

Background report attached

Suburban home with a yard trumps downtown convenience: survey

Young people lead the way when choosing a big house over a luxury condo

BY TIFFANY CRAWFORD, VANCOUVER SUN MARCH 27, 2013

FEELING LIKE A MILLION BUCKS

Detached homes still a dream for many, but living space requires a trip to the suburbs

3516 West 21st Ave.

DUNBAR, VANCOUVER

\$998,000

1 Bedroom

2 Bathrooms

1,053 square feet

Lot Size: 16.5 x 122 ft

862 East 22nd Ave.

FRASER, VANCOUVER

\$995,000

3 Bedrooms

2 Bathrooms

2,400 square feet

Lot Size: 49.5 x 122 ft

151 North Holdom Ave.

CAPITOL HILL, BURNABY

\$998,888

5 Bedrooms

3 Bathrooms

2,400 square feet

Lot Size: 48 x 121 ft

9387 207A St.

WALNUT GROVE, LANGLEY

\$998,000

6 Bedrooms

4 Bathrooms

4,373 square feet

Lot Size: 50 x 148 ft

If I had a million dollars ... I'd buy you a house. And a new survey suggests I would probably buy you that house with a big yard in the suburbs.

When asked what type of housing they'd buy if given \$1 million, 34 per cent of renters and property owners in the Lower Mainland and Fraser Valley surveyed would rather have a large house and property in a suburban setting, compared with just 12 per cent who would opt for a luxury apartment in the city, according to a **Mustel Research Group** poll.

The poll, conducted for REW.ca, a real estate search website owned by Glacier Media Inc., surveyed 561 adults between Feb. 28 and March 12. Twenty per cent would buy a small detached house and 10 per cent favoured a townhouse or duplex in the city, while 23 per cent would just keep the cash and rent.

Vancouver, Langley and Burnaby were the most popular places to live.

"We were a bit surprised that, despite all the talk about densification and walkability, despite the fact that condos have taken over from houses in many parts of our region, the overwhelming choice was for a large house on a big suburban property," said Elizabeth Wilson, content editor for REW.ca.

Another surprising find, she said, was that the younger folks - or the so-called Gen Ys - were the most keen to own a big house and property.

The poll shows 47 per cent of those aged 18 to 34 preferred a large house and property over all other options, while most of those over 55 chose to keep the money and rent.

Families with children were the hottest to buy and least likely to keep the money . "They know a million bucks doesn't go that far when you've got kids," said Wilson.

The survey shows big differences depending on where people live, and indicates suburbanites are more likely than city slickers to desire the white picket fence life. More than half of the respondents who said they'd buy a big house in the burbs already live in Surrey, Delta and Langley.

Of the folks who live in the city of Vancouver, most would go for the cash or the small detached house in the city, and only about 10 per cent said they'd rather have an estate in the burbs.

Those most likely to keep the money live in Abbotsford and Chilliwack or the North Shore.

As for the location, Langley was the winner for the big house and property while Vancouver was the main choice for those who wanted a condo.

In Vancouver, \$1 million could buy, for example, a small two-bedroom house in Kitsilano or a four-bedroom house in East Vancouver with a tiny backyard, according to REW.ca.

In Langley, however, the most popular location among respondents, a million bucks could buy a sprawling five-acre farm with a four-bedroom house or a 5,000 square-foot, six-bedroom house in an upscale neighbourhood. In Burnaby, \$1 million could fetch a five-bedroom house with water views of Burrard Inlet on Capitol Hill.

Meanwhile, the Real Estate Consumer Confidence survey released Tuesday also shows more than half (54 per cent) of respondents think that it's a good time to buy a home in Metro Vancouver, up eight percentage points over last year. The same survey in March 2012 found that only 46 per cent of consumers felt good about buying.

As consumer confidence about buying increases, sentiment towards selling homes continues to slide, the survey shows, with 63 per cent of respondents saying it's a bad time to sell.

The slow but steady trend toward buying supports the view that Metro Vancouver is still experiencing a buyer's market, according to the survey.

Of the 54 per cent of residents who think the time is right to buy a home, 23 per cent said the main reason for their optimism was that prices have come down.

Ian Martin, general manager of REW.ca said the findings indicate that for the first time in a year more residents feel that now is the right time to buy.

"We also loved our million dollar question, as we now know that most people prefer a large home in the suburbs over a luxury condo in the heart of a city."

The survey has a 4.1 per cent margin of error.

The regions included in the survey are: Vancouver; North Shore; Burnaby/New Westminister; Tri-Cities/Maple Ridge/ Pitt Meadows; Richmond; Surrey/Delta/Langley east to Aldergrove; and Abbotsford/ Chilliwack.

