



Vancouver's July home sales drop 44% from last year

Listings are up and prices are declining across most of the country

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There were few exceptions in the cooling of Canadian housing markets in July, the Canadian Real Estate Association reported Thursday, with its major markets showing an 11-per-cent drop from the same month a year ago.

In the meantime, new listings rose 11.3 per cent, and prices in some markets showed significant declines.

In Metro Vancouver, a 44-per-cent drop in sales and corresponding 23-per-cent rise in listings caused the average home price to fall 0.7 per cent from July a year ago to \$575,730.

Nationally, the Canada Real Estate Association said the average price of a home sold in Canada's top 25 markets last month was \$327,020, a 3.6-per-cent decline from a year ago. It's the second year-over year drop after the June numbers fell 0.4 per cent.

The biggest pullback, however, was in Alberta.

In Calgary, the average MLS property sale in July dipped to \$413,371, a 10.1-per-cent decline from a year earlier. Overall sales in Alberta's largest city also fell 13.1 per cent from a year ago.

In Edmonton, the average price dropped eight per cent from a year ago to \$344,636. Sales were up 12.4 per cent. About a year ago, it was not uncommon to see price increases of 50 per cent in both cities, a fact that propelled Calgary's average sale prices past Toronto last year.

The news comes after Canada Mortgage and Housing Corp. said Tuesday that new home construction was down 13.6 per cent in July from a month earlier, reaching its lowest level in almost a year. Statistics Canada also said new home prices grew by only 3.5 per cent in June from a year earlier. It was the slowest rate of the growth since March 2002.

"The combination of a larger inventory of homes for sale and fewer home sales means less upward pressure on home prices in many markets," says Calvin Lindberg, president of the Association.

"The challenge for many sellers is determining the right price for today's market conditions. There is no doubt the Canadian real estate market is pulling back from record sales and price increase levels of 2007."

There were few exceptions to the trend in the major markets, which saw July sales dip 11 per cent from a year earlier. At the same time new listings rose 11.3 per cent.

Greater Vancouver sales continue to drop, with the number of units changing hands in July at 2,284, a 43.5-per-cent drop from a year ago. New listings jumped 22.6 per cent in July from a year ago. The result was Vancouver home prices actually fell 0.7 per cent in July from a year earlier, though it is still the most expensive market in the country with an average price of \$575,730.

Toronto did not fare much better. Sales in the country's largest city fell 12.4 per cent from a year ago while new listings jumped 17.8 per cent last month from July 2007. Prices in Toronto rose a meagre 1.5 per cent to an average of \$371,410.

The only market still on fire is Regina, where the average price of homes sold in July was \$247,030, a 35.7-per-cent increase from a year ago. But there are telling signs there, too, with sales off 37.1 per cent from a year ago and new listings up 27.9 per cent.

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