

Chilliwack condo price will rise 18% this year

The average price of a condominium in Chilliwack will increase 18 per cent this year, compared to 2006, and will rise a further six per cent in 2008, to \$235,000, according to a forecast from the British Columbia Real Estate Association.

Next year, the average price of a detached house in Chilliwack is forecast to increase seven per cent to \$315,000, BCREA says, which is well below the provincial average.

Total sales of housing in Chilliwack will slow next year, however, with sales staying near the same level of this year, at around 3,375 units.

Across the province, total home sales are forecast hit 101,000 units this year, up four per cent from 2006. The highest number of sales in the province was recorded in 2005, when a total of 106,310 homes were sold. The ten-year average is just under 78,000 units.

"Exceptionally strong consumer demand over the summer months has changed the outlook

for this year from declining home sales to the second highest on record," said Cameron Muir, Chief Economist. "While eroding affordability is squeezing some potential buyers out of the market, the housing stock is increasingly diverse, providing a mix of home types that appeal to a wide consumer market."

The average MLS residential price in B.C. is forecast to climb 12 per cent to \$437,000 this year.

"While home prices continue to face upward

pressure, the rate of growth is expected to moderate," added Muir. The BC average MLS price increased 18 per cent last year, and is forecast to rise at a more modest eight per cent in 2008.

B.C. housing starts are forecast to decline seven per cent to 33,900 units in this year and a further four per cent to 33,000 units in 2008. Multiple housing starts now comprise 62 per cent of all new residential construction activity in the province.

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