



Dawson Creek Market Peek Quarterly Report

Second Quarter: April 1—June 30, 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 July 3, 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.

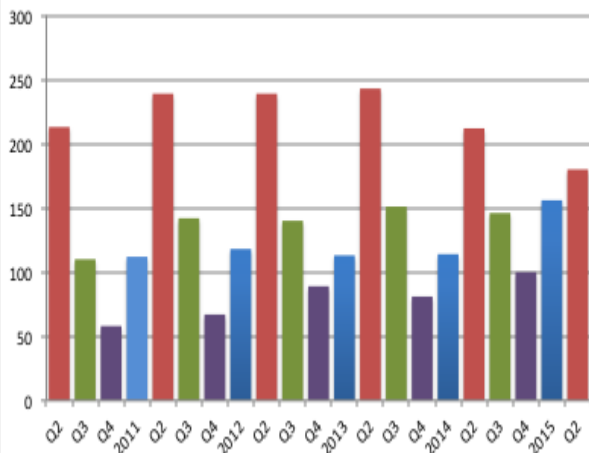
Consumer confidence is a subjective category. Its measurement is based on recent news and the

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: 234 Homes

New Listings Per Quarter



- Listing activity was very soft for the time of year, on the back of a very active first quarter.
- There were a lot of new listings below the median sale price, which could be a sign of investors attempting to take profits.
- The top of the market continued to see lots of listing activity but demand failed to keep up.



Price Range	Total Listings	Sales/Listings	
		Q1	Q2
< \$100k	31	10%	23%
\$101k—\$150k	25	21%	24%
\$151k—\$200k	56	17%	23%
\$201k—\$250k	62	15%	27%
\$251k—\$300k	62	15%	24%
\$301k—\$350k	42	28%	29%
\$351k—\$400k	35	25%	17%
\$401k—\$450K	21	30%	24%
\$451k—\$500k	15	36%	13%
\$501k—\$550k	28	21%	18%
>\$550k	41	0%	15%

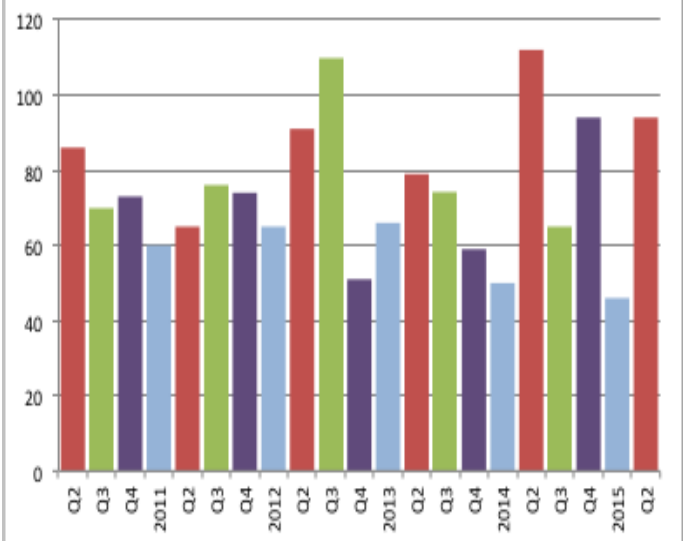
Second Quarter Demand: 94 Homes



	2011	2012	2013	2014	2015
Q1	60	65	66	50	46
Q2	65	91	79	112	94
Q3	76	110	74	65	
Q4	74	51	59	94	

- We actually had a very strong quarter as far as transactions go.
- We were off last years numbers by 16%, but it was still the second best Q2 of the past 5 years.
- Activity below \$350,000 was particularly robust with a Sales to listings ratio of 25%.
- Above \$350,000 was significantly muted with a sales to listings ratio of 17.4%. That's a significant spread and has contributed to the decreased median sale price (see page 2).

