

# Kitimat increases highest in 2014 B.C. property assessments

## Northern towns with resource prospects rise, other regions stable or declining

BY DERRICK PENNER, VANCOUVER SUN    JANUARY 2, 2014



An aerial view of Kitimat on B.C.'s north-central coast. On average, the assessed value of single-family homes in Kitimat shot up 26.7 per cent, according to BC Assessment valuations released Thursday, to hit \$228,000 from \$180,000 a year ago.

**Photograph by:** Vancouver Sun files, .

With more buyers calling on Kitimat's real estate office than sellers and little new construction, it's no surprise British Columbia's new boom town is the leading northern resource community to see its 2014 property assessments skyrocket.

On average, the assessed value of single-family homes in Kitimat shot up 26.7 per cent, according to BC Assessment valuations released Thursday, to hit \$228,000 from \$180,000 a year ago.

"I've got a pool of buyers that I can't find homes for," said Kitimat realtor Shannon Dos Santos. "As soon as (listings) come on, we do our rounds, call our people, and if they jump, they get it. If they wait a day or two, they've pretty much lost the property."

And although none of half-dozen major liquefied natural gas proposals in the planning stages for Kitimat and Prince Rupert have received final commitments, their mere potential, among new mines and other projects, is driving property values in communities across the region.

Dos Santos said it has been a busy year in Kitimat, and between new residents moving in as part of Rio Tinto Alcan's major smelter modernization or the planning for three liquefied natural gas plants, or speculators, the small town's inventory has been depleted.

"It's a combination, but 50 per cent or more who are purchasing are investors," Dos Santos said. "A lot of people are transferring in (also)."

It is the second year of double-digit jumps for Kitimat, which is coming off several years of depressed activity in its real-estate market, said Christopher Whyte, BC Assessment's deputy assessor for the northern region.

"BC Assessment can't really comment on what's driving Kitimat, but if you look across our whole northern region, the resource sector is still holding strong," Whyte said. "And obviously that's bearing out in places such as Kitimat, Terrace, Prince Rupert and a few other jurisdictions."

Mackenzie, a key service centre for the Mount Milligan copper gold mine that just opened in October, saw its assessed values jump 19 per cent, on average, to \$149,000 in 2014 compared with \$125,000 for 2013.

With the amount of new investment flowing into northern communities, it isn't a surprise to see housing supply drawn down and prices and property assessments rise, said Cameron Muir, chief economist for the B.C. Real Estate Association.

For Kitimat, Muir noted that after "many years of depressed activity," the recent surge in values is "coming from a fairly low level of pricing."

However, "even if a fraction of the planned pipelines go ahead," Muir believes there will be room for values to continue rising, which will likely spur more new construction.

BC Assessment produces estimates of property value, based on the market value as of July 1 the previous year, for all properties in the province. Municipalities use the estimates in setting property tax rates.

The agency's 2014 assessments are in the mail, and outside of the north, changes in values are less dramatic.

"Really, the story this year, for the second year in a row, is that assessments are relatively stable," said Dharmesh Sisodraker, BC Assessment's deputy assessor for the Vancouver Sea to Sky region.

Some 85 per cent of properties in Sisodraker's region shifted within a range of plus or minus five per cent, but some of the numbers show interesting trends.

In the city of Vancouver, while the changes were marginal, for the second year the differential in value between west-side single-family homes and east-side single-family homes narrowed.

BC Assessment didn't produce averages, but singled out example assessments, such as a west-side

house on a 33-foot lot assessed at \$1.25 million for 2014, down marginally from \$1.26 million.

By contrast, the trend example for the east side was a single-family home on a 33-foot lot valued at \$1.13 million compared with \$1.08 million in 2013.

Muir said Metro Vancouver's property markets have strengthened since July, so assessments are likely behind, but it is the single-family-home component that has been the strongest.

"For most other product types, home prices remained relatively flat," Muir added.

Condominium apartments on both sides of Vancouver saw their assessments slip. A two-bedroom downtown apartment saw its 2014 assessment slide to \$543,000 in 2014 from \$567,000 in 2013, a two-bedroom east-side apartment dropped to \$364,000 in 2014 from \$383,000 in 2013 and a west-side two-bedroom declined to \$571,000 in 2014 from \$599,000 in 2013.

