

A man with curly hair and a woman are lying on their stomachs on a light-colored floor, looking at a laptop. The man is wearing a green t-shirt and the woman is wearing a pink blazer. They are both smiling and looking at the laptop screen. The background is a bright, modern interior with white furniture.

FIRST TIME BUYERS CONFIDENT FOR GOOD REASON

First-time home buyers are holding all the cards this spring. A search on REW.ca reveals hundreds of affordable homes for sale.

A recent survey of potential first-time home buyers revealed a confident group of mostly young people - and if you drill down into the Lower Mainland housing market it is easy to understand why.

This spring, first-time purchasers are in the driver's seat in what remains a buyers' market. Mortgage interest rates remain at historic lows, prices have barely budged, or have even come down from a year ago, in every neighbourhood from West Vancouver to Chilliwack. Plus, there is a huge selection of affordable homes for sale across the Lower Mainland.

The typical first-time buyer in Canada plans to put down \$48,000, or about 16 per cent, on a \$300,000 home and pay it off in 20 years, according to the latest survey - done from February 25 to March 5 - by Bank of Montreal. And nearly 70 per cent plan to save up and pay for it themselves.

This is a totally reasonable assumption today, even

in Metro Vancouver, which has the highest average housing prices in the country. We did a quick survey this week of listings at www.REW.ca: its powerful search engine can quickly track down listings by price and type anywhere in the Lower Mainland.

For example, our survey found 101 condominiums in the City of Vancouver priced under \$300,000, another 79 in Burnaby and a whopping 263 in Surrey - and many of these were townhomes. In Chilliwack, there are 39 detached houses advertised at \$300,000 or less, along with nine three-bedroom townhouses. (Tip: according to speakers at the Vancouver Real Estate Forum last week, many new condominium developers in the Lower Mainland are also discounting prices, or offering special incentives, on new and unsold units this spring.)

The BOM survey reveals that first-time buyers are savvy consumers. For example, they are twice as likely to choose a fixed-rate over a variable rate mortgage.

This is a smart decision, which protects the buyer from an inevitable increase in mortgage rates while taking advantage of today's historic low rates.

As well, the survey showed pragmatic and self-determined young consumers, with 63 per cent of buyers planning to trim their lifestyle to save for their first home. Only 27 per cent expected their parents or other family members to help them pay for their first home.

Metro Vancouver first-time buyers surveyed estimated they would have to spend \$529,000 for their first home, the highest in Canada. (With a minimum 5 per cent down payment, the local first-time buyer would need to save about \$26,000 for the down payment.)

The survey also found that nearly 60 per cent of first-time buyers "wished they had bought five years ago." The best way to avoid this regret is to get mortgage approval and put a local Realtor to work to find that first home this spring.