

We received so many questions during our April 22 Webinar, we asked our speakers to answer some of the ones we didn't get to on air.

Q: Are realtors creating the virtual tours or is it done by a 3rd party?

A: Third party services exist, but they are expensive. You can hire videographers to live-stream opens / virtual tours, but it's unnecessary in my opinion due to the ease of use with the current technology. The realtors in our brokerage are using their own equipment.

Q: What about the supply? How much product is on the market for residential/commercial sales? How will that affect the development/construction market in the next 6 months? Interested in your thoughts.

A: As of April 22, 2020 there are 1935 residential listings on the market. A balanced market is about 6 months of supply. So if sales drop off by 70% for an extended period of time, we're in for a quick shift into a buyer's market. We are forecasting for sales to gradually increase over the coming months, and supply of existing inventory to hit the market as well. It all depends on how long it takes for our economy (especially locally) to return. The longer it takes the economy to get going again, the greater the shift there will be towards a buyer's market and falling prices. The supply of new residential housing is still low, so that bodes well for pricing.

Q: Tyler, would you comment on what you're seeing in terms of relief that LLs are willing to extend to commercial tenants that are hit hard by covid-19?

A: LL offerings in terms of relief have varied widely. The one important thing I have heard from many LL's is that constant and transparent communication between the LL and T seems to be driving the best solution in this worst case scenario for all at this stage.

Q: For Tony.....In terms of the optimistic projections for the real estate markets based on the trends from 2005 until now, I'm wondering if you are considering the projections from the BC Business Council that the financial impact from COVID will be more that 2008-09, 9-11 SARS combined. How are you factoring that into your projections?

A: Great question. We are absolutely in uncharted territory. Everything depends on the timing of our return to "new normal" business. It took the Hong Kong housing market 8-9 months to recover (in terms of activity / # of sales per day) post SARS. I certainly don't have an answer, but if I was forced to make a projection, I'd say it will take us 9+ months to return to pre-covid activity (sales not prices).

Q: What is the name of the virtual tour software? Thanks

A: We use Zoom primarily. It's a dynamic and reliable platform.

Q: Have you seen lenders refuse to lend in existing condo buildings that can't get insurance coverage for the property's full replacement value?

A: not within our company, but I've heard of this happening in certain older buildings.

Q: Thanks guys ... great insights and information. Are there any indications that the demand of different types of inventory are changing (e.g. due to fears of close contact are people tending away from condos with common areas or open office commercial)? Do you see there being a need for repurposing or changing the makeup of developments that considers physical distancing or the ability that we have shown that working from home is feasible)?

A: It's too early to say whether we'll see a change in preference of housing types due to the tactic of physical distancing. Based on feedback I've had from colleagues across North America regarding website traffic on sites like ours, the number of people searching for condos appears to be returning to normal. We can only deduce that people who were searching for condos at the start of the pandemic, are likely still considering a condo. In our experience, purchasers were already avoiding condo developments with large shared amenity spaces due to the increased expense.

Q: Tony. How do you see sales volumes over the next 6 months assuming things start to ramp up. In other words is there a pent up demand

A: There is pent up demand. If the "lockdown" doesn't stretch out too long, we'll see that demand transact. If people can't get back to work, we'll see prices trend downwards. Let's hope for a quick comeback! My friends Ryan Berlin and Andy Ramlo at rennie are calling this the Great Suppression, so they agree there is pent up demand.

Q: SFH (primary residences) - What are the panelists opinions on sale prices changing on Salt Spring and other golf islands? Thank you"

A: Tough to say what will happen in terms of pricing for Salt Spring / Gulf Islands. Sadly, whenever there is a downturn in the real estate market, areas further away from the core of Victoria tend to be hit the hardest in terms of prices falling, and sales volume decreasing. If / when tourism returns will likely factor into the Gulf Island market.

Q: For Tyler: what would the ideal square footage be for the light industrial in-fill last mile distribution depot?

A: This is a very forward looking and bold prediction on my part. There are many factors including zoning that will have to be determined before this becomes a reality in most cities.

My assumption is that the size requirement will vary widely depending on the user, how many items the user intends to have available for immediate shipping, and how frequent they expect to restock the "mini warehouse".