



For immediate release

Consumer Confidence Key to Housing Market Conditions

BCREA Fall Housing Forecast

Vancouver, BC – October 29, 2008. The British Columbia Real Estate Association (BCREA) released its fall 2008 Housing Forecast today.

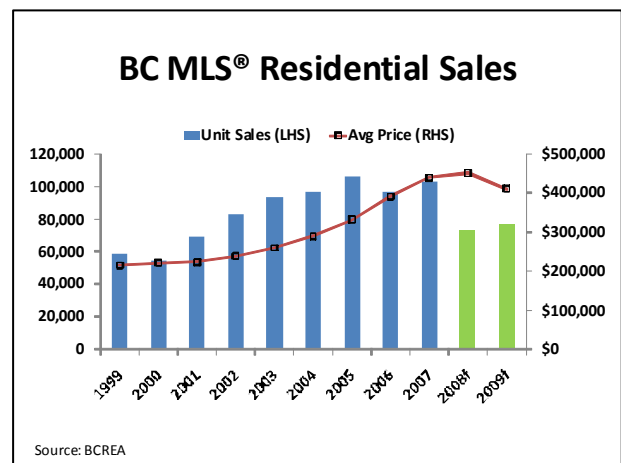
BC Multiple Listing Service® (MLS®) residential sales are forecast to decline 28 per cent from 102,805 units in 2007 to 73,700 units this year. A modest 4 per cent increase to 76,500 units is forecast for 2009.

“The erosion of consumer confidence that began with rising fuel prices earlier in the year is continuing, as the global financial crisis and volatile equity markets have BC households concerned about their own finances,” said Cameron Muir, Chief Economist.

A weaker provincial economy is expected to increase the jobless rate from 4.4 per cent this year to 4.9 per cent in 2009. “While some job losses will occur next year, BC households will remain on a relatively solid financial footing,” added Muir.

The average MLS® residential price is forecast to increase 3 per cent to \$453,000 this year. However, home prices peaked in the first quarter and have been edging lower for several months. For 2009, the average price is forecast to decline 9 per cent to \$413,000, with most of the decrease having already occurred by the end this year.

Downward pressure on home prices is expected to ease by the second quarter of 2009, as an increase in affordability and consumer confidence induces a modest growth in sales. The inventory of homes for sale is also expected to decline in the coming months as potential home sellers delay putting their homes on the market until conditions improve.



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The full BCREA Housing Forecast is available here: www.bcrea.bc.ca/economics/HousingForecast.pdf.

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Housing Forecast Table – Fall 2008

Board Area	Unit Sales			Average MLS® Price (\$)		
	2007	2008F	2009F	2007	2008F	2009F
Victoria	8,403 12%	6,650 (21%)	6,900 4%	466,974 9%	486,300 4%	455,000 (6%)
Vancouver Island	9,887 12%	7,300 (26%)	7,520 3%	311,472 11%	329,600 6%	308,000 (6%)
Powell River Sunshine Coast	296 1%	225 (24%)	235 4%	241,083 18%	250,000 4%	230,000 (8%)
Greater Vancouver	38,978 7%	27,000 (31%)	28,000 4%	570,795 12%	585,000 2%	525,000 (10%)
Fraser Valley	18,032 0%	13,500 (25%)	14,000 4%	423,761 8%	434,000 2%	405,000 (7%)
Chilliwack and District	3,268 2%	2,250 (31%)	2,375 6%	299,592 11%	315,000 5%	290,000 (8%)
Kamloops and District	3,501 6%	2,400 (31%)	2,500 4%	275,690 25%	306,000 11%	270,000 (12%)
Okanagan Mainline	8,702 12%	5,800 (33%)	6,100 5%	387,523 19%	410,000 6%	370,000 (10%)
South Okanagan	2,447 11%	1,550 (37%)	1,620 5%	325,667 19%	335,000 3%	302,000 (10%)
Kootenay	3,476 22%	2,300 (34%)	2,380 3%	272,138 30%	288,000 6%	258,000 (10%)
Northern Lights	502 0%	480 (4%)	450 (6%)	175,818 18%	188,000 7%	178,000 (5%)
BC Northern	5,400 (4%)	4,240 (21%)	4,400 4%	195,487 18%	215,700 10%	200,000 (7%)
BC Total	102,892 6%	73,700 (28%)	76,500 4%	438,975 12%	453,000 3%	413,000 (9%)

About BCREA

BCREA represents 12 member real estate boards and more than 18,000 REALTORS® on all provincial issues, providing an extensive communications network, standard forms, economic research and analysis, government relations, required post-licensing courses and continuing education.

To demonstrate the profession's commitment to improving [Quality of Life](#) in BC communities, BCREA supports growth that encourages economic vitality, provides housing opportunities, respects the environment and builds communities with good schools and safe neighbourhoods.

For detailed statistical information, contact your [local real estate board](#). MLS® is a cooperative marketing system used only by Canada's real estate boards to ensure maximum exposure of properties listed for sale.

