

# Roaring home sales "just tip of iceberg"

Unprecedented residential real estate sales across British Columbia represent just "the tip" of a retirement demand curve that will continue for years, according to the British Columbia Real Estate Association.

The BCREA, in reporting that sales are now clipping along at more than 10,000 per month in the province, notes that demand for recreational property from retirees is providing much of the market push.

"We are seeing the tip of the iceberg when it comes to housing demand by retirees," noted Cameron Muir, BCREA chief economist. "Many empty nesters are now getting a head start by buying recreation properties that will serve as their retirement homes in the future."

Residential sales volume on the Multiple Listing

Service in BC climbed 44 per cent to \$4.66 billion in July, compared to the same month last year. Residential unit sales increased 25 per cent to 10,447 units during the same period, a record number of July transactions. The average residential price hit \$446,386, up 15.2 per cent from July 2006, BCREA reports.

"Housing demand is currently broad-based and reaches across the entire province," said Muir, "BC's strongest markets are now those noted for recreation and retirement living. The Okanagan, Kootenay, and Vancouver Island markets are all experiencing an influx of buyers originating from outside their traditional market boundaries."

Over the next ten years, the number of people in the province aged 65 or over

is estimated to increase by 40 per cent, or more than 250,000 people, many of them coming from other provinces to share in the bounty of "the best place to live".

Year to date, residential sales volume climbed 16.6 per cent to \$28.3 billion, compared to the first seven months of 2006. MLS home sales climbed 3.6 per cent to 65,103 units, while the average price for a detached house increased 12.5 per cent to \$434,381.

Meanwhile, Canada Mortgage and Housing Corp. expects B.C. housing activity to continue at high levels, supported by income growth, a tight labour market and high levels of consumer confidence. Existing home sales, as measured by the Multiple Listing Service will total 97,250 resales this year, CMHC suggests.