

FOR IMMEDIATE RELEASE

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Housing Market Adjusting As Buyers Adapt to B-20 Stress Test

NANAIMO, BC – Sales of single-family homes in August board-wide dipped by 11 per cent year over year and were nine per cent lower than in July.

Last month, 413 single-family homes sold on the Multiple Listing Service® (MLS®) System compared to 453 the previous month and 463 in August 2018. Year-over-year sales of apartments and townhouses dropped by 28 per cent and 25 per cent, respectively.

REALTORS® are reporting that VIREB’s housing market is adjusting somewhat as buyers adapt to the restrictions imposed by the B-20 stress test and sellers curb the expectations formed during the booming markets of 2016 and 2017 and, to a lesser extent, 2018.

In the VIREB area, inventory of single-family homes in August rose by 11 per cent from one year ago (1,343 to 1,485). Active listings of apartments increased by 23 per cent (299 to 369) year over year while townhouse inventory is virtually the same as reported last August (176 to 173).

Prices in the VIREB area are still rising, but the magnitude is softening compared to the increases posted during our long-running sellers’ market. The benchmark price of a single-family home board-wide was \$515,400 in August, a three per cent increase from one year ago and up slightly from July. (Benchmark pricing tracks the value of a typical home in the reported area.) In the apartment category, the year-over-year benchmark price also rose by three per cent, climbing to \$302,800 and marginally higher than in July. The benchmark price of a townhouse rose by five per cent board-wide, hitting \$417,300 last month, which was two per cent higher than July’s benchmark of \$410,600.

Regionally, the benchmark price of a single-family home in the Campbell River area last month was \$445,100, an increase of 10 per cent over August 2018. In the Comox Valley, the benchmark price reached \$518,200, up by two per cent from one year ago. Duncan reported a benchmark price of \$474,400, an increase of four per cent from August 2018. Nanaimo’s benchmark price rose slightly to \$560,200 while the Parksville-Qualicum area saw its benchmark price increase by three per cent to \$590,000. The cost of a benchmark single-family home in Port Alberni reached \$318,200 in August, a five per cent increase from one year ago.

Trend-wise, VIREB’s housing market has transitioned from one favouring sellers to one that is balanced and, in some areas, it is shifting towards a buyers’ market. Kaye Broens, 2019 President, reports that sellers now recognize that the market has changed and are pricing their homes accordingly. Although real estate is cyclical, the one factor that remains constant is that well-priced homes sell faster.

“Whether you’re a buyer or seller, a REALTOR® can help you cut through the fog of confusion around home prices,” says Broens. “We have access to tools and market analytics that empower us to dig deeply into sales data and comparatives. That information allows us to determine an optimal selling price for your home and help you find a house that fits your needs and budget.”

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

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