

MEDIA RELEASE

For Immediate Release:

December 6, 2011



Okanagan-Shuswap Market Continues Normalization Trend

Kelowna, BC – The Okanagan Mainline Real Estate Board (OMREB) reported November 2011 sales activity of all MLS® property types were up 9% over this time last year as the housing market continues to normalize, prices stabilize and inventory declines moving into winter and year-end.

“As 2011 comes to a close, overall sales activity in the Okanagan-Shuswap market continues to strengthen with moderate but steady improvement seen for four consecutive months. Most segments are stable and holding their own, while recreation and investment sectors remain sluggish as modest economic recovery and job growth have continued to impact disposable income for potential buyers in BC and Alberta,” says Rob Shaw, OMREB Vice President and active REALTOR® in the North Zone.

“With historically low interest rates continuing to positively impact purchasing power and homes that buyers can afford, now is a good time to buy while there is still an ample supply and good selection of properties available in our market,” Shaw notes. “Listings are trending downward and keeping inventory in check. The 936 new residential listings reported for the month have not been this low since November 2005 (971). If this downward trend continues through winter, over-supply conditions will be reduced going into spring.”

Board-wide (Peachland to Revelstoke): During November, the 412 overall sales in OMREB’s Board area improved by 8.7% compared to last year’s 379, but dipped 6.3% from the 440 sold this October. Sales volumes of \$146.5 million were down 12.4% for the month compared to \$130.3 million in 2010. Inventory (active listings) for November was up 1.1% to 8,031 units compared to 7,941 in 2010, while new listings for the month dropped 11.4% to 936 from 1,056 last year at this time. Overall inventory is on the decline with 16,933 units listed year-to-date – down 8.5% compared to 18,507 during the first 11 months of 2010.

Central Zone (Peachland to Lake Country): Overall unit sales and sales volumes in the Central Zone jumped by 16.7% to 258 units (\$98.1 million) compared to 221 (\$76.9 million) last November, and were down 6.6% compared to the 277 units sold in October. Total residential sales improved by 19.9% to 236 units compared to 197 sold last November, and were down 6.7% from 253 in October. Single family home sales of 124 units rose 12.7% compared to 110 last year, but remained the same as this October (125). November’s inventory of 4,475 units was up 3.1% compared to 4,339 in 2010, but the 574 new listings for the month declined 18.9% over the 708 last year.

North Zone (Predator Ridge to Enderby): Overall unit sales and sales volumes in the North Zone for November fell 12.0% to 95 units (\$31.6 million) compared to 108 (\$37.3 million) in 2010, and slipped 5.0% from the 100 units sold this October. Total residential sales for November dropped 14.6% to 82 units compared to 96 last year, and dipped 8.9% from the 90 sold in October. Single family sales (47) were comparable to the units sold in November 2010 (48), but were down 7.8% compared to unit sales in the previous month this year (51). While last month’s inventory dipped slightly to 2,189 compared to 2,211 last year, the 234 new listings taken showed a 6.8% decline from 251 in 2010.

Shuswap Zone (Salmon Arm to Revelstoke): Overall unit sales and sales volumes in the Shuswap Zone improved by 18.0% to 59 units (\$16.8 million) compared to 50 units (\$16.1 million) in November 2010, but were down 6.3% from the 63 sold this October. Total residential sales of 53 units climbed 43.2% over the 37 in 2010, but dipped 5.35% from the 56 sales in October. The 27 single family unit sales improved by 42.1% over the 19 units sold last November but dipped 6.9% from the 29 sales during the previous month this year (October). While inventory remained similar to last November (1,361 compared to 1,372 in 2010), new listings (126) were up 32.6% compared to last year (95).

Year to Date: During the first 11 months of 2011, year-to-date unit sales Board-wide were down 4.0% compared to the same period in 2010 (to 5,358 units from 5,586), while YTD sales volumes for 2011 dipped by 6.3% (\$1.9 billion compared to \$2.1 billion). **Central** – YTD sales unit sales were off by only 1.3% compared to this time last year (to 3,427 from 3,474), while YTD sales volumes dipped 5.6% (\$1.3 billion compared to \$1.4 billion). **North** – YTD unit sales were down 12.2% compared to 2010 (to 1,259 from 1,434), while YTD sales volumes were down 10.8% (\$434.1 million compared to \$487.1 million). **Shuswap** – YTD unit sales to November 2011 slipped by only 0.9% compared to 2010 (to 672 from 678), while YTD sales volumes were down just 0.3% (\$204.8 million compared to \$208.4 million).

“Lagging consumer confidence cooled the overall demand in most BC markets during 2011 due to concerns about employment, personal debt load and net worth fuelled by economic uncertainty, equity market volatility and global instability. However, incredibly low interest rates are anticipated to continue for another year or so, and could offset some of the big purchase apprehension for home buyers,” Shaw points out.

“We expect to end the year at close to or slightly below year-to-date unit sales and volumes seen in December 2010 with about 5,700 units at \$2.1 billion. Moving forward into 2012, we anticipate another year of modest but steady sales activity in our Board area. We hope to see a positive impact from the improving Alberta economy and job growth as better household balance sheets may free up funds for potential purchasers who are looking for good recreation, investment and retirement opportunities in the Okanagan-Shuswap,” he notes.

“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 1,102 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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For more information:

Rob Shaw, Vice President (*Board-wide statistical information*)
shawrealty@shaw.ca (250) 545-5371

Cameron Muir, Chief Economist, BCREA (*Province-wide statistical information*)
cmuir@bcrea.bc.ca (604) 742-2780



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