

MEDIA RELEASE

MARCH 1, 2023

MARKET PICKING UP STEAM AS WE HEAD TOWARDS SPRING

NANAIMO, BC - Last month, 220 single-family homes sold in the Vancouver Island Real Estate Board (VIREB) area, a 37 per cent decrease from one year ago (350) and a 33 per cent increase from January 2023 (165). Sales of condo apartments in February 2023 came in at 64, declining by 40 per cent year over year and increasing by 52 per cent from the previous month. In the row/townhouse category, 50 units changed hands in February, down 44 per cent from one year ago and up by 39 per cent from January.

“The higher sales seen in February are no real surprise, as the housing market typically begins to pick up steam as we head towards spring,” says Kelly O’Dwyer, 2023 Chair. “We’re still seeing some multiple offers on well-priced properties, but the market is more price-sensitive than we’ve seen in some time. Buyers are savvy and unwilling to stretch their budget by more than they can comfortably afford.”

Inventory continues to post gains but is still below ideal for a balanced market. Active listings of single-family homes were 937 in February, up from 345 one year ago and 861 in January. VIREB’s inventory of condo apartments hit 253 last month, up from 116 listings one year ago and 239 in January. There were 251 row/townhouses for sale last month compared to 66 one year ago and 239 the previous month.

“Although listings have increased from the depleted level seen at the beginning of 2022, they’re still low compared to historical levels,” says O’Dwyer. “As a result, we’re not expecting supply to normalize until some time in 2026, and weak inventory will put more pressure on prices when demand increases.”

In its *2023 First-Quarter Housing Forecast*, the British Columbia Real Estate Association (BCREA) states that a slowing economy and still-elevated mortgage rates are expected to keep housing activity lower than usual throughout much of 2023. However, BCREA expects a strong recovery, boosted by an expected decline in mortgage rates and record-high immigration that will carry significant momentum into 2024.

The board-wide benchmark price (MLS® Home Price Index) of a single-family home was \$732,500 in February 2023, down eight per cent from one year ago and a small dip from January. In the apartment category, the benchmark price was \$398,800 last month, a one per cent decrease from February 2022 and a slight increase from January. The year-over-year benchmark price of a townhouse was \$560,800 in February, down two per cent from one year ago and up slightly from January. Average prices for February were \$783,746 (single-family), \$370,734 (apartment), and \$528,622 (townhouse). Median prices were \$742,500 (single-family), \$359,000 (apartment), and \$501,000 (townhouse).

In Campbell River, the benchmark price of a single-family home was \$652,600 in February, down six per cent from the previous year. The Comox Valley’s year-over-year benchmark price dropped by three per cent to \$789,600. In the Cowichan Valley, the benchmark price was \$738,200, a seven per cent drop from February 2022. Nanaimo’s year-over-year benchmark dropped by 11 per cent to \$750,500, while the Parksville-Qualicum area saw its benchmark price drop by eight per cent to \$848,100. The cost of a benchmark single-family home in Port Alberni was \$516,500, down 12 per cent from the previous year. For the North Island, the benchmark price of a single-family home decreased by three per cent to \$414,700.

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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