

Statistically Speaking

Market activity in the Fraser Valley Real Estate Board.

Properties listed: Aug. '04 - 2247 Jul. '04 - 2519 Aug. 2003 - 1951
Number of sales: Aug. '04 - 1381 Jul. '04 - 1553 Aug. 2003 - 1661
Year to Date: sales volume +6.8% Year over Year Price Index value +16.0%

FREE BREAKFAST WINNER!

If your address is **3917 197th St.** you've just won this month's

BREAKFAST FOR 2

at

DE DUTCH PANNEKOEK HOUSE

in the Langley Crossing Mall (value approx. \$25.00)

You must call me by month's end to claim your prize.



FREE BREAKFAST OR LUNCH ENTREE

with the purchase of a second entree of equal or greater value.

Offer valid until November 30th 2004 at the Langley De Dutch Only

Offer Not Valid On Sundays

Please remember to tip on the full value of the meal



*Jeremy
Sutton*



* A Full time Realtor for 22 years.

* Won lots of awards for top sales activity.

* 43 sales last year including 7 in this neighbourhood.

MARKET SHARE

January 1st- August 31st 2004
LANGLEY

RE/MAX - 32.5%
Homelife - 22.3%
Royal/LePage - 16.9%
Sutton Group - 7.8%

With 19.1% of Langley Realtors,



*Jeremy
of*

RE/MAX

Treland Realty
604-533-3491

THE SOUTHWEST BROOKSWOOD BULLETIN



Free Breakfast winner inside!

Check Out My Web-Site!

www.realestatelangley.com

This is not intended to cause or induce breach of an existing listing agreement.

#101 - 6337 198th Street, Langley B.C. V2Y 2E3

Each office independently owned and operated.

G.S.T. and BRACKET CREEP!

With the latest housing price increases, the problem of taxation again becomes a sore issue. When you buy a house you pay taxes in a number of ways. Property Transfer Tax and G.S.T. are the most visible taxes on new homes and both have profited greatly from the recent market rise.

Today we look at the G.S.T. trying to ignore the fact the Jean Cretien promised to do away with it, I did hope that they would follow through with the inflation adjustments they promised.

G.S.T on new construction is 4.48% for sales under \$350,000 and rises on a sliding scale to the full 7% for purchases at \$450,000 or more. In 1991 when G.S.T. was introduced, a \$450,000 new house was a luxury home and above most of the Canadian market. The reduction to 4.48% was seen as a fair break for the average home buyer. Back then a new home would sell for about \$225,000. The tax added to this sale was \$10,080 for a full purchase price of \$232,080.

In 2004 that same new house sells for \$425,000 plus we add G.S.T. of \$27,539 for a total purchase cost of \$452,539. Now the G.S.T. works out to approximately 6.48% not 4.48%.

For the average home buyer, the G.S.T. portion of a new home purchase is now what only the privileged (sic) few had to pay in 1991. By not raising the G.S.T. discount ceiling, the government has allowed the rise in the market to increase taxes. This is the same effect as "bracket creep" in income taxes where the tax margin rate isn't moved as wages and inflation increase.

We are no longer just paying 4.48% G.S.T on a more valuable property but we are also paying a higher percentage rate (6.5% in the example) on that more valuable property. The \$350,000 ceiling for maximum G.S.T. discount should be raised to \$550,000 to keep in step with inflation. But don't expect the government to make any changes. Once a tax always a tax. Eventually unless there is a public outcry, we will all be paying the full 7% on every new home purchase and the government will just smile and nod.

If this issue irks you, I recommend you contact our M.P. or the Federal Finance Minister.

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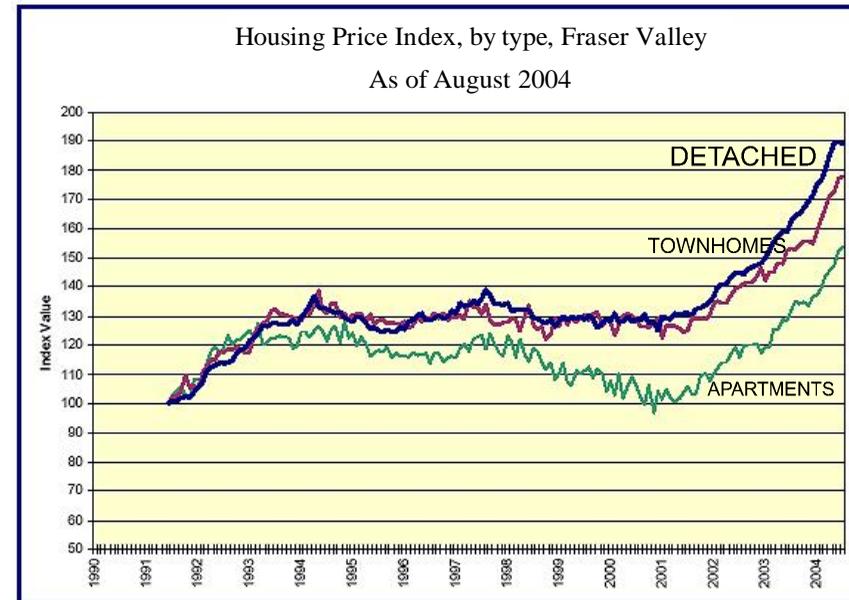
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OUR LOCAL MARKET UPDATE - October 8th, 2004

Current Listings	Style	Age	Square Feet	Bedrms	Bthrms	List Price
19864 37A Avenue	rancher	31	2000	4	1	\$369,000
4212 196th Street	split level	28	2330	4	4	\$389,900
19613 42nd Avenue	basement	25	2893	5	3	\$399,000
19725 42nd Street	basement	27	2460	4	3	\$428,000
3375 197th Street	two storey	16	2512	4	3	\$444,900
SOLD since 09/01/04						Sold Price
3547 200th Street	rancher	32	1260	3	1	\$267,500
19954 37th Street	basement	31	1985	4	2	\$315,000
3471 197th Street	basement	26	2232	4	4	\$355,000
3387 196A Street	rancher + loft	17	2037	3	2	\$398,000
3369 199th Street	2 storey	17	2012	4	3	\$432,000
19828 34A Avenue	2 storey	17	3104	4	3	\$452,000

The above information is believed correct but not guaranteed. All details are as of date of printing.



Time for a housing change?

Call me for a no obligation review and discussion of how the market will work for you.



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