

## Average B.C. home price to dip 7.8 per cent: economist

BY TRACY SHERLOCK, VANCOUVER SUN AUGUST 30, 2012



Fewer single-family homes are selling in tony neighbourhoods, while less-expensive property sales are up.

Photograph by: Gerry Kahrmann, Vancouver Sun

The average price of homes sold in B.C. is forecast to fall 7.8 per cent this year, but that doesn't mean the price of a typical home will drop, the B.C. Real Estate Association's chief economist Cameron Muir said Thursday.

The average Multiple Listings Service price is down and will continue to fall because fewer single-family homes in tony neighbourhoods are selling, while more less-expensive homes are selling, Muir said, adding that there has been a noticeable lull in demand for single-family homes in Vancouver since January of this year.

As well as calling for a drop in average prices, the BCREA's third-quarter housing forecast calls for a drop of four per cent in the number of homes sold in B.C. this year offset by an increase of 7.5 per cent next year.

"MLS residential prices are expected to remain relatively stable this year and through 2013, with changes in average price statistics largely the result of a differing mix of home types sold and shifting regional demand patterns," Muir said, adding that the lull in demand is likely caused by some advance buying in 2011, poor job growth in 2011 and tighter mortgage regulations brought in by the government earlier this summer.

The average MLS residential price in B.C. is forecast to drop 7.8 per cent to \$517,500 this year, and remain relatively unchanged at \$519,000 in 2013.

With files from The Canadian Press.

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