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March 2013

**REW.ca Greater Vancouver Real Estate
Consumer Confidence Survey - March 2013**

REW.ca



MUSTEL GROUP
MARKET RESEARCH

➤ Introduction

- 561 telephone interviews with Metro Vancouver & Fraser Valley adults, 18 years and over;
- Margin of error: $\pm 4.1\%$ at 95% confidence level in the most conservative case; 5.9% point spread required between measures of 550;
- Industry-standard, multi-stage random selection techniques employed;
- Municipal quotas ensure the population is represented according to its actual distribution;
- At tabulation stage, weighting adjustments bring basic characteristics of age, gender and region into their correct known proportions based on Statistics Canada population figures
- Interviewing conducted February 28th to March 12th, 2013

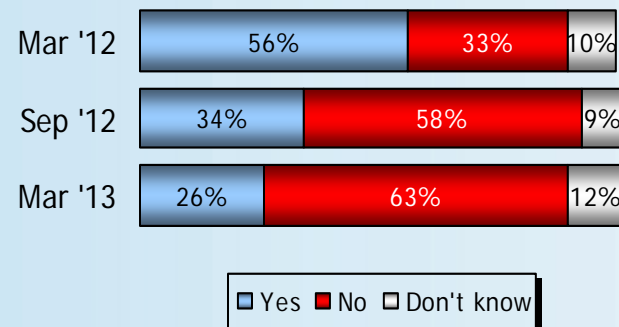
➤ Confidence Limits

- A reported finding of 50% would fall between 45.5% and 54.5% most of the time. Accuracy increases for findings above and below 50%. The table below illustrates tolerance limits for various incidence levels at several subgroup sizes. This table applies to observed differences within one study.

TOLERANCE LIMITS (± range in percentage points)							
	n=500	n=400	n=300	n=250	n=200	n=100	n=50
50%	4.4	4.9	5.7	6.2	6.9	9.8	13.9
40 or 60%	4.3	4.8	5.5	6.1	6.8	9.6	13.6
30 or 70%	4.0	4.5	5.2	5.7	6.4	9.0	12.7
20 or 80%	3.5	3.9	4.5	5.0	5.5	7.8	11.1
10 or 90%	2.6	2.9	3.4	3.7	4.2	5.9	8.3
5 or 95%	1.9	2.1	2.5	2.7	3.0	4.3	6.0

- Exercise caution when interpreting data based on samples of less than 50. Such results must be treated as directional only.

➤ Good Time to Sell a House/Condo in Next 3 Months



Base:

Total Mar'12 (n=278)

Total Sep'12 (n=550)

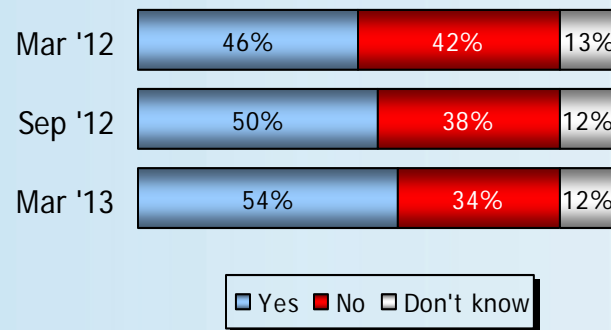
Total Mar'13 (n=561)

Q.1a) Do you think that it is a good time to sell a house or a condo in the next 3 months?

► Reasons Think Good Time to Sell in Next 3 Months

	<u>Total</u> (498) %	Good time to sell	
		<u>Yes</u> (142) %	<u>No</u> (356) %
Prices will go down/market correction/housing bubble	43	29	49
Housing market is soft/sales have slowed down	15	4	20
It's a buyer's market/too many properties for sale	9	1	12
Prices are high	8	11	7
Good time of year to sell	7	20	2
Concerned about the economy	7	1	9
Housing prices have stabilized	7	10	5
Prices will continue to rise	6	9	5
Interest rates are low	3	7	1
It's a seller's market	2	6	-
Prices are low/reasonable	2	1	2
Upcoming election	2	1	3
Interest rates will go up	1	1	<1
Bad time of year to sell	1	-	1
Economy is improving	1	5	-
HST/taxes concerns	1	1	2
Population growth/immigration	<1	1	-
Foreign investors	<1	-	<1
Miscellaneous	2	-	2
Nothing/no comment/none	9	12	7
<i>Q. 1b) Why do you say that?</i>			

➤ Good Time to Buy a House/Condo in Next 3 Months



Base:

Total Mar'12 (n=278)

Total Sep'12 (n=550)

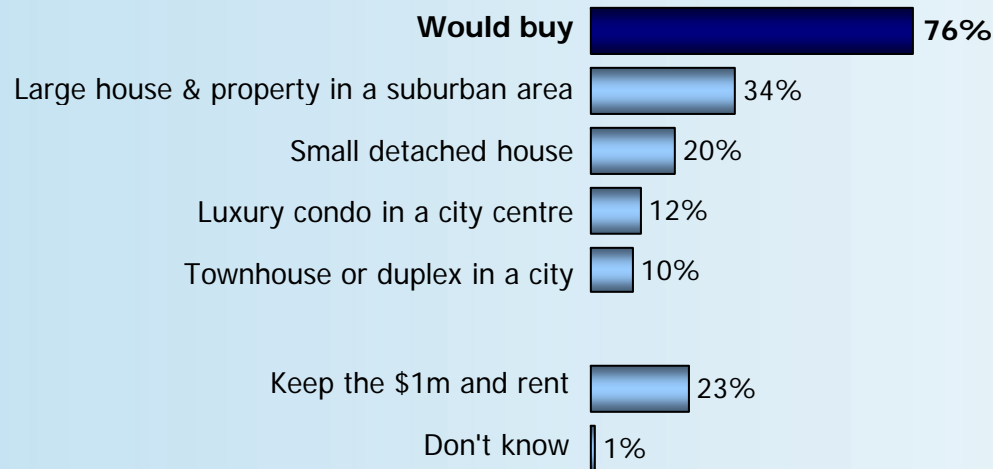
Total Mar'13 (n=561)

