



BRITISH COLUMBIA  
REAL ESTATE  
ASSOCIATION



## **For Immediate Release**

### **BC Budget Assists Housing Affordability and the Environment**

**Vancouver, BC, February 19, 2008** – First-time homebuyers and current owners will potentially benefit from measures to improve the affordability and sustainability of homes introduced in today's provincial budget.

#### **Improvements to Housing Affordability**

Commenting on today's budget, Tony Joe, Victoria REALTOR® and president of the Victoria Real Estate Board, identified key policy changes for real estate: "The increase in the Property Transfer Tax (PTT) exemption threshold is an important step in the right direction to improve housing affordability. PTT continues to add significant cost to the purchase of a home, and the real estate profession is pleased the thresholds have been increased."

The PTT exemption threshold has been increased to \$425,000 from \$375,000, making this the third straight provincial budget in which the threshold has been adjusted. "BCREA has consulted with government about our concerns on housing attainability, and we are encouraged that government has continued to respond to the needs of BC homebuyers," Joe confirmed.

First-time buyers also benefit from removal of the financing rule, which required them to have at least a 70 per cent mortgage to qualify for the exemption. They can now pay down their mortgages by any amount in the first year of ownership without losing entitlement to the exemption.

The PTT is a registration tax an individual must pay when purchasing or acquiring an interest in property. The amount payable depends on a property's fair market value, and is charged as one per cent on the first \$200,000, plus two per cent on the remainder.

Even with the threshold change, the government will collect more than \$1 billion in PTT revenue this fiscal year—a record amount.

#### **Green Initiatives Aid Homeowners**

Today's budget establishes an assortment of Provincial Sales Tax exemptions on home renovations, retrofits and purchases of energy-efficient appliances for current owners. This could help reduce home energy consumption and the related operating costs over a long term.

"Homes that meet a green standard are more energy-efficient and environmentally sustainable," says Joe. "But they cost four to six per cent more to build, compared to existing housing stock. The real estate profession will continue to work with the government to assist the attainability of affordable and sustainable homes for British Columbians."

Last September, BCREA recommended the government introduce a pilot program that would encourage the purchase of new homes that meet a green standard through a reduced PTT. The Association also recommended Provincial Sales Tax rebates on purchases for renovations to improve energy efficiency and other environmental aspects. These suggestions are available online at <http://www.bcrea.bc.ca/govt/2008ProvPre-Budget.pdf>.

### **About BCREA**

BCREA represents 12 member real estate boards and their approximately 18,000 REALTORS® on all provincial issues, providing an extensive communications network, standard forms, government relations, required post-licensing courses and continuing education.

To demonstrate the profession's commitment to improving Quality of Life in BC communities, BCREA supports growth that encourages economic vitality, provides housing opportunities, respects the environment and builds communities with good schools and safe neighbourhoods.

For more information about BCREA, please our website at [bcrea.bc.ca](http://bcrea.bc.ca).

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