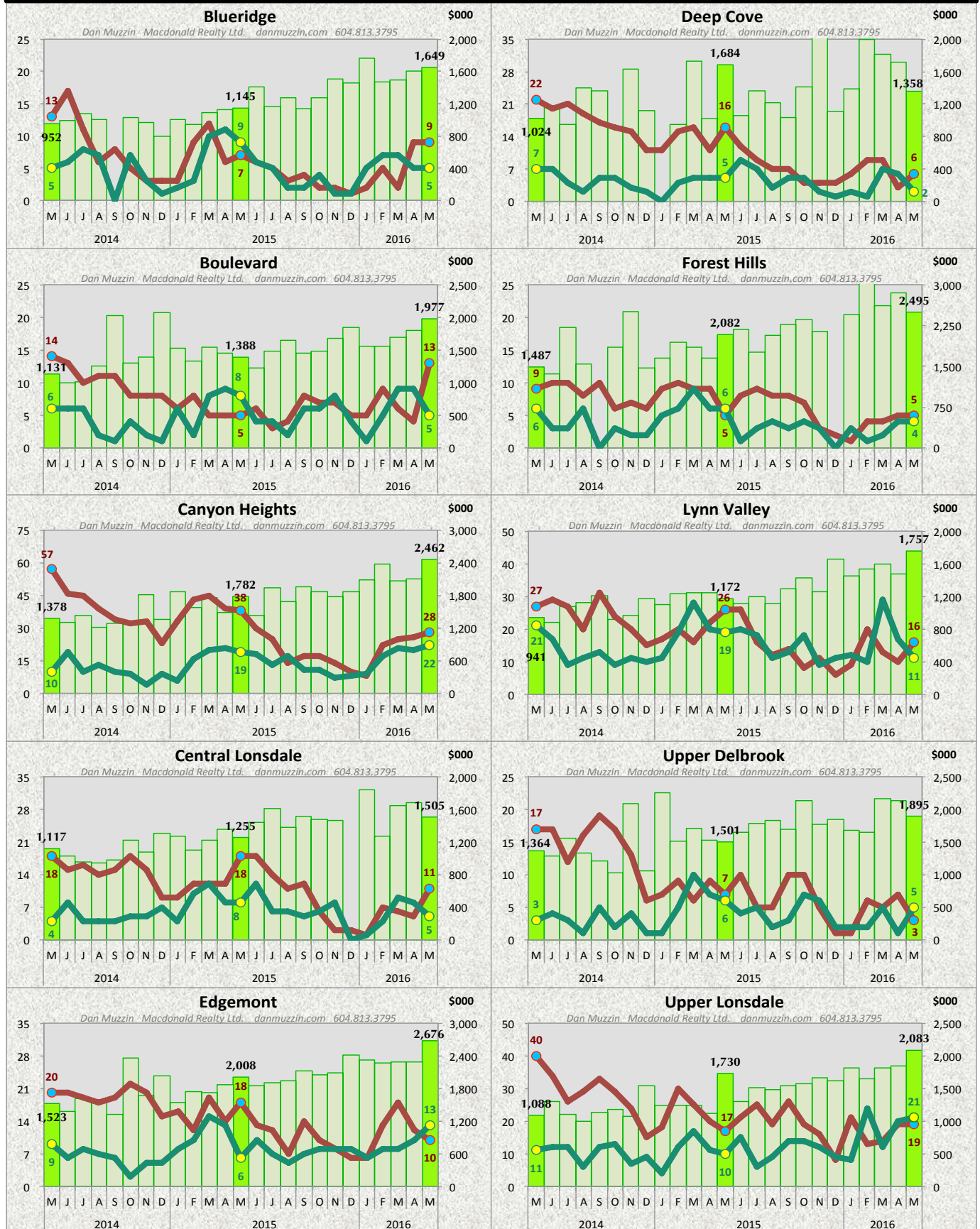
like a housing snapshot of *your* neighbourhood? ...call Dan



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

