

The Final Stretch Of The Bounce-Back Year

Yes it has been a hectic few months as we cruise toward the docks at "Port New Year".

The return to the almost forgotten "multiple-offer" era of past years and again the lack of inventory coupled with some (almost frantic) demand. What will 2010 bring? Continued price increases? Rate increases? I'll attempt a little "crystal ball" gazing in a future edition, after we look back in January at "the year that was".

I have just read an article in the Financial Post entitled Housing Records to Fall <http://www.nationalpost.com/story.html?id=2301878> in which Garry Marr quotes Benjamin Tal, senior economist of CIBC World Markets' as saying "You are going to see a very strong national number. It will be another double-digit increase for sure". He then cites the REBGV (Vancouver board) stats concerning sales activity "...rocketing up 252.7% in November from a year ago". An aside here; if there was a month in which no sales occurred in a certain location, that same month for the following year in which at least one sale occurred could be described as experiencing an "infinite" increase in sales. As any high school math students will tell you, you can't divide by zero. Remember that Nov '08 saw one of the lowest levels of sales of the preceding 5 years or so. Put it another way, it's easy to shine (or rocket above) a dismally low month.

The second message in this same article referred to this November high being distorted by "data from the country's two most expensive markets", those of Toronto and Greater Vancouver. There always appears to be a subtle suggestion that locations like ours are "guilty" of having higher prices. Could it be that buyers of our 3 bedroom, 2 bathroom homes just don't get that they could buy the same home in Estevan or Chicoutimi or Digby for half or a third of the price? Obviously a closely guarded secret. I'm going to pose a radical question here - could it be that some (clearly illogical) folk would rather reside in B.C.'s premier city? Alas, demand, supply and price levels are rearing their ugly heads once again! Disclaimer: The foregoing is not intended to insult those preferring not to live in Toronto or Greater Vancouver. Overall the North Shore is seeing a continued drop in overall inventory which is not in lock step with the general case evident in Greater Vancouver where inventories are showing some increases. We'll doubtless see some slowdown in actual sales in December as is usually the case.

A joyous family and friendship-filled festive season to all. May it be a warm one with our families and friends close by or affectionately in mind - often the easier part - but don't forget providing warmth and cheer to strangers. Adeste Fidelis is stirring, but Good King Wenceslas is the greater message!

Again, visit my website to see and "hear" the new developments. I continue my commitment to keep you... www.OnTopOfTheMarket.ca - the "go to" site for North Shore Real Estate analysis and jumping off point for FULL market listing information.

To join the group getting the e-mail version of this "update" - send a request now to alanskinner@shaw.ca and you'll be assured receipt; phone me at (604) 988-7368 or visit www.OnTopOfTheMarket.ca

Alan