

GREATER (METRO) VANCOUVER

JAN 2015 QTLY UPPER-TIER REAL ESTATE UPDATE #25

LUXURY JUST GROWS AND GROWS

As the North American economy improves, so our city's luxury sector has continued its 'onward and upward' march. In a single more academic and economically acceptable word, Demand is strengthening.

Upper Tier activity continues without pause; prices continuing rising and new buyers arrive on our shores. Based on the past quarter's results and current inventory levels, we at Homes of Provenance again believe this year too will show increased activity in all categories of luxury residence in Vancouver. Again, worthy of note is the upcoming Chinese New Year, being celebrated on February 19th this year. This is also referred to as the Spring Festival or the Lunar Year. We have not experienced a delay to the 49th day of the Calendar Year since 1996. There has been a marked rise in properties purchased on and around this event in past years and 2014 was no exception. Our discussion with various Real Estate practitioners involved with the representation of clients in the East and West Side of Vancouver, West Vancouver, Richmond, Burnaby and North Vancouver reveals that this year will see a continuation of this trend. A significant part of the conversation in our first six months we believe. There are many who talk of plans for the arrival of flights from mainland China bringing *numerous* folk intent on the acquisition of residential property. Not, we are trying to say, that this has been the major cause, but this joins the factors like the immigration/investment of numerous "players" desiring upscale accommodation in our fair and benign location. Not that this has been the major cause, but this joins the factors like the immigration (international and intranational)/investment of numerous "players" desiring upscale accommodation in our fair and benign location. Again the shortage of inventory of suitable homes will spark "bidding wars" for the more desirable offerings and reduced marketing times for many others. While we believe this period is significant, it is not the only factor fuelling the upper tier market.

Based too on the experience over 2014, many practitioners believe that we will see elevated demand for strata offerings. This demand, while including a significant Asian group, also comprises buyers from the Middle East and parts of Europe. Some presenters at the *Leaders In Luxury*, **Institute for Luxury Home Marketing** Conference held last year October 27-29 in Denver, Colorado spoke at length of the increasing demand from off-shore buyers focusing on the West Coast of North America (California northward to coastal British Columbia). A good number of Institute members across Canada with a preponderance of Vancouver area attendees. Yes, off-shore is a serious component of our upper tier market but not, let us stress, the major portion. More later. Now the 4th and final quarter 2014 figures from the R/E Board's database.

Detached homes sold [\$2MM and above] 2014- 412 listings sold vs. 2013 - 387 sold (an increase of 7%). Highest sale \$14.69 MM ('13) vs. \$18.5 MM ('13). This property - at 1638 Angus Drive , Shaughnessy sold in Nov'14 after 92 days on the market, originally listed at \$17.888 MM, 8 bed/8 bth, it is a 15,187 sq. ft. totally refurbished 1917 First Shaughnessy character home on over an acre of secure property. Tax assessed (2014) at \$14.051MM. Massive basement and indoor swimming pool. An unique property and a distinctive home of provenance.

Attached homes, those best described as townhomes and duplexes, [\$1MM and above] 2014 - 66 units sold vs. 2013 - 51 sold (an increase of 1%). Highest sale \$3.773MM ('14) vs. \$2.1 MM ('13). This property at 1169 W Cordova St (One Harbour Green) Coal Harbour's Golden Mile, sold in Dec'14 after 90 days on the market. Tax assessed (2014) at \$3,773MM. A stunning 2 level view town home 3bd/3bth and 2,600 sq. ft. of living space. A luxurious offering in a community of exceptional homes.

Apartments [\$1MM and above] 2014 - 121 units vs. 2013 - 80 sold (up 51%). Highest sale \$16.2MM ('14) vs. \$4.7MM ('13). This is the 30th Floor (2 level) 3 bed/5 bth apartment - 6,018 sq. ft at Two Harbour Green 1139 W Cordova St. A premier Penthouse with a Panoramic, unobstructed 360 deg view. Listed originally at \$18.68MM, it sold in Nov'14 after 75 days on the market. Tax assessed at \$13.315MM (2014). Another exceptional Coal

Harbourhome of provenance!

Here are the current inventory (listings) figures:

Detached (\$2MM and up) 1002 – Highest \$25.8MM * – 60 at \$10MM plus

Attached (\$1MM and up) 108 – Highest \$35MM** – 8 at \$3MM plus

Apts (\$1MM and up) 279 – Highest \$15.8 MM*** – 15 at \$5MM plus

* 4749 Belmont Ave. 77yr old home, 5bd, 3bth- 3,700 sq ft.

Almost 1.2 acre lot could accommodate close to 30,000sf mansion with spectacular ocean views to Vancouver Island.

** 268 Beach Cres. at the Erikson, Yaletown 3bd/4bth, 2 lvl, 12'

4,427 s/f On the Seawall facing False Creek. 2 spacious patios. 4 car garg.

*** #901 277 Thurlow St 5,189 sf – 5bd/6bth, Three Harbour Green.

Call 604-626-2526/e-mail HOP for info or to view any of these.

Note: We place little store on “asking” prices, as the true measure of a market is “sale” price. We include these as they are clearly of interest. It underlines the fact that unique properties are challenging to price and, in certain markets, very few may sell.

Please visit our website for new developments. We continue our promise to keep you up to date on Vancouver’s **HomesOfProvenance.com** - the “go to” site for Upper Tier Real Estate analysis and jumping off point for market offering information.

To join the group getting the e-mail version of this “update” - send a request now to info@HomesOfProvenance.com and you’ll be assured receipt; phone us at (604) 626-2526 or visit www.HomesOfProvenance.com

.....and now a New York Times 'anecdote' to provide perspective....

Blockbuster penthouse sale breaks \$100 million price barrier in NYC

*One57*_from_Columbus_Circle,_May_2014New York City residential property sales bounced as high as \$88 million in the past several years, but as of late December 2014, the sale of a penthouse encompassing the 89th and 90th floors of the new *One57* tower has closed for \$100.5 million, setting a new record for the most expensive residence ever sold in New York City.

The buyers name remains a mystery since the purchase was made in the name of a limited liability company, P89-90, LLC. Of the apartments sold in the building to date, reports are that more than half are in the names of Trusts or LLCs for privacy's sake. While the property sets a record for NYC, at least three other U.S. properties have sold for more than \$100 million in the past year.

The nearly 11,000 square foot duplex unit boasts the longest south to north city views ever offered by a NYC condominium and includes outstanding views of Central Park and other landmarks. The distinctive blue building was designed by Atelier Christian de Poirtzamparc, the Pritzker-prize-winning French firm. The building sponsor is Extell Development Company.

One57 is among several high rises to break ground on "Billionaires' Row," where the tall new towers cast shadows over Central Park. A group led by investor Bill Ackman is reported to have paid at least \$90 million for another duplex on the 75th and 76th floors of the building, but the sale has not yet been recorded.

NY Times: \$100.4 Million Sale at *One57*

Courtesy W Moore - Institute for Luxury Home Marketing