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JULY 2010

The Junghans Yak

Family Happenings

Finally summer on Vancouver Island. We're trying to enjoy it as much as possible while it's here.

Matt and I had a great opportunity to take off together for a little getaway. I'd recommend the Kingfisher in Comox to anyone who loves being on the ocean and amazing spa treatments. Their specialty is the "HydroPath" - you and your partner walk through a series of massaging waterfalls, mineral pools and steam rooms and just



relax together. I've added some pictures of the grounds.



Absolutely beautiful! We proudly saw the boys finish up grades 4 and 2 last month. They were so

proud of themselves with huge grins ear to ear. All I can say is it's fabulous to have school wrapped up along with all the sports and other activities and just enjoy the summer. Braelyn also had her preschool graduation, even though she's registered again next year, at which we were entertained with all kinds of rhymes and songs they had learned throughout the year. It'll be great memories to hold onto.

I hope you all get a chance to take a little break at least this summer. We're taking off, here and there, throughout the month of August. Not far, but we've never explored the island with the kids and just want to relax and enjoy. I'll post some pics on



Facebook to share and, if you haven't already, check out my new real estate page - just do a search for "Deidra Junghans Personal Real Estate Corp".

Happy sunshine!

Follow Me On:



Hot New Listings!

35 Kaleigh Lane
MLS® 280746



5 BR + Den / 3 Baths
2600+ sq.ft.
Walk to Thetis Lake
\$599,900

2417 Fleetwood Ct.
JUST LISTED



5 BR/ 3 Baths
.30 of an Acre
Backs onto Green Space
\$599,900

558 Cedarcrest Dr.
MLS® 279369



4 BR/ 3 Baths
Quiet Neighbourhood
New Roof
Easily Suitable
\$469,900



Sales Soften and Inventory Rises in June

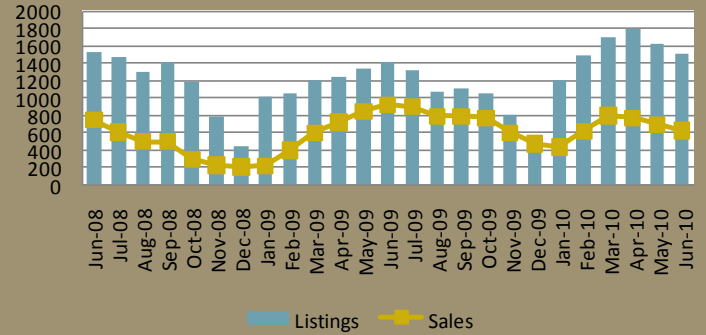
-VREB Immediate Release

Greater Victoria home buyers have a growing number of properties from which to choose as inventory levels rose to 4,730 properties available for sale at the end of June – up 25 per cent from the 3,794 available properties a year earlier. Sales, meantime, softened last month while overall prices showed little change.

A total of 625 homes and other properties sold in June through the Victoria Real Estate Board's Multiple Listing Service® (MLS®), down from the 695 sales in May. There were 946 sales in June of last year.

Victoria Real Estate Board President, Randi Masters, noted that total sales so far this year are running just two per cent ahead of the same period a year ago. "We are seeing a reverse trend to a year ago when sales were slow in the early part of the year then picked up considerably in the spring and summer; this year sales have now begun to slow following a strong start to the year." - Randi Masters VREB

New MLS® Listings and Total MLS® Sales



With a chance to see this trend continuing into July, we expect this month's numbers to come in much lower than July last year. Our current pace has the number of sales at half of what we experienced last year. Already we have seen downward pressure on housing prices as the high number of active listings compete for the very few buyers purchasing. Some sellers have had to drop their asking prices as much as 10% already in the last 30 days in order to see a sale. The change has been very drastic in the market over the last 30 days. Time will have to tell whether or not this is a continuation of our struggling market of 2008 or if we're just experiencing a summer lull. If you'd like to chat further on this topic, drop me a line and I can fill you in with more details on the day to day buzz. -

HST FACTS

Does the HST apply to all housing?

The HST only applies to NEW residential housing; used (i.e., resale) residential housing is not subject to HST.

Is BC providing a rebate for new housing?

BC will provide a rebate for new housing purchased as a primary residence to ensure that, on average, purchasers of new homes up to \$525,000 do not pay any additional tax due to harmonization. That is, they will pay no more in provincial HST than is currently embedded as PST in the price of a new home. The rebate is available whether the new housing is to be owner occupied or rented.

How much is the new housing rebate?

The rebate will be 71.43% of the provincial portion of the HST, up to a maximum rebate of \$26,250. Purchasers of eligible new homes above \$525,000 will be eligible for a rebate of \$26,250 (i.e. a rebate on the first \$525,000 of value).

Why isn't there a rebate for all housing?

The HST only applies to new housing, so the rebate is only available for new housing. Which types of housing are eligible for the rebate? The BC new housing rebate will be available for all types of housing currently eligible for the federal GST/HST new housing rebate and will be subject to the same eligibility conditions. Qualifying housing generally includes newly constructed and substantially renovated homes used as a primary place of residence by an individual (or qualifying relation of the individual).

Is there any rebate for new rental housing? To support affordable rental housing in the province, BC will also provide a new rental housing rebate of 71.43% of the provincial portion of the HST, up to a maximum rebate of \$26,250 per unit.

Who is eligible for the new rental housing rebate?

The new rental housing rebate will be provided to landlords who construct or substantially renovate their own rental housing and, as a result, are required to self assess and pay HST under the self supply rules. The rebate will also be provided to landlords who purchase newly constructed or substantially renovated rental housing in BC and pay HST on the purchase.

Which types of rental housing are eligible for the rebate?

The new rental housing rebate will be available for all types of new or substantially renovated rental housing currently eligible for the federal GST/HST rebate for new residential rental properties, and will be subject to the same eligibility conditions.

Why isn't the rebate rate 100%?

New housing is not directly subject to PST (i.e. the purchaser of a new home does not pay PST on the purchase price). However, builders have to pay PST on most construction materials (wood, cement, plaster, nails, etc) used to build a home. The PST is part of the cost of building the home and included (embedded) in the total selling price of the home. It is estimated that the embedded PST in new homes in British Columbia is on average equal to about 2% of the price. Unlike with the PST, under the HST there will be no sales tax embedded in the price of new homes because builders, like most other businesses, will recover the HST they pay on their materials through input tax credits. Without a rebate, the provincial tax on new homes would have effectively increased from about 2% on average (embedded PST) to 7% (provincial portion of the HST). The rebate rate was set to ensure purchasers of eligible new homes up to the \$525,000 threshold pay no more provincial HST on average than under the PST. Rebate rate: (7% BC HST less 2% embedded BC PST)/7% BC HST = 5/7 = 71.43% of provincial portion of HST paid, to a maximum of \$26,250.