

## Early Data on the effect of the HCA on Prices in First Shaughnessy District (FSD)

There has been much speculation about whether the HCA would cause a change in property values in FSD. Some, who supported heritage designations of every pre-1940 home in FSD, maintained that property values would rise. Others feared that values would fall. In 2016 the BC Assessment Authority accepted a 5% decrease in the assessment values of listed pre-1940 properties (for those that appealed) on the basis of the predictions in a report prepared for the City's Hearing on the HCA (the "Coriolis Report"). In 2017 the BC Assessment Authority applied a 12% decrease to the land values of pre-1940 properties. I think we can all see a trend here.

We now have some early data to review. With the help of Anthony Chu, SHPOA Board member and realtor, we have listed all the property sales<sup>1</sup>, of which we are aware, in FSD from Oct 2015 to July 2016 with sale price per square foot calculations.

In all there were 12 pre-1940 houses sold in FSD during this time period and 19 Post-1940 houses sold. The chart below, however, does not include the seven properties that were on or adjacent to very busy streets, King Edward Ave and Wolfe Ave.<sup>2</sup>

House Sales in First Shaughnessy District (FSD)								
(excluding properties on or adjacent to busy streets)								
Item	Sale Date	Sale Price (C\$)	Lot Area (sq.ft.)	C\$/sq.ft.	Year Built	Pre/Post 1940	Address	Zoning
1	7-30-2016	\$7,700,000	10,430	738	1911	Pre-1940	3812 Osler St	FSD
2	10-24-2015	\$5,000,000	15,650	319	1911	Pre-1940	1961 Cedar Cres	FSD
3	11-3-2015	\$6,400,000	14,412	444	1930	Pre-1940	1926 Matthews	FSD
4	11-12-2015	\$13,500,000	25,693	525	1910	Pre-1940	1281 Matthews	FSD
5	11-29-2015	\$5,850,000	12,500	468	1905	Pre-1940	1799 Cedar Cres	FSD
6	2-1-2016	\$4,250,000	9,343	455	1921	Pre-1940	3333 Cedar Cres	FSD
7	2-3-2016	\$5,000,000	15,207	329	1912	Pre-1940	1033 Balfour Ave	FSD
8	2-15-2016	\$4,250,000	10,602	401	1913	Pre-1940	1511 Marpole Ave	FSD
9	6-2-2016	\$8,000,000	13,194	606	1924	Pre-1940	3979 Angus Dr	FSD
10	6-7-2016	\$16,639,000	20,664	805	1913	Pre-1940	3637 Pine Cres	FSD
11	7-5-2016	\$17,100,000	34,071	502	1916	Pre-1940	3689 Cartier St	FSD
12	10-5-2015	\$6,800,000	11,078	614	1960	Post-1940	3775 Angus Drive	FSD
13	10-9-2015	\$9,680,000	19,236	503	1988	Post-1940	3437 Osler St	FSD
14	11-7-2015	\$3,890,000	12,376	314	1960	Post-1940	1138 Richelieu	FSD
15	2-6-2016	\$9,500,000	16,350	581	1976	Post-1940	1625 Matthews Ave	FSD
16	1-10-2016	\$6,050,000	11,564	523	1949	Post-1940	2003 W 19 Ave	FSD
17	3-3-2016	\$22,300,000	23,646	943	2015	Post-1940	1389 Matthews	FSD
18	3-7-2016	\$27,000,000	41,755	647	2004	Post-1940	3455 Marpole	FSD
19	6-16-2016	\$6,360,000	12,500	509	1951	Post-1940	1775 Cedar	FSD
20	4-15-2016	\$9,800,000	14,000	700	1996	Post-1940	3932 Osler	FSD
21	5-2-2016	\$15,000,000	21,588	695	1997	Post-1940	1603 Matthews	FSD
22	6-7-2016	\$15,500,000	22,537	688	1965	Post-1940	3410 Marpole	FSD
23	6-10-2016	\$6,980,000	9,958	701	1976	Post-1940	3980 Cartier	FSD
24	6-13-2016	\$15,490,000	25,375	610	1984	Post-1940	1268 Tecumseh	FSD
<b>Totals</b>								
11 Pre-1940 houses - average price \$508/sq ft								
13 Post-1940 houses - average price \$618/sq ft								
Overall average price \$568/sq ft								

<sup>1</sup> The data source is the Real Estate Board of Vancouver. While deemed to be correct, the data is not guaranteed.

<sup>2</sup> The seven properties on busy streets sold for an average of \$304/sq ft - lowest \$234, highest \$392.

One can see some pretty clear differences between sale prices of the properties with pre-1940 "listed" homes and the properties with post-1940 homes. The average pre-1940 price for land was \$508, the post-1940 average was \$618. The \$110 per square foot difference is no doubt accounted for by the not unreasonable perception that it will be very difficult, very expensive and very time consuming to renovate a property "listed" in the HCA in FSD and perhaps impossible to demolish and replace such a house, no matter the circumstances.

Just looking at the properties with pre-1940 "listed" houses, the properties with heritage houses that already had the benefit of luxury renovations appear to have done much better than the properties with nice older homes, perhaps updated, but not grand homes and without a luxury renovation in place. Those properties have generally done very poorly.

For example, 3637 Pine Crescent, built in 1913 on a 20,664 square foot lot with a luxury reno in place sold for \$805 sq. ft. of land, 3812 Osler Street, built in 1911 with a luxury reno in place sold for \$733 a sq ft of land. On the other hand, 1961 Cedar Crescent with a 1911 home on a 15,650 square foot lot, no luxury reno, sold for \$319 a square foot of land, 1033 Balfour, with a 1912 home, no luxury reno, on a 15,207 square foot lot sold for \$329 a square foot of land.

The average values of **both** pre and post-1940 properties in FSD at \$568 per square foot of land, appear to be well below the average land values in Dunbar, Kerrisdale, Second or Third Shaughnessy or Point Grey.

We expect the new 15% tax on non-residents will take its toll, so we have started a separate chart of FSD sales July 31/16 - Dec 31/16. Only four properties sold in all of FSD from Aug 1/16 to March 14/17, two pre-1940 and two post-1940. This sample is very small, so it is difficult to draw any conclusions, but the very fact that so few properties were sold may indicate that buyers are now very hesitant to purchase in FSD.

We will continue to collect data; it will be interesting to see if these trends continue.

Mary Ann Cummings