



# Up-market sales down

It is a grim time to be selling a house. Bruised sellers forced to sell don't like discussing their predicament. One, who did not wish to be named, did speak with The Province and admitted that the offers that finally came in on his late mother's home were dramatically less than even he anticipated.

"I knew the market was down and that prices had dropped, but not this much. We originally listed the three-bedroom home, which sits on a 40-by-120-foot east Vancouver lot, at \$289,000," he said.

"Six months later, we finally have two offers in the region of \$205,000 to \$210,000, a heck of a lot less than even I could imagined.

"Heck, only a year ago we could have got over \$310,000, despite it being an older home. If a buyer wanted to put in, say, \$50,000 to renovate it, they would have a very substantial

house that would last a lifetime," he says.

Bob Rennie of Rennie Project Marketing Systems acknowledges there are "some disasters" in the marketplace, but firmly believes "we are now back into an orderly and normal market and there is certainly no need for panic."

"The vast majority of the real price drops have come in product and inventory that was fuelled by offshore buyers," he says.

"Those that completely disregarded local market needs and incomes are the ones facing prospective trouble," says Rennie.

Top-end houses on the west side and down-

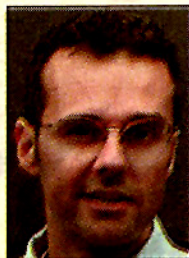
town condominiums fall into that category, "but when you look at the rest of the market, it is orderly," Rennie says.

Those who built for the local market are doing well, even downtown.

For example, says Rennie, The Canadian, a moderately-priced downtown project now under construction by Wall Financial Corporation, is 80-per-cent sold and "and they haven't even completed the car park yet."

Higher-end product, such as the Bayshore development on Coal Harbour, is also selling well, because it addresses the local market, he says.

But he admits there are signs of "price-cutting over-compensation" creeping into the market, where over-anxious sellers are dropping prices too low. When that happens, multiple offers come in.



RENNIE

## Home prices up, down and all around



Chris Relke — The Province

This house at 155 East 54th Street was one of those to take a market hit. It was listed at \$327,000 and sold for \$270,000, a hefty \$57,000 below asking price. But some prices in some areas are up.

Just where are house prices in the Lower Mainland? The short answer — they are all over the lot.

Downtown especially, some blood is being spilled, but in other areas markets have actually seen price increases, such as the condominium sector in North Vancouver, New Westminster and Coquitlam.

In these three areas, prices have risen by three, four and six per cent respectively.

A unit in North Vancouver has gone from \$171,492 to \$175,884, in New Westminster to \$146,600 from \$140,781 and Coquitlam from \$129,678 to \$136,875.

Les Twarog of Re/Max, who specializes in downtown dwellings, says there've been some huge price drops, mainly in properties owned offshore.

A penthouse at 1500 Howe was originally listed for \$845,000 and

eventually sold for \$545,000, he says.

A 1,860-square-foot penthouse at 1008 Cambie with a 1,500-square-foot deck went on the market at \$680,000 and sold for \$482,500.

Even the lower end of the market is not being spared.

Twarog says a 600-square-foot, fully furnished suite with \$35,000 in extras in the Residences on Georgia was listed for \$245,000 and sold for \$185,000.

But Twarog also says that, as quickly as offshore investors bail out, there's plenty of new ones "cherry picking" the market.

Latest price numbers from Canada Mortgage and Housing Corp. show a market in price retreat.

The single-family resale sector has taken the biggest price hit, with the usually resilient Vancouver west side showing an aver-

age price decline of 27 per cent on a year-to-year basis.

But a lot of that has to do with the major slide in million-dollar-plus homes.

On the west side the average price of a home has gone from \$740,926 a year ago to \$540,000.

Elsewhere in the region, single home prices have slid by three to 12 per cent.

On the east side, prices have slipped 11 per cent to \$287,000 from \$322,394; in Coquitlam they are down by 12 per cent to \$264,000 from \$301,004; in Burnaby they are down by 10 per cent to \$348,631 from \$386,728; in Richmond, by 12 per cent to \$342,859 from \$390,668.

In New Westminster, prices are down by seven per cent to \$250,938 from \$270,078; in North Vancouver, by just three per cent to \$386,281 from \$400,737; and in Maple Ridge, by three per cent to

\$228,548 from \$236,635.

Ironically the resale price slippage in the much maligned condominium sector has been relatively mild, apart from the downtown areas.

Richmond has experienced the largest annual decline at eight per cent, followed closely by Burnaby and Maple Ridge at six per cent.

In Richmond a condominium that sold for \$145,636 a year ago now sells for \$133,835, in Burnaby a unit now sells for an average \$144,547, down from \$154,436, and in Maple Ridge the price per unit has slipped to \$100,640 from \$107,455.

In Vancouver the slippage has been a very modest three per cent overall with the cost of an average unit sliding to \$185,000 from \$190,000, and on the east side, prices have remain virtually static, slipping one per cent to \$134,890 from \$135,900.