

MEDIA RELEASE

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Okanagan-Shuswap Market Ends Year on a Strong Note

Kelowna, BC – The Okanagan Mainline Real Estate Board (OMREB) reported December 2011 sales activity of all MLS® property types improved over the same month last year as the housing market continued to normalize with prices stabilizing and inventory on the decline at year end.

“As 2011 came to a close, overall sales activity in the recovering Okanagan-Shuswap market continued to strengthen with moderate but steady improvement during the last two quarters of the year, and showed remarkable resiliency despite ongoing global economic and financial uncertainty,” says Rob Shaw, an active REALTOR® in the North Zone and OMREB Vice President. “Sales in most segments are stable and holding their own compared to 2010, as historically low interest rates continue to positively impact purchasing power and improve affordability for buyers. However, modest economic recovery and job growth have affected disposable income for potential recreation and investment purchasers so these sectors remain sluggish.

“Although listings are trending downward and keeping inventory in check, there is still an ample supply and good selection of properties available in this market,” Shaw notes. “The 686 new residential listings taken Board-wide for the month of December in both 2011 and 2010 are at 2002 levels (637) and on par with the 10-year average (679) for this month. However, year-to-date listings reported for the 12 months of 2011 (17,619) are 9.8% higher than the 10-year average (16,491) but similar to pre-recession levels (17,855 in 2007).”

Board-wide (Peachland to Revelstoke): During December, the 293 overall sales in OMREB’s Board area improved by 7.7% compared to last year’s 272, but dropped 28.9% from the 412 sold this November. December sales are typically lower given that home buyers turn their attention to Christmas rather than house shopping. Sales volumes of \$113.9 million were up 3.4% for the month compared to \$110.1 million in 2010. Inventory (active listings) for December was down slightly (0.3%) to 6,870 units compared to 6,892 in 2010, while new listings for the month were the same as last year at this time (686).

Central Zone (Peachland to Lake Country): Overall unit sales in the Central Zone jumped by 4.6% to 183 units (\$77.0 million) compared to 175 (\$77.9 million) last December, and were down 29.1% compared to the 258 units sold in November. Total residential sales improved by 9.3% to 165 units compared to 151 sold last December, but were down 30.1% from 236 in November. Single family home sales of 96 units rose 12.9% compared to 85 last year, but dipped 22.6% compared to this November (124). December’s inventory of 3,853 units was up 3.4% compared to 3,725 in 2010, and the 461 new listings for the month rose 3.3% over the 446 last year.

North Zone (Predator Ridge to Enderby): Overall unit sales in the North Zone for December rose 10.0% to 77 units (\$26.4 million) compared to 70 (\$23.4 million) in 2010, and slipped 18.9% from the 95 units sold this November. Total residential sales for December improved by 23.6% to 68 units compared to 55 last year, but dipped 17.1% from the 82 sold in November. Single family home sales (35) were up 20.7% compared to the units sold in December 2010 (29), but were down 25.5% compared to unit sales in the previous month this year (47). While last month’s inventory dropped by 5.0% to 1,850 compared to 1,947 last year, the 129 new listings taken were up down 16.8% from 155 in 2010.

Shuswap Zone (Salmon Arm to Revelstoke): Overall unit sales in the Shuswap Zone improved by 22.2% to 33 units (\$10.4 million) compared to 27 units (\$8.8 million) in December 2010, but were down 44.0% from the 59 sold this November. Total residential sales of 25 units rose by 8.7% over the 23 in 2010, but dropped 52.8% from the 53 sales in November. The 14 single family unit sales remained the same as the units sold last December but were down 48.1% from the 27 sales during the previous month this year. While inventory dipped 3.4% from last December (1,161 compared to 1,202 in 2010), new listings (95) were up 14.5% compared to last year (83).

Year to Date: While Board-wide year-to-date unit sales for the 12 months of 2011 were down by 2.9% compared to 2010 (to 5,688 units from 5,858), YTD sales volumes were at par (\$2.1 billion). **Central** – YTD sales unit sales were off by just 0.3% compared to this time last year (to 3,633 from 3,643), while YTD sales volumes dipped to \$1.4 billion compared to \$1.5 billion in 2010. **North** – YTD unit sales were down 10.3% compared to 2010 (to 1,343 from 1,497), while YTD sales volumes dropped to \$463.8 million compared to \$508.5 million last year. **Shuswap** – YTD unit sales to December 2011 increased marginally (0.7%) compared to 2010 (to 706 from 701), with YTD sales volumes up to \$215.1 million compared to \$213.4 million.

“Despite concerns about employment, personal debt load and net worth which dampened consumer confidence and slowed overall demand in most BC markets during 2011, OMREB ended the year on a positive note and is moving forward with optimism,” Shaw notes. “A modest improvement is anticipated for 2012 with a slow but steady increase in sales activity, downward trend in listings, and stable home prices for balanced market conditions in our Board area. Ongoing near record low interest rates will keep affordability on an even keel and relieve some of the big purchase apprehension for home buyers across the country this year.”

He adds, “Although tepid economic growth is forecast for our province, the Alberta economy and jobs are expected to improve as the oil patch continues to rebound. We are hopeful that better household balance sheets will free up funds and bring back potential purchasers who are looking for good recreation, investment and retirement opportunities in the Okanagan-Shuswap. We have already begun to see more interest in these areas with more Europeans and Albertans on the scene for ski vacations over Christmas and New Years.”

Serious buyers are motivated by well-priced properties and room to negotiate, so Sellers can benefit from working with a professional REALTOR® to price strategically at current values. In this highly competitive market, homes with good curb appeal and listed by sellers with the sharpest pencils are being sold quickly.

The results of OMREB’s Board-wide monthly Buyers Survey profiling who the buyers are, what they are buying and where they are from shows that the majority of buyers are from within the Board area. Move-up buyers and first-time buyers are driving factors, and stimulate the chain of ownership.

The Okanagan Mainline Real Estate Board is comprised of 1,090 member REALTORS® and 90 real estate offices in the Southern Interior of BC. The Board area covers the Central Okanagan, North Okanagan and Shuswap – from Peachland to Revelstoke.

For the most comprehensive source of all real estate listings, home buying and selling information, visit our national websites at www.realtor.ca and www.icx.ca. To find out about the advantages of using a REALTOR®, check out www.howrealtorshelp.ca.

All OMREB listings are published in the **MLS® Real Estate Review** and **MLS® Commercial Review** magazines available at all real estate offices and various locations in the Central Okanagan, North Okanagan, the Shuswap and Revelstoke areas. For comprehensive Board-wide statistical information, please visit our local public site: www.omreb.com

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DISCLAIMER: Monthly sales statistics are based on the sales reported by real estate offices as of the last day of the month. There may be some lag time in reporting sales and minor adjustments in total results are made accordingly.

