

MEDIA RELEASE

SEPTEMBER 1, 2022

CALMER MARKET CONDITIONS AS SUMMER DRAWS TO A CLOSE

NANAIMO, BC – Inventory was up, and sales were down in August, reminiscent of a typical summer market in pre-COVID times.

Last month, active listings of single-family detached properties (not acreage or waterfront) jumped to 1,368, a 153 per cent increase from August 2021. VIREB's inventory of condo apartments hit 332 last month, up from 164 listings one year ago. There were 280 row/townhouses for sale last month compared to 109 one year ago.

The quieter August gave consumers and REALTORS® time to catch their breath after the frenetic pace VIREB's housing market has been setting since 2020. Additional inventory is good news for buyers, giving them more options to choose from and easing the pressure to move too quickly when making an offer. On the other side of the transaction, sellers may have to adjust their expectations somewhat.

“After months of historically low listings, January posted a small inventory bump, and active listings have risen steadily since then accompanied by slightly lower demand,” says Erica Kavanaugh, 2022 VIREB Chair. “What we’re seeing now is more about conditions returning to what they were before the pandemic. We’ll have to see how the rest of the year shapes up to determine whether we’re looking at a more significant trend.”

Kavanaugh adds that while demand has dipped, the underlying supply issues that caused low inventory and rising prices still exist.

“The British Columbia Real Estate Association crunched the numbers and determined that it will take a substantial decline in demand to return active listings to a healthy state on Vancouver Island,” says Kavanaugh. “Province-wide, we’re dealing with decades of insufficient supply, and that’s not a quick fix.”

By category, there were 307 single-family-home sales in August, a 33 per cent decrease from one year ago and up by three per cent from July. There were 66 condo apartment sales last month, a decline of 33 per cent year over year and down by 12 per cent from July. In the row/townhouse category, 51 units changed hands in August, down 43 per cent from one year ago and the same number as in July.

After a long period of steadily rising prices in virtually every VIREB region, slight month-over-month price dips began appearing in June. However, 2022 continues to post higher prices than seen in 2021. The board-wide benchmark price of a single-family home reached \$842,800 in August, up 18 per cent from one year ago. In the apartment category, it hit \$444,800 last month, a 22 per cent increase from August 2021. The benchmark price of a townhouse increased by 19 per cent, climbing to \$615,400 in August.

If consumers are struggling with timing around whether to buy or sell in the current market, the advice of a local REALTOR® can be beneficial. REALTORS® have specialized knowledge of their communities and are equipped with sales tools, such as custom analytics, to help you develop a winning strategy for buying or selling your home.

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

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