

# FRASER VALLEY

BRITISH COLUMBIA

↑ 20%

2016 AVERAGE RESIDENTIAL SALE PRICE  
\$690,000

## THE FRASER VALLEY CONTINUED TO SEE STRONG ACTIVITY FOR ALL RESIDENTIAL PROPERTY TYPES IN 2016.

Total sales for single-family detached homes grew by eight per cent, while condo sales saw an increase of 22 per cent. Low inventory and high demand contributed to the average sale price in the region rising 20 per cent, from \$577,507 in 2015 to \$690,000 in 2016.

Move-up buyers, typically families looking for detached homes, continue to drive demand in the Fraser Valley. The 15 per cent foreign buyer tax implemented by the provincial government has not had as significant an impact on the Fraser Valley as other parts of the Lower Mainland.

The new mortgage rules introduced by the federal government in 2016 are expected to lead to a softening of demand in the upper end of the market as move-up buyers looking for more square footage may have difficulty obtaining the mortgage they need to purchase a larger home. This is expected to lead to a five per cent decrease in the average residential sale price in 2017. Activity is anticipated to remain strong throughout the lower end of the market as the region's natural beauty and access to Vancouver are expected to continue to attract both foreign and local buyers.

### FIRST-TIME BUYERS

First-time buyers are active in the Fraser Valley, increasingly looking to purchase condos as a more affordable entry point to the market. As a result, 2016 saw a rise in demand for properties in the lower end of the market that range from \$200,000 to \$250,000.

### CONDO MARKET

The Fraser Valley's condo market saw increased activity in 2016 compared to 2015, with sales rising from 7,687 to 9,407 year-over-year. First-time home buyers and baby boomers looking to downsize typically drive demand for condos in the Fraser Valley.

### LUXURY HOMES

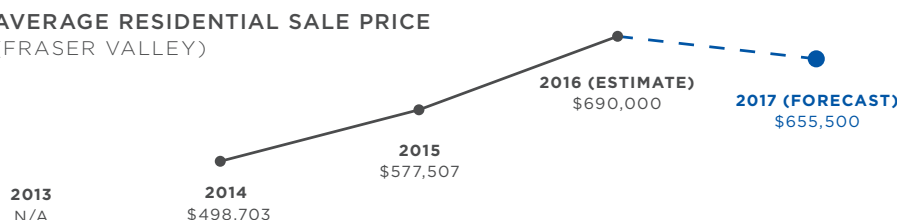
There is a wide array of options for buyers in the Fraser Valley's luxury home market. From working farms to waterfront properties, typically buyers in the upper end of the market are looking for large acreage homes listed in the \$3 million to \$5.8 million range. Demand for luxury homes from move-up buyers in the Fraser Valley is expected to soften due to the new mortgage lending rules introduced by the federal government in the fall.



## FUTURE TRENDS

- The Bank of Canada's January interest rate decision is expected to have a significant impact on the Fraser Valley's spring market
- Continued population growth in the region is expected to increase demand moving forward
- The RE/MAX 2017 average residential sale price expectation for the Fraser Valley is a decrease of five per cent

AVERAGE RESIDENTIAL SALE PRICE (FRASER VALLEY)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.