

MEDIA RELEASE

FEBRUARY 1, 2023

CALM START TO THE YEAR HERALDS A GREAT TIME TO BUY

NANAIMO, BC - Last month, 165 single-family homes sold in the Vancouver Island Real Estate Board (VIREB) area, a 24 per cent decrease from one year ago and a drop of 18 per cent from December. Sales of condo apartments in January 2023 came in at 42, declining by 52 per cent year over year and increasing by 20 per cent from December. In the row/townhouse category, 36 units changed hands in January, down 41 per cent from one year ago and up 33 per cent from December.

Inventory continues to post gains, but active listings in some categories did drop from December 2022. Year-over-year listings of single-family homes rose to 861 from 257 one year ago but dipped by four per cent from the previous month. VIREB's inventory of condo apartments was 239 in January, up from 108 listings one year ago and down by four per cent from December. There were 239 row/townhouses for sale last month compared to 66 one year ago and 229 in December.

"Our statistics indicate that we're off to a somewhat slow start, but our January sales numbers don't reflect the activity REALTORS® are seeing on the street," says Kelly O'Dwyer, 2023 Chair. "Overall, it's actually a great time to buy a home."

If potential buyers are worried about more interest-rate hikes or that rates will drop after they've locked in, O'Dwyer reminds purchasers that they can renegotiate their rate later.

One notable policy change affecting the real estate industry is the Home Buyer Rescission Period (HBRP), which took effect on January 3, 2023. The HBRP gives home buyers up to three business days to rescind an offer on a home after the seller has accepted it.

"While the HBRP provides for a period of three business days, we're seeing longer subject-removal periods in some cases," says O'Dwyer. "Depending on acceptance day, and because weekends and holidays are excluded from the rescission period, our sales dates appear to be slowing, to ensure there is enough time to satisfy buyer subjects as well."

Regarding prices, the board-wide benchmark price (MLS® Home Price Index) of a single-family home was \$735,800 in January 2023, down five per cent from one year ago and a drop of two per cent from December. (Benchmark pricing tracks the value of a typical home in the reported area.) In the apartment category, the benchmark price was \$398,300 last month, a two per cent increase from January 2022 and down two per cent from December. The year-over-year benchmark price of a townhouse dropped slightly from one year ago and two per cent from December to \$558,600.

In Campbell River, the benchmark price of a single-family home was \$647,600 in January, down five per cent from the previous year. The Comox Valley's year-over-year benchmark price dropped by four per cent to \$784,700. In the Cowichan Valley, the benchmark price was \$745,700, a four per cent drop from January 2022. Nanaimo's year-over-year benchmark dropped by seven per cent to \$755,300, while the Parksville-Qualicum area saw its benchmark price drop by six per cent to \$856,100. The cost of a benchmark single-family home in Port Alberni was \$518,300, down eight per cent from the previous year. For the North Island, the benchmark price of a single-family home rose by two per cent to \$428,500.

Please note: The Vancouver Island Real Estate Board (VIREB) transitioned to a new MLS® System in July 2020 and now uses a significantly different data model, which has affected our categories and terminology. For the board-supplied graphs, single-family is now referred to as single-family detached, apartment as condo apartment, and townhouse as row/townhouse, which now includes patio homes. However, when reporting HPI numbers, VIREB still refers to single-family, apartment, and townhouse in the media release.

ABOUT VIREB

VIREB represents over 1,100 REALTORS® in nearly 90 member offices on Vancouver Island, from the Malahat in the south to the northern tip.

VIREB cautions that average price information can be useful in establishing trends over time but does not indicate the actual prices in centres comprised of widely divergent neighbourhoods or account for price differential between geographic areas.

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HPI Note: Areas with insufficient data do not generate statistics and are not included in the HPI graphs.

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