

FOR IMMEDIATE RELEASE

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Still a Sellers' Market Despite Modest Inventory Increases

NANAIMO, BC – The Vancouver Island Real Estate Board (VIREB) reports that in June 2017, 621 single-family properties sold on the Multiple Listing Service® (MLS®) System compared to 712 last June, a decrease of 13 per cent. Month over month, activity dipped slightly from May, which saw 630 sales.

Inventory of single-family homes declined by 20 per cent from June 2016, with 1,297 active listings available last month compared to 1,620 one year ago. Active listings of single-family homes have steadily increased each month since VIREB hit its historic low of 859 in December 2016, but demand continues to exceed supply, with well-priced properties quickly selling once they hit the market.

“We’ve been in a sellers’ market for months now, and buyers are snapping up available properties,” says Janice Stromar, 2017 VIREB President. “Multiple offers are commonplace, which is frustrating for buyers and their agents. That said, sellers still need to price their home correctly because overpriced homes can sit unsold for months.”

Stromar adds that sellers are not immune to the frustration buyers are experiencing because it is hard to sell your home if you cannot find another property to buy. Still, homeowners reluctant to sell due to concerns of housing availability should make the most of this hot market.

“Real estate is cyclical, and consumers need to take advantage of these market conditions because they won’t last forever,” says Stromar.

She also has advice for buyers, stating that patience and preparation are a must in a sellers’ market.

“When you find a property you like, you need to act quickly, so make sure your financing is pre-approved. Since many homes are selling above list price, you should also decide on a comfortable price point you’re willing to pay.”

Connecting with a local REALTOR® is especially crucial in a competitive housing market, adds Stromar.

“This kind of market can be confusing and chaotic for buyers and sellers, but REALTORS® have specialized knowledge of their communities that can help you make an informed decision,” says Stromar.

Economist Brendon Ogmundson of the British Columbia Real Estate Association affirms that strong economic fundamentals continue to fuel housing demand in the province.

“A healthy provincial job market, low interest rates, and consumer confidence are all contributing to robust housing demand throughout most of British Columbia,” says Ogmundson. “BCREA expects the provincial economy to grow by 3.3 per cent this year, which will likely be the highest in Canada.”

In June 2017, the benchmark price of a single-family home in the VIREB area rose to \$444,500, up 18 per cent from one year ago. Prices increased in every zone, ranging from 15 per cent in Parksville-Qualicum to 21 per cent in the Comox Valley. The benchmark price of an apartment in June rose 28 per cent board-wide from the previous year, with Comox Valley posting an increase of 42 per cent. The townhouse market strengthened again in June, registering a price increase of 24 per cent board-wide and hitting 40 per cent in the Comox Valley.

The June 2017 benchmark price of a single-family home in the Campbell River area was \$348,500, an increase of 19 per cent over June 2016. In the Comox Valley, the benchmark price hit \$436,500, up 21 per cent from last year. Duncan reported a benchmark price of \$403,400, an increase of 18 per cent compared to June 2016. Nanaimo's benchmark price rose 19 per cent to \$479,300 while the Parksville-Qualicum area saw its benchmark price increase by 15 per cent to \$497,600. The price of a benchmark home in Port Alberni hit \$241,600, up 20 per cent from one year ago.

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ABOUT VIREB

VIREB represents over 1,000 REALTOR® members in nearly 90 member offices on Vancouver Island (north of Victoria).

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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