



For immediate release

Home Sales Inject Billions into BC Economy

Vancouver, BC – December 16, 2004. BC’s booming home sales have generated an estimated \$9.4 billion in related spending and created nearly 78,600 jobs since 2001, according to a report released today by the British Columbia Real Estate Association (BCREA).

The study, prepared by the Economic Planning Group, estimates the economic impacts triggered by the transactions surrounding a typical residential Multiple Listing Service® (MLS®) sale in 2003, including legal fees, property appraisals, moving expenses, utility connections, home renovations, furniture and appliance purchases and taxes—all of which fuel the economy.

“This study shows that a healthy housing market is an important part of a healthy economy,” says BCREA President Gordon Maroney. “Home sales don’t just reflect consumer confidence or low mortgage rates—they create jobs and generate spending in other areas, like home improvement and furniture sales, and for other professionals.”

BCREA reports 6,705 homes, worth \$1.99 billion, sold on the MLS® in November, a 1.9 per cent increase in dollar volume and a 4.2 per cent dip in unit sales, compared to the same period last year. November home sales alone generated an estimated \$187 million in related spending.

“Monthly sales reinforce that BC has a healthy real estate market,” says Maroney. “The economic factors that have fueled the market are expected to remain strong.”

The report estimates that every home sold on the MLS®:

- generates almost \$28,000 in related spending
- contributes more than \$12,500 to the province’s gross domestic product
- produces nearly one-quarter of a job
- generates \$5,400 in tax revenue

Year to date, home sales have reached 90,546 units, worth \$26.1 billion—already breaking BC’s yearly sales record of \$24.2 billion, set in 2003. This is a 15.42 per cent jump in dollar volume, and a 3.49 per cent improvement in unit sales, over the first eleven months of 2003.

“With one month to go in 2004, home sales have already created more than 21,000 jobs in BC and generated \$2.5 billion in additional spending,” says Maroney.

.../2

Economic Impact Summary of MLS® Sales, 2001 – Nov. 2004

	2004 (Jan. - Nov.)	2003	2002	2001	TOTALS 2001 - Nov. 2004
Residential MLS® sales (units)	90,546	93,126	82,725	69,430	335,827
Related spending generated (\$)	\$2,527,591,590	\$2,599,612,290	\$2,309,268,375	\$1,938,138,450	\$9,374,610,705
Contribution to GDP (\$)	\$1,133,183,190	\$1,165,471,890	\$1,035,303,375	\$868,916,450	\$4,202,874,905
Jobs created	21,188	21,791	19,358	16,247	78,584
Tax revenue generated (\$)	\$489,038,946	\$502,973,526	\$446,797,725	\$374,991,430	\$1,813,801,627

A full copy of the report is available at: http://www.bcrea.bc.ca/news_room/2004-12_Economic_Impact.pdf.

BCREA represents 12 member real estate boards and their approximately 14,000 REALTORS on all provincial issues, providing an extensive communications network, required licensing and continuing education courses, standard forms and government relations. For detailed statistical information, contact your [local real estate board](#).

Multiple Listing Service® - November 2004 - BC Residential Sales Data

	Nov. '04 Residential Sales (\$)	Nov. '03 Residential Sales (\$)	Per Cent Change	Nov. '04 Residential Sales (Units)	Nov. '03 Residential Sales (Units)	Per Cent Change
Provincial Totals	1,989,155,001	1,951,638,749	1.92%	6,705	7,000	-4.21%

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