



...quiet creek enclave offers new, detached homes » p.4



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# New LOCAL Home.com

## 2010: steady as she goes

TRICIA LESLIE

Hot, then cold. Yes, then no. Up, then down. While pop superstar Katy Perry sings these lyrics about a boyfriend's feelings, they aptly describe how tempestuous the local residential real estate market was during 2009.

In Metro Vancouver, there was a dramatic rebound in residential sales since the beginning of last year – despite the fact the Lower Mainland had a lot of residences for homebuyers to choose from.



Jennifer Podmore Russell

“One effect of pent-up demand is that usually, home sales aren't as high,” says B.C. Real Estate Association chief economist Cameron Muir. “But a combination of low mortgage interest rates and pent-up demand has brought (the local market) to near-record (sales) levels.”

Home prices in the region are already “scratching the ceiling” of record-setting figures, but local demand will likely moderate from its “current lofty heights,” says Muir.

“(This year) will likely be more balanced in the marketplace,” says Muir.

“I don't think it will be as volatile as the past 18 months. In 2009, we went from a very low to a very high place.”

Residential sales in the province will likely moderate compared to November's high levels and home prices will probably even out as home building catches up to demand, Muir says. More home sales are expected, but there will likely be “less upward pressure than (in) the last half of 2009.”

Deloitte senior manager Jennifer Podmore Russell, who analyzes the real estate market for long-term trends, also says she does not see a repeat of the 2009 market in 2010.

“What we're telling the

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## Prefab can be fabulous

Manufactured homes are better than ever: high-end and environmentally friendly

MAGGIE CALLOWAY

I first became fascinated with prefabricated, or manufactured, homes when I came across the Glidehouse designed by San Francisco architect Michelle Kaufman.

The Glidehouse, a modernistic prefab home, is designed for clean, simple and environmentally friendly living.

Based on sustainable design principles, the Glidehouse is designed to collaborate with nature by maximizing natural ventilation and indirect lighting.

The name comes from the home's design, which includes glass walls and an interior wall made from gliding wood panels that slide to reveal or hide storage units.

Kaufman's innovative designs show that prefab is definitely going high-design. Kaufman herself is passionate about this style of build, both from an aesthetic and an environmental point of view.

Since the Glidehouse hit the scene in 2003 and created a sensation, Kaufman has gone on to design a number of other prefab homes including the Breezhouse, a larger, more complicated design.

As we are all aware, the housing market in the U.S. has

taken a huge beating. Young designers like Kaufman have not been immune to the devastation, and her design studio has closed and her homes are no longer built in Agassiz by our own Britco Structures Inc.

But that's not a final move.

“I am still committed to this style of housing and, once the U.S. economy improves I am convinced, with the new focus on the environment, this concept will become mainstream,” Kaufman says.

The United States isn't the only place where prefabricated homes are trending toward a more high-end style.

Locally, Preform Construction in Surrey, working with architect and partner Tony Robins, is committed to this concept and have built a number of interesting, creative designs.

Long gone are the uninteresting, stark designs of yesterday – dull boxes with small windows and a strictly linear shape that all look exactly the same.

New designs, for the consumer who demands simplicity coupled with high-end designs, are more the order of the day.

Built as separate units to allow ease of shipment, the manufactured home can be as small or as big, by attaching numerous units together, as the homeowner wishes.

Each unit is delivered on a flatbed truck, and in some cases by barge, then craned into place on-site.

The amount of preparation required at each location depends on the individual site.

The Preform units are steel-framed so they can sit on as few as four concrete pads per unit and can be cantilevered.

If a simple concrete pad foundation is possible,

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Preform Construction business development manager Ryan Spong in the company's massive factory in Surrey, where they pre-build units that will eventually, become stylish new homes, like the one at left.

Roger Brooks and Rob Newell photos

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# Going forward with 'cautious optimism'

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real estate industry is to plan for the best and prepare for the worst," she says. "I think it will be a moderate year."

That means the number of real estate transactions will likely subside to more moderate levels, and while we may see some drops in value, month-to-month, the overall local market will likely become more stable, she says.

"The thing to watch is going to be (mortgage) interest rates," Podmore Russell says.

Right now, a modest rate increase of one to two per cent is predicted by the end of this year, but it won't mean people will pay double what they are now (per month), she notes.