Q.2a) Do you think that it is a good time to buy a house or a condo in the next 3 months?

► Reasons Think Good Time to Buy in Next 3 Months

	<u>Total</u> (495) %	<u>Good time to buy</u>	
		<u>Yes</u> (307) %	<u>No</u> (188) %
Prices will go down/market correction/housing bubble	26	23	32
Prices are high	13	2	32
Interest rates are low	13	20	2
It's a buyer's market/too many properties for sale	11	18	1
Housing market is soft/sales have slowed down	9	12	3
Prices are low/reasonable	8	12	1
Prices will continue to rise	6	7	4
Housing prices have stabilized	5	6	3
Concerned about the economy	4	2	7
Good time of year to sell	3	4	1
HST/taxes concerns	2	2	4
Economy is improving	1	1	-
Interest rates will go up	1	-	1
Upcoming election	<1	<1	1
It's a seller's market	<1	-	1
Miscellaneous	1	1	2
Nothing/no comment/none	11	10	12
<i>Q.2b) Why do you say that?</i>			

➤ Type of Property Most Interested in Buying

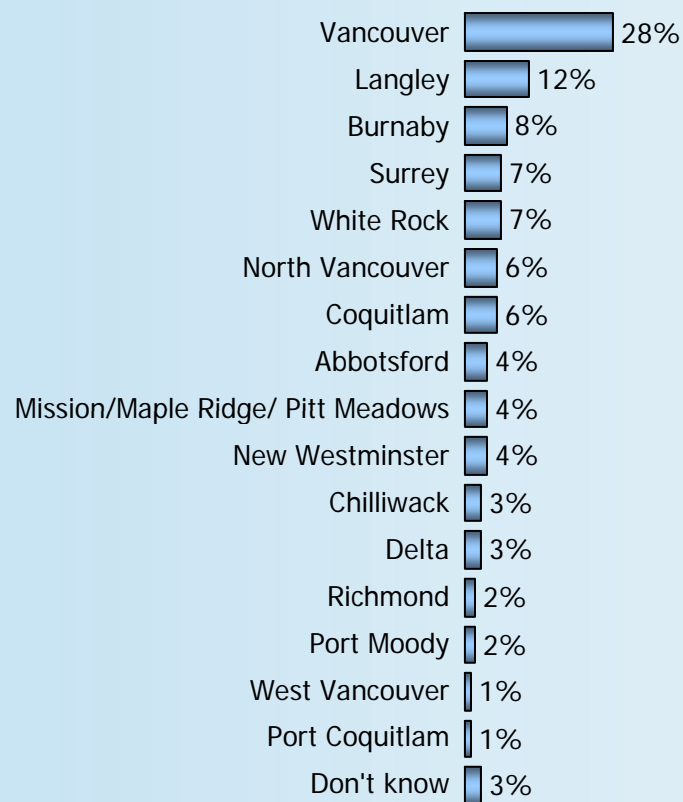


Base: Total Mar'13 (n=561)

Q.3) Suppose you did not own your residence and had **exactly** \$1 million dollars to buy the **only** residential property you would have in the Lower Mainland area.

Knowing that you can live anywhere in the Lower Mainland area, and that the farther you get from the City of Vancouver the less you pay, which one of the following types of property would you be most interested in buying?

➤ Location of Property Most Interested in Buying



Base: Total would buy a home (n=418)

Q.4) Which city would that be?

➤ Distribution of Interviews

	Mar'12 (278) %	Sep '12 (550) %	Mar '13 (561) %
Home Tenure			
Rent	22	25	34
Own	76	73	64
Refused	1	1	2
Gender			
Male	49	48	48
Female	51	52	52
Age			
18 to 34	29	29	29
35 to 54	40	38	38
55 to 64	14	16	16
65 +	17	17	17
Refused	<1	-	<1
Region			
Vancouver	27	25	25
North Shore	8	7	7
Burnaby/New Westminster	12	12	12
Tri-cities/Maple Ridge/Pitt Meadows (inc. Coquitlam/ Port Moody/Port Coquitlam/Anmore/Belcarra)	11	12	12
Richmond/Tsawwassen/Ladner/South Delta	10	10	10
Surrey/White Rock/North Delta/Langley/East to Aldergrove	24	26	26
Abbotsford/Chilliwack	10	9	9