Number of Transactions Per Quarter





Kevin Kurjata

Personal Real Estate Corporation

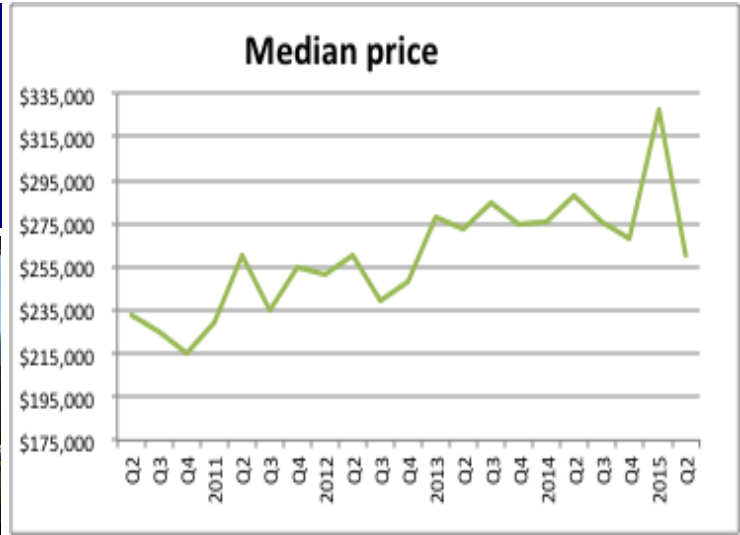


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Client Centered Real Estate Service

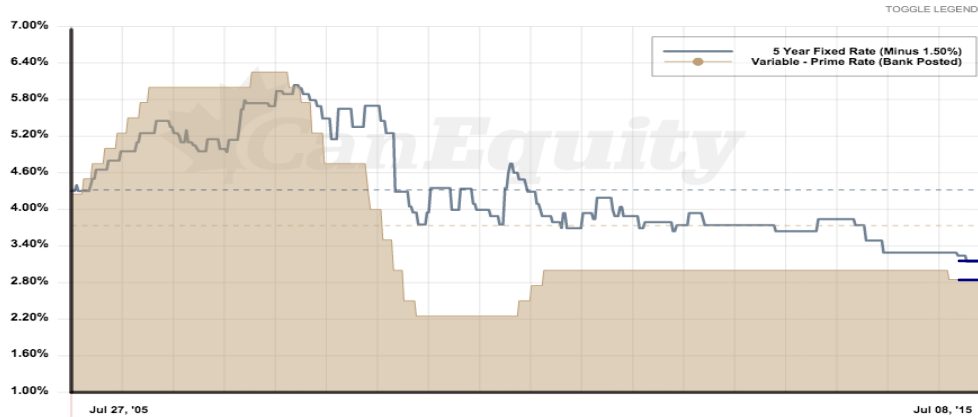
Second Quarter Median Price

	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	\$260,000
Q3	\$235,000	\$239,000	\$285,000	\$276,000	
Q4	\$255,000	\$248,000	\$275,000	\$267,500	

- The median of \$260k is back to 2012 numbers. That is in spite of an active market
- The heavy activity levels in the lower reaches of the market is causing this, as opposed to prices actually falling.
- That said, it's worth paying attention to. If you need to sell, get your price down.



Interest Rates & Affordability



How Low Can We Go?
Seriously.
This is getting crazy!

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



- Just when I thought it couldn't get any crazier, Poloz goes and lowers the overnight rate another 0.25%. Banks promptly adjusted their prime rate down another 0.15% to 2.7%. You know its getting crazy when even real estate firms are saying that this is getting to be a bit much. Ah well, I don't make the rules I just abide by them. If you ever thinking about leveraging up, this is clearly the time to do it, just make sure you've got the space on your investments to cover the increased cost of borrowing when rates rise. They are going to rise one day aren't they? Hello....Anyone?

Consumer Confidence

This is a strange market that we're operating in. The price of oil continues to hold the top spot in the headlines nation wide. We are intimately intertwined with that market. But we seem to be resilient. People are still buying and selling real estate in our community.

Of particular note in our neck of the woods are the current fluctuations in the rental market. Sales of investment properties is brisk, this is seen in the high volume of sales at the lower

end of the market. Renting properties, however, has become more difficult. We have a perfect storm of decreased demand due to the energy industry scaling back, and increased supply due to the completion of several purpose built rental properties in the past few months. This has led to decreased rents. The decreased rents can't come as much of a surprise. Landlords have been making large amounts of money off of high rents relative to low real estate prices for some

time now. Day one of first year economics tells us that when profits are high, lots of people want to get into the party, which will inevitably decrease said profits. The world keeps on spinning.

There are bright economic lights on the horizon. I think it's a matter of time before we see shovels in the ground and our economy hits the gas. I know I'm not the only one expecting as much. Stay the course Dawson Creek!