

## Foreign home buyers 'bigger problem' than earlier data suggested

The number of foreign purchases in Metro Vancouver's housing market is twice as high as previously thought, according to new numbers released Tuesday by the government.

The figures released by Finance Minister Mike de Jong showed about 10 per cent of the total value of residences bought in Metro Vancouver was by foreign citizens in the five-week period between June 10 and July 14.

That's almost double the number indicated in figures released earlier this month. But that first look at the newly collected data was for a much shorter period and did not include the end of June, which is a busy closing time for real estate transactions.

In Metro Vancouver, foreign citizens bought \$885 million out of a total \$8.8 billion in housing purchases in those five weeks, representing 10 per cent of purchases.

The highest number in the region was Richmond, where 19.1 per cent of the value of all residential purchases were by foreign citizens. The comparable figure in the City of Vancouver was 10.4 per cent, in Surrey it was 8.4 per cent, and in Burnaby it was 15 per cent.

NDP housing critic David Eby said government was trying to justify its 15 per cent foreign buyers tax by releasing the data the day after unveiling the legislation.

"I think now it becomes clear how we ended up here in a panic in a summer session," he said. "The government had data that suggested very strongly that the issue was much worse than they initially suggested it was. The numbers we see today are in some cases almost double the original figures.

"It's a huge amount of money and a bigger problem than they ever acknowledged it to be."

Eby said the figures are "startling" because they only capture a small part of what's happening in the real estate market. Previously, the NDP has called the government figures a lowball estimate, because the province tracks the citizenship of purchasers and not the origin of international money.

De Jong said it was "a slight tick upward from the first tranche of data we had, both in terms of overall percentage and value."

The government will next release data up to Aug. 1, and then additional data after that to see how the market reacts to the new tax, which comes into effect on Aug. 2, de Jong said.

The new figures show foreign buyers purchased \$1.024 billion in residences across B.C. during the five weeks, which represents 7.9 per cent of the \$12.89 billion in purchases between June 10 and July 14.

Premier Christy Clark announced her 15 per cent tax on foreign buyers Monday, as part of legislation that will also empower the City of Vancouver to create a vacancy tax and that also strips the real estate industry of the power to police itself.

The NDP said it will support the bill, but propose some amendments.

### AVERAGE VALUE OF RESIDENCES SOLD, JUNE 10 TO JULY 24

Location	All properties	Foreign purchasers	Canadian/Permanent resident purchases
Province	\$665,172	\$802,532	\$665,492
Outside Metro	\$418,317	\$406,562	\$418,743
Metro Vancouver	\$914,871	\$946,945	\$911,425
Vancouver	\$1,166,830	\$1,114,676	\$1,173,188
Richmond	\$956,552	\$1,006,931	\$945,376
Surrey	\$725,930	\$718,429	\$726,622
Burnaby	\$820,247	\$664,470	\$847,249

Source: Government of British Columbia

"It's better than nothing," Eby said.