



## Dawson Creek Market Peek Quarterly Report

### First Quarter: January 1—March 31, 2015

Information contained in this report was gathered from MLS sales and listings data which is owned and compiled by the South Okanagan Real Estate Board, on April 6, 2015. The data includes all homes in Dawson Creek, Dawson Creek Rural, Rolla and Pouce Coupe. Vacant land and commercial property is excluded.

Mortgage information is accurate on the day this was published. All mortgage information must be verified by a mortgage professional. Quoted rates are subject to change without notice.

Consumer confidence is a subjective category. Its measurement is based on recent news and the

result of dealing with the real estate buying public on an ongoing basis.

All data was collected and calculated by the author. Any questions regarding this information can be directed to Kevin Kurjata at the contact information provided below.

### Current Supply: 217 Homes



- We continue to carry a high level of product for the season. I'm starting to think that this is the new normal.
- 2015 saw a new record for first quarter listings
- It's extremely congested below \$300,000 and over \$550,000



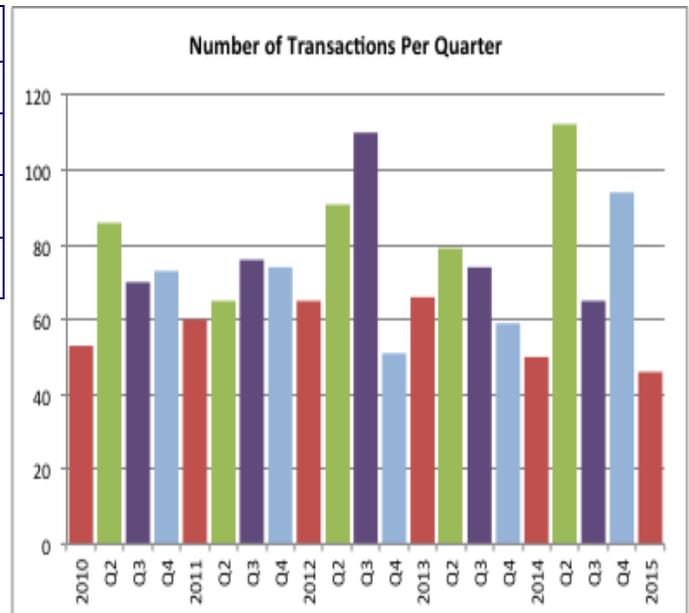
Price Range	Total Listings	Sales/Listings	
		Q4 (14)	Q1 (15)
< \$100k	20	13%	10%
\$101k—\$150k	14	38%	21%
\$151k—\$200k	30	53%	17%
\$201k—\$250k	34	50%	15%
\$251k—\$300k	46	46%	15%
\$301k—\$350k	25	44%	28%
\$351k—\$400k	28	33%	25%
\$401k—\$450K	10	38%	30%
\$451k—\$500k	11	25%	36%
\$501k—\$550k	14	33%	21%
>\$550k	31	20%	0%

### Third Quarter Demand: 46 Homes



	2010	2011	2012	2013	2014
Q1	60	65	66	50	46
Q2	65	91	79	112	
Q3	76	110	74	65	
Q4	74	51	59	94	

- Transaction levels weren't great in Q1, but they weren't as bad as I was expecting with the energy apocalypse that's going on right now.
- 70% of sales were over \$250,000 compared with 60% in Q4 of 2014.
- In spite of the apparently low levels of transactions in Q1, anecdotally, the market appears brisk. Good listings at good prices are on the move.
- I'm encouraged by the level of activity that we are seeing in spite of weak energy prices.





# Kevin Kurjata

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Client Centered Real Estate Service

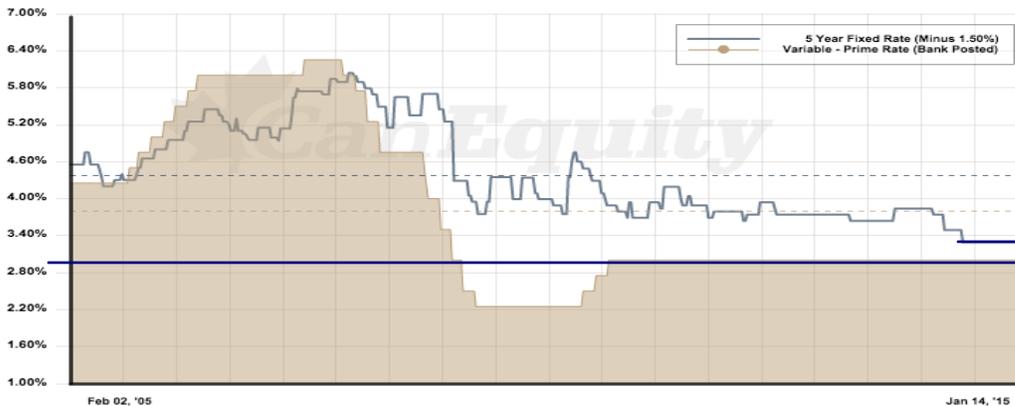
## First Quarter Median Price

	2011	2012	2013	2014	2015
Q1	\$229,600	\$251,000	\$278,000	\$276,000	\$327,250
Q2	\$260,000	\$260,000	\$272,000	\$288,000	
Q3	\$235,000	\$239,000	\$285,000	\$276,000	
Q4	\$255,000	\$248,000	\$275,000	\$267,500	

- This is where the quarter was really interesting. The median sale price jumped 22% from the last quarter.
- I presumed that the drop in the median sale price in Q4 of 2014 was an aberration, I presume the massive leap this quarter is as well.
- I need one more quarter to know what's really going on



## Interest Rates & Affordability



**Get Low Get Low Get Low**

5 Year Fixed Rate vs. Variable Rate with Averages  
CANADIAN MORTGAGE RATE HISTORY



- Remarkably low interest rates continue to fuel the real estate market. These rates are crazy. They make it way easier for first time home buyers to get into a house that they like, which moves the market. The biggest impact of low rates, however, is that they make real estate an extremely attractive investment. Why keep your money in the bank or in a mutual when you can leverage rates as low as 2.59% on a cash flowing asset? I'm seeing some signs of inflation, but they haven't been reflected in the data yet. As long as inflation stays in check and the economy remains unpredictable, rates will remain this affordable.

## Consumer Confidence

It's very difficult to predict with any certainty, but the price of oil seems to have bottomed. Regardless, breakup has a different feeling to it this year. I find that every year at this time there's some hand wringing, but this year people are legitimately wondering if the work is going to start up again when the road bans come off.

I've been feeling more pessimistic than usual, but for some reason, the past few weeks I've felt

surprisingly buoyant. Maybe it's the spring, or maybe it's that I'm starting to believe that Petronas might just make their big FID by June and we'll see the boom that we've all been expecting, but that has never materialized here in Dawson Creek.

There are cross winds blowing. The headwinds are the price of energy and the fact that no one has committed to LNG yet. The tailwinds are the

site C dam, super-low interest rates and the continuously powerful levels of employment in our region.

People in our community have been cautious for a few months now. I have a feeling the flood gates may be about the open.

But what do I know? I know as much as you do. Collect your info and make your decisions.