B.C. residents can compare their assessments to their neighbours online at <http://evaluatebc.bcassessment.ca/Results.aspx>.

Homeowners can appeal their property assessment — the deadline to do so is Jan. 31.

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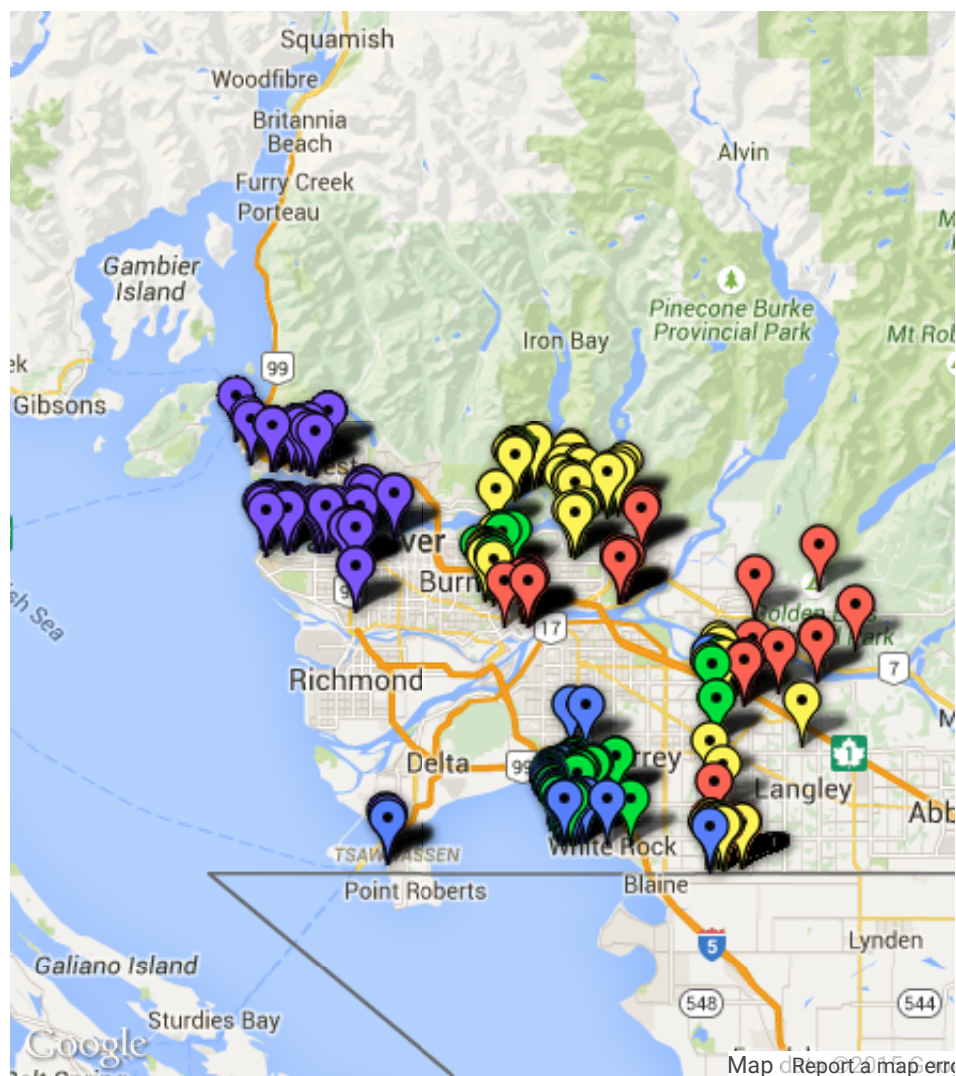


If you're on a mobile device, please [click here](#) to see the graphic.

Map shows the Top 100 most expensive residential properties in the Fraser Valley, North Fraser, South Fraser and Vancouver-Sea to Sky regions according to BC Assessment. **Click on an icon** for details about each one.

### Assessed Value:

\$1m-\$2m   \$2m-\$3m   \$3m-\$4m   \$4m-\$10m   \$10m+



Narrow by Region

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