



British Columbians Expect Home Prices to Continue Dropping In 2009, But Outlook Is Improving

Four-in-ten (42%) Expect Housing Prices to be Lower in a Year, Down From 57% in November

Seven-in-ten (71%) Say It's a Good Time to Buy a Home, Up From 60%

Vancouver, BC, February 12, 2009 – According to the recently released Ipsos Reid BC Home Buyers report, four-in-ten (42%) British Columbians expect housing prices to be lower in twelve months, down from 57% in November. Overall, British Columbians are forecasting a 3.0 percent average drop in home prices in their community, an improvement from the end of 2008 when a 6.7 percent decline was projected. Three-in-ten (32%) predict prices will remain the same while two-in-ten (20%) predict prices will be higher.

- Residents of the Lower Mainland foresee an average decrease of 2.3 percent while those in the rest of BC expect a decrease of 3.8 percent.

Expected Average Change in Home Prices in One Year

	Jan-09	Nov-08
BC Total	-3.0%	-6.7%
Rest of BC	-3.8%	-7.9%
Southern BC	-4.1%	-8.2%
North	-2.7%	-8.1%
Vancouver Island	-4.2%	-7.0%
Lower Mainland	-2.3%	-5.9%
Fraser Valley	-2.1%	-8.1%
Vancouver	-2.5%	-6.7%
South of Fraser	-2.6%	-6.1%
Northeast	-1.3%	-5.6%
Burnaby/New West	-2.1%	-4.0%
North Shore	-2.8%	-3.6%

Market conditions continue to improve for buyers. Seven-in-ten (71%) of British Columbians say it's a good ("very good" or "somewhat good") time to buy a home, up from 60% in November of 2008. Conversely, eight-in-ten (82%) say it's not a good time to sell a home. According to Hanson Lok, Senior Research Manager for Ipsos Reid in Vancouver, "British Columbians expect prices to keep falling in 2009 but most don't see the trend continuing in 2010."

There seems to be a growing number of home buyers who are sitting on the sidelines, as three-in-ten (32%) of British Columbians say they are considering the purchase of a home in the next two years. This is up from two-in-ten (20%) at the end of 2008.



Hanson Lok adds, "The lowest mortgage rates since 2005 and declining prices have brought out more potential buyers since the end of last year. Many are still concerned about the volatility of prices and the economic recession, so they will wait six months or more before acting. They do however, recognize that market conditions throughout this year will benefit the buyer.

We are seeing a greater number of first time home buyers in particular, looking to take advantage of more affordable homes, incentives from the government and lower costs of borrowing."

First-time home buyers now comprise nearly four-in-ten (38%) of prospective buyers, up significantly from 17% in November.

Look for more results about Home Buyers in Ipsos Reid's **BC Home Buyers Report** with a special feature on First Time Home Buyers. This comprehensive report is aimed to profile, track and measure the attitudes of recent and upcoming homes buyers in the province, twice a year. Metrics include home purchase criteria/motivators, economic outlook/confidence, demographic and psychographic profiling as well as mortgage measures.

The results of this poll are based on a sample where quota sampling and weighting are employed to balance demographics to ensure that the sample's composition reflects that of the actual BC population according to Census data. Quota samples with weighting from the Ipsos online panel provide results that are intended to approximate a probability sample. Statistical margins of error are not applicable to online polls because they are based on samples drawn from opt-in online panels, not on random samples that mirror the population within a statistical probability ratio. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error. However, an unweighted probability sample of this size, with a 100% response rate, would have an estimated margin of error of +/-1.5 percentage points, 19 times out of 20, had the entire adult population in British Columbia been surveyed.

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