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OUTLOOK: STABILITY

SEEN IN 2012 HOME MARKET

The current slowdown in Greater Vancouver's housing market won't continue into 2012, but expect only modest gains in sales and prices next year, according to the Housing Outlook 2012 report from Canada Mortgage and Housing Corporation (CMHC)

CMHC is forecasting a 9 per cent increase in MLS sales in Greater Vancouver next year, and projects the average resale price for detached houses rise from \$788,000 this year to \$805,000 in 2012.

“Demand and supply are expected to remain balanced until later in 2012,” CMHC states.

For those looking for more affordable homes, the Fraser Valley and Chilliwack markets may offer the best choice next year, according to both CMHC and local Realtors.

CMHC said average home prices in the Fraser Valley will remain the same in 2012 as this year, at around

\$505,000, and their analysts are forecasting a 3 per cent drop in MLS sales next year. Abbotsford sales are forecast to fall 11 per cent this year and a further 4 per cent next year.

With about 10,000 homes for sale in the Valley, Realtors say next year could be a prime time for buyers to look for that perfect suburban house at a great price.

In Chilliwack, where housing stats are down about 50 per cent this year compared to 2011, the average house price is around \$325,000 and is not expected to rise much, if at all, in 2012.

Analysts say Asian immigration will help sustain the Lower Mainland housing market. According to the Citizenship and Immigration Canada, there is backlog of more than 300,000 Chinese residents who want to immigrate to Canada, and Vancouver is the preferred choice for investor immigrants, who must prove cash assets of \$1.6 million.

With the lowest housing prices in the Lower Mainland, Chilliwack - and other Fraser Valley markets - may see an uptick in homes sales next year.