

SOARING HOME PRICES

Tri-City real estate market shows no signs of cooling

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THE TRI-CITY NEWS

A combination of high house prices and a drop in listings hasn't quelled the dream of homeownership and the Tri-Cities is seeing an unusually busy winter real estate market.

"It's a supply and demand issue. It's not being driven on the local level in the Tri-Cities by foreign investment or that kind of thing. It's primarily local buyers and sellers and a lot of people that already live in the Tri-Cities," said Darcy McLeod, president of the Real Estate Board of Greater Vancouver.

At the heart of the trend is the low number of listings, which has buyers in competition with one another for limited housing stock. McLeod said people will only move if they are assured of a new property, and for the most part are staying put unless their family circumstances necessitate a change.

The result is an extremely competitive housing market, he said.

"You have buyers looking at a home in the \$800,000 price range, in Citadel heights or Riverwood in PoCo where you can buy a home for \$800,000. There might only be one available in the neighborhood, we

BY THE NUMBERS

Single Family Detached

- Coquitlam benchmark price: \$1,000,100
1 year change: up 28.6%
- Port Moody benchmark price: \$1,143,100
1 year change: up 24.0%
- Port Coquitlam benchmark price \$757,300
1 year change: up 28.7%

January Sales Numbers

- Coquitlam
2015: 55 / 2016: 103
- Port Moody
2015: 11 / 2016: 22
- Port Coquitlam
2015: 22 / 2016: 27

For the full MLS Sales facts, visit www.rebgv.org.

are seeing 10 or more interested buyers for that one property."

Normally, the winter months would be a quiet period for home sales, but that hasn't been the case this year, McLeod said.

REBGV home sales statistics released this week show home sales nearly doubled this January, compared to last year, in Coquitlam and Port Moody, with Port Coquitlam lagging only slightly, and prices

are continuing to climb in all categories. This despite a 38.6% decline in the number of properties available for sale — 6,635 compared to 10,811 — for the Greater Vancouver region, including the Tri-Cities.

McLeod said families are having to turn to increasingly creative measures to be able to afford their dream home, such as siblings or even friends pooling resources and purchasing homes together or parents with accrued equity purchasing a home for their son or daughter and living in an upscaled basement suite.

"The baby boomer generation has accumulated a tremendous amount of equity and wealth in their own home. We are seeing that leveraged and transferred to children."

For those interested in buying or selling in this unusual market, McLeod recommends putting a plan together with mortgage and real estate professionals.

Meanwhile, January's brisk home sales and seller's market have resulted in some spectacular prices.

Last week, for example, a property on Fleet Street, in the Ranch Park neighbourhood of Coquitlam, drew 120 interested buyers and nine offers and

sold for 37% above the asking price. The Coquitlam home was listed at \$788,000 but sold for \$1,080,000.

"Anytime something goes for almost \$300,000 above, that's unusual," said realtor David Reimers, who sold the home.

He said most buyers he deals with are prospective homeowners, not simply investors, but may knock down the older home to build something new.



SUBMITTED PHOTO

There are more property buyers than sellers resulting in multiple offers and higher prices in some homes. Last week, for example, a property on Fleet Street, in the Ranch Park neighbourhood of Coquitlam, drew 120 interested buyers and nine offers and sold for 37% above the asking price. The Coquitlam home was listed at \$788,000 but sold for \$1,080,000.

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