"If you place it in perspective, it's \$400 more per month (on a \$375,000 home, 10 per cent down). That's not insignificant, but it's not catastrophic, either," she says.

Greater Vancouver Home Builders' Association CEO Peter Simpson is looking forward to 2010 with "cautious optimism" for the Metro Vancouver market, after a challenging 2009.

Local housing starts will likely be significantly lower than the market has experienced in recent years, but the Canada Mortgage and Housing Corporation is forecast-

**"I see 2010 – moving up to the Olympics and after – as a very steady, healthy market... it's an excellent time to buy a home."**

ing a moderate improvement in starts for 2010, Simpson notes. "More starts means more foundations are being poured, and that means people are back to work. When homes are being built, it's great for the economy," says Simpson. He is also keeping a close eye

on mortgage interest rates – and the impending Harmonized Sales Tax.

"The certainty is, they're going up, likely in June. We don't know by how much, but (rates) will be going up," Simpson says, and adds that higher rates and the HST will likely "be a barrier" to those looking at buying homes over \$525,000.

Many local builders and marketers faced the challenges of the 2009 market head-on, Simpson says.

MAC Marketing Solutions started its MACbulk program in early 2009, a short-term campaign designed to get Metro Vancouver and Western Canadian developers to sell their bulk inventory by cutting prices, to get the market moving again.

"In the latter part of 2008 and beginning of 2009, things were at a standstill in the market. It was what I call a frozen market," says MAC Marketing Solutions president Cameron McNeill. "Fast-forward to today and we have a vibrant, active market."

In 2009, MAC sold more than 1,000 homes – more than \$350 million in real estate – including 600-plus homes with the MACbulk program in the first two quarters of 2009.

Now, much of that pent-up inventory has been sold, especially in Vancouver, so the market will likely be more balanced for 2010, McNeill says.

"I see 2010 – moving up to the Olympics and after – as a very steady, healthy market," he says. "To summarize, it's an excellent time to buy a home."



## Prefab: high-end and sustainable

### Off the front:

"The well-built home, in a controlled building situation, creates much less waste."

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then the site excavation and foundation work is quite limited. It also means that if the chosen home site is in a remote location, the homeowner can save a huge amount on prep work.

The design of the units also lends itself to full-basement foundations, if that is the homebuyer's choice.

All the electrical and plumbing is installed in the factory and connected to the grid and water supply when units are in place.

