

# The MAC Scoop

Dishing up the latest in real estate news and neighbourhoods

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## Neighbourhood Profile: SURREY SURGES INTO 2010

**The City of Surrey is emerging as one of BC's most vibrant communities. Located close to all major municipalities, airports, the US border, and with convenient access to shopping, recreation, cultural services, and post-secondary education, Surrey is poised for growth.**

As the second most populous city in BC, Surrey's vision is to integrate economic, environmental and social/cultural interests through sustainable development that will lead to a higher quality of life. The city has been proactive in pioneering innovative ways to develop, and one recent initiative, "TownShift: Suburb Into City", successfully attracted ideas from around the world.

Launched in November, [TownShift](#) was an international ideas competition that challenged planners, designers and the general public to transform suburban Surrey into a vibrant urban city. The contest focused on Surrey's

five growing town centres – Cloverdale, Fleetwood, Guildford, Newton and Semiahmoo – with the goal being to "shift" the thinking and opportunities for each of these "town" hubs towards more intense, public-minded and productive urban futures. The downtown core (Central City), wasn't included because its future design and development is largely settled and well underway.

The competition attracted 138 submissions from 20 countries, and the winners were announced in late February with Renante Solivar of Vancouver taking the overall top prize. His entry proposed construction of a bold and colourful structure in front of Guildford Mall along 152nd street.

### So why are initiatives such as TownShift important?

Higher density, more compact urban centres create livable, walkable, and sustainable com-



### Did you know...

- Surrey is the fastest growing city in BC
- Surrey is the second largest city in BC
- In 2008, Surrey was designated the cultural capital of Canada
- Surrey is known as the "City of Parks" with over 400 parks and 4500 acres of parkland

munities that offer many benefits to residents, businesses, and municipalities. Residents will enjoy a higher quality of life with greater access to public amenities and services including parks, arts, cultural amenities, health care and education, as well as additional employment opportunities. Business owners become members of a community with an immediate customer base of residents at their doorstep. While municipalities typically enjoy lower overall costs per capita due to more efficient infrastructure useage.

Surrey Mayor Dianne Watts' goal is to provide Surrey with an ideal balance of elements: fantastic business opportunities balanced by proactive social programs, and residential and commercial growth balanced by green space preservation.

Through initiatives like TownShift, Surrey is well on its way to becoming a metropolitan city. Its new slogan "the future lives here" is fitting for a community that looks to the future with optimism and opportunity; a community determined to be one of the best places to work, live and play.

For more info and to view "The Future Lives Here" [click here](#).

**Looking for a hot Surrey neighbourhood?** Here at MAC, we see opportunity in the new Douglas area. Located next to the US border and just east of Semiahmoo Bay, the charming Douglas community is 10 minutes to White Rock, 5 minutes to Highway 99, and is just starting to take shape offering excellent long-term value. For more information on the Douglas Neighbourhood Community Plan please [click here](#).



## Did you know...

- That in the 1980's mortgages rates rose to an all time high of 18%!
- That once in effect, the HST will result in just a net 1-2% increase on the purchase price of your home.

be obtained in the 4 per cent range while variable rates are at 2.25 per cent. This means, if rates go up a full percentage point or even two points, they will still be unbelievably low by historical standards. The point? In the past, healthy real estate markets have survived and thrived at rates above what we are today because buyers motivations to move are still in place. And, although some things have changed, relatively speaking, home ownership is still attractive and real estate is still considered a solid long term investment.

In terms of HST, believe it or not, the HST has been in affect for nearly five months on new homes. Yet buyers are still lining up to purchase new homes and have clearly been more influenced by great prices and great interest rates, making their decisions on a bottom-line basis with a long term eye to the future.

## HST & RISING INTEREST RATES

### What does it mean to you?

**There is a general understanding that HST and rising interest rates will slow the housing market after July 1<sup>st</sup> 2010. However, while we can certainly expect to see changes in buying behaviour, upon closer examination of the facts, we may not be in for the decline many are expecting.**

Although a rise in interest rates will undoubtedly affect the buying power of some, let's remember that even if rates rise, they are rising from 50 year lows. Five-year fixed mortgages can currently

If higher prices are the concern, we must remember that the HST is fully offset by rebates and input tax credits up to home prices of \$525,000. Above that price threshold, the \$26,250 rebate substantially cushions the impact of the HST through the middle price ranges. Where the HST does start to bite is in the higher price ranges, which affects the less price sensitive buyer.

In addition, in simple economic terms, the market will determine the price. As prices rise, so does buyer resistance to pay more. But in a market where housing prices have risen 15% or more in the last 5 years, a one or two percent increase is relatively small.

**So what can we expect?** It is likely that the HST and rising interest rates will, at least in the short term, have an affect on our buying behaviour; however those who will be most affected by the changes will be those who are near the margin of being able to afford a new home.