



**For immediate release**

## Recessionary Conditions Slow Housing Market

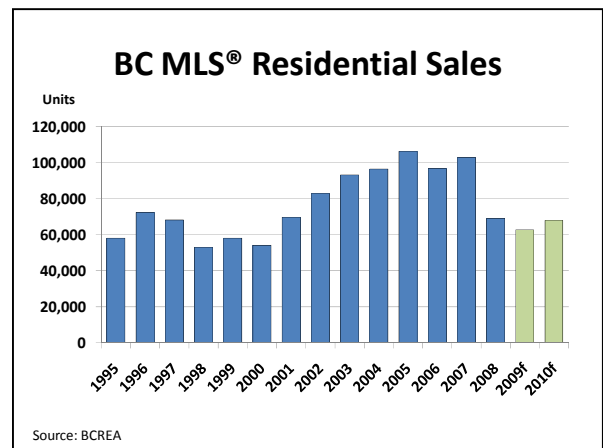
*BCREA Forecast Update - First Quarter 2009*

**Vancouver, BC – February 2, 2009.** The British Columbia Real Estate Association (BCREA) released its Forecast Update for the first quarter of 2009 today.

BC Multiple Listing Service® (MLS®) residential sales are forecast to decline 9 per cent from 68,923 units in 2008 to 62,650 units this year. Residential sales in 2010 are forecast to rebound 8 per cent to 68,000 units. The ten-year average is 82,800 units.

“The global financial crisis and world-wide recession will continue to take their toll on the BC economy this year,” said Cameron Muir, BCREA Chief Economist. “World events have pulled Canada and BC into a recession, where concern for job security and declining net worth are keeping many potential homebuyers on the sidelines.”

“A continuing imbalance between supply and demand will put some additional downward pressure on home prices this year,” added Muir.



The average MLS® residential price is forecast to decline 13 per cent to \$396,600 in 2009. Home prices in the province are expected to be relatively stable in 2010, forecasted to average \$389,000.

BC housing starts are forecast to fall 45 per cent to 19,000 units this year as a result of rising inventories, weak consumer demand and tight credit conditions.

Next year is expected to be a year of stabilization in the economy and the housing market. Real GDP growth in the province is forecast to rise a modest 1.5 per cent and job losses in 2009 are expected to give way to some gains in employment in 2010.

– 30 –

The full BCREA Housing Forecast Update is available at: [www.bcrea.bc.ca/economics/HousingForecast.pdf](http://www.bcrea.bc.ca/economics/HousingForecast.pdf)

**For more information, please contact:**

Cameron Muir                      Direct: 604.742.2780  
Chief Economist                  Mobile: 778.229.1884  
Email: [cmuir@bcrea.bc.ca](mailto:cmuir@bcrea.bc.ca)

**Housing Forecast Table – Q1 2009**

Board Area	Unit Sales			Average MLS® Price (\$)		
	2008	2009F	2010F	2008	2009F	2010F
<b>Victoria</b>	6,171 (27%)	5,680 (8%)	6,170 9%	484,898 4%	435,000 (10%)	428,000 (2%)
<b>Vancouver Island</b>	6,817 (31%)	6,200 (9%)	6,800 10%	330,556 6%	290,000 (12%)	286,000 (1%)
<b>Powell River Sunshine Coast</b>	210 (2%)	190 (10%)	200 5%	254,117 5%	222,000 (13%)	218,000 (2%)
<b>Greater Vancouver</b>	25,149 (36%)	22,700 (10%)	2,500 10%	593,767 4%	508,000 (14%)	495,000 (3%)
<b>Fraser Valley</b>	12,588 (30%)	11,500 (8%)	12,400 7%	431,781 2%	390,000 (10%)	384,000 (2%)
<b>Chilliwack and District</b>	2,036 (38%)	1,860 (9%)	1,980 6%	316,229 6%	286,000 (10%)	278,000 (3%)
<b>Kamloops and District</b>	2,235 (35%)	2,010 (10%)	2,150 7%	307,369 12%	272,000 12%	266,000 (2%)
<b>Okanagan Mainline</b>	5,460 (37%)	4,960 (9%)	5,300 7%	406,647 5%	348,000 (14%)	340,000 (2%)
<b>South Okanagan</b>	1,481 (39%)	1,330 (10%)	1,425 7%	339,394 4%	302,000 (11%)	294,000 (3%)
<b>Kootenay</b>	2,265 (35%)	2,040 (10%)	2,150 5%	287,549 6%	244,000 (15%)	238,000 (2%)
<b>Northern Lights</b>	473 (6%)	450 (5%)	475 6%	191,685 9%	175,000 (9%)	174,000 (1%)
<b>BC Northern</b>	4,038 (25%)	3,730 (8%)	3,950 6%	215,358 10%	198,000 (8%)	191,000 (4%)
<b>BC Total</b>	<b>68,923</b> (33%)	<b>62,650</b> (9%)	<b>68,000</b> 8%	<b>454,599</b> 4%	<b>396,600</b> (13%)	<b>389,000</b> (2%)

**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 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.