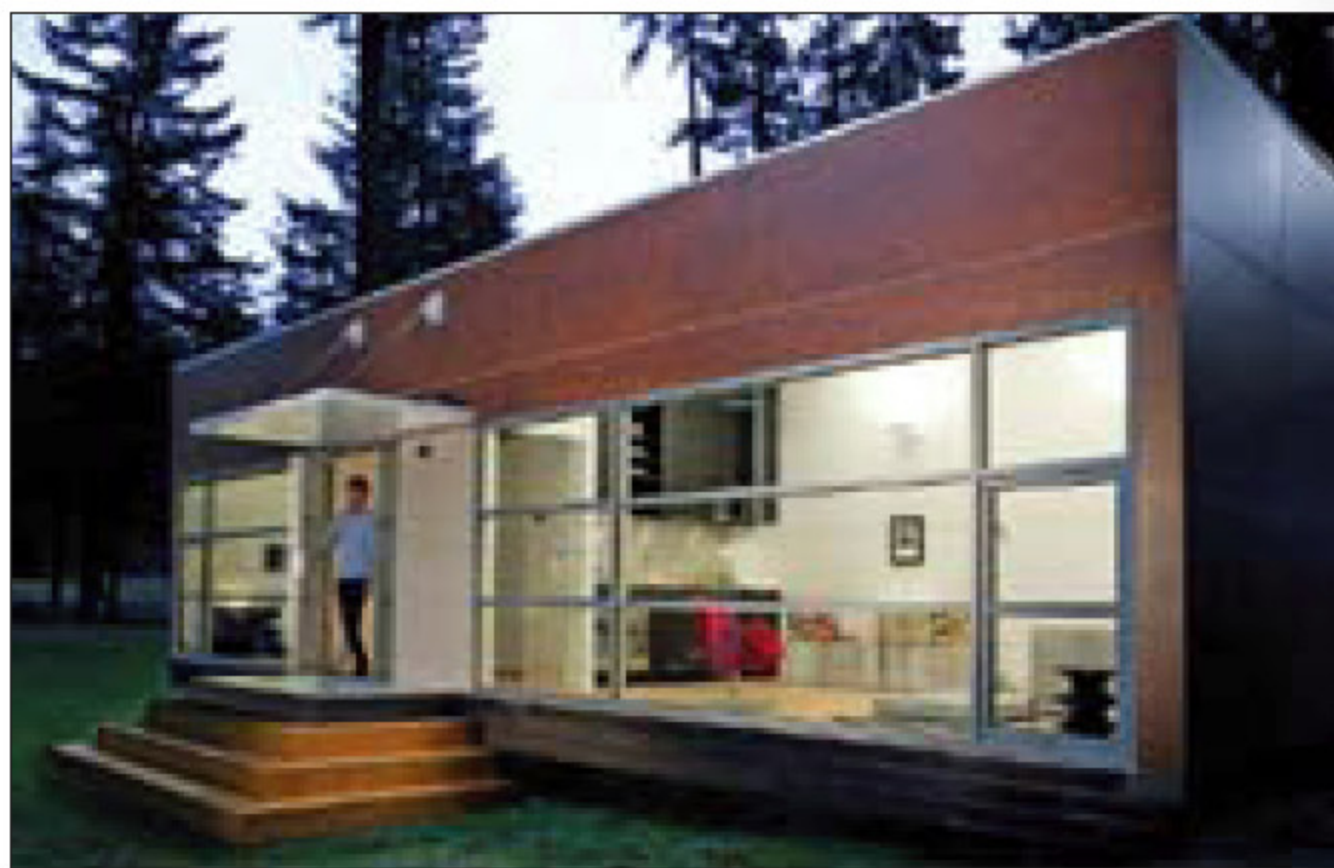
Preform Construction is so committed to this modular building model, they have built a new 20,000-square-foot factory in Surrey. This new plant has been purposely built close to the river for ease in barging and close to the highway for trucking.

Business development manager Ryan Spong, who calls the pods units, says, "The well-built home, in a controlled building situation, creates much less waste and the factory built home is catching the eye of many young architects who are extremely conscious of the environment."

For people looking for a second home or a recreational spot, this is the perfect way to go, especially in a remote location.

Trying to oversee a new build many kilometers away, not to mention the lack of trades and materials in some areas, could be a nightmare.

Having a home completely designed and built locally, where you are at hand to make all the many necessary decisions, certainly has a lot of merit. When you add in how quickly the



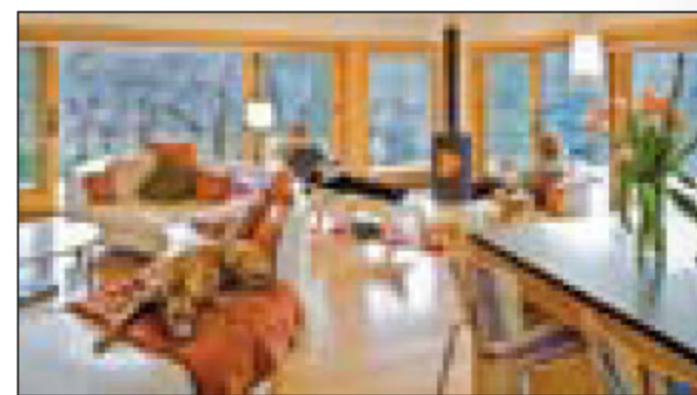
The Breezhouse (top photo) and the Gli-dehouse (right) were designed by Michelle Kaufman. Above, a Preform Construction home, designed and built locally.

John Swain and Roger Brooks photos

new home is put in place at its final destination, there is no contest.

The City of Vancouver is growing at the rate of 6,000 a year and each one of these newcomers is looking for appropriate housing. Vancouver, with very limited space to expand given the geography, has turned to redevelopment and infill housing to meet the demand. This is likely a perfect use of factory built homes.

When a homeowner makes the decision to go for an infill home there are immediate



concerns to address. There is limited space in which to mount a build and, not the least of the homeowners concerns, is the disruption to the immediate neighbours.

A factory-built home that can be put in place over a few days has to have great appeal.

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