

# MEDIA RELEASE

**MARCH 1, 2021**

## **BUYER DEMAND CONTINUES TO OUTSTRIP SUPPLY**

**NANAIMO, BC** – Buyer demand in the VIREB area continues to outstrip supply, contributing to the lowest inventory on record for the board.

Active listings of single-family detached properties (excluding acreage and waterfront) dropped to 394 in February, down six per cent from January. There were 169 condo apartments for sale last month compared to 212 in January, a drop of 20 per cent. Month-over-month townhouse inventory decreased slightly, with 91 units for sale in February compared to 95 the previous month.

Last month, 417 single-family detached properties sold on the MLS® System, a year-over-year increase of 56 per cent. In the condo apartment category, sales rose by 132 per cent year over year (56 to 130), while row/townhouse sales increased by 42 per cent (57 to 81).

As reported in our previous media releases, low inventory continues to dampen sales and frustrate buyers. The demand is there, but there are not enough listings to satisfy it.

“The federal and provincial governments tend to focus on demand-side policies instead of addressing the supply issue,” says 2021 VIREB president Ian Mackay. “Taxes and tighter mortgage restrictions are stopgap measures that don’t resolve the underlying problem.”

The British Columbia Real Estate Association (BCREA) does not see the inventory situation improving until more supply comes online later in the year. BCREA and local real estate boards are advocating with policymakers at the provincial and regional levels to encourage streamlining the development process so that municipalities can expand supply more quickly to meet demand.

“The length of time it takes to get a development off the ground is a serious problem on Vancouver Island, which is becoming an increasingly popular destination for buyers of all ages,” says Mackay. “While our area has always attracted retirees, we’re seeing younger buyers more frequently than in the past.”

Mackay advises that while obtaining the advice of a REALTOR® can help in any market, it is particularly crucial in a multiple-offer environment.

“In a competitive housing market, using a REALTOR® can help streamline the buying and selling process to ensure the best possible outcome while mitigating associated risks,” adds Mackay.

Naturally, the robust housing market is impacting prices, which are rising throughout the board area. The benchmark price of a single-family home hit \$609,100 last month, 15 per cent higher than in February 2020. The benchmark price of an apartment reached \$325,000, an increase of nine per cent, while the benchmark price of a townhouse rose by 15 per cent year over year, climbing to \$466,200.

In Campbell River, the benchmark price of a single-family home hit \$547,700 in February, an increase of 18 per cent over last year. In the Comox Valley, the benchmark price was \$631,400, up by 15 per cent from one year ago. Duncan reported a benchmark price of \$572,900, an increase of 17 per cent from February 2020. Nanaimo’s benchmark price rose by 12 per cent, hitting \$617,700, while the Parksville-Qualicum area saw its benchmark price increase by 13 per cent to \$695,600. The cost of a benchmark single-family home in Port Alberni reached \$378,200, a 16 per cent year-over-year increase. For the North Island, the benchmark price rose to \$291,900, a 12 per cent increase over last year.

**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 1,000 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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Visit our website for updated information at [www.vireb.com](http://www.vireb.com).

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

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