

# MEDIA RELEASE

SEPTEMBER 1, 2021

## INCREASING HOUSING SUPPLY IS KEY TO AFFORDABILITY

**NANAIMO, BC** - Historically low inventory in the Vancouver Island Real Estate Board (VIREB) area continues to plague potential buyers and hamper sales. Active listings of single-family homes and row/townhouses are 50 per cent lower than in August 2020, while VIREB's inventory of condo apartments dropped by 61 per cent year over year.

There were 891 unit sales in the VIREB area last month, down 18 per cent from one year ago. By category, 460 single-family homes sold in August, up by two per cent from July and down by 15 per cent year over year. August saw 101 condo apartment sales compared to 102 the previous year and 124 in July. In the row/townhouse category, there were 91 sales last month compared to 104 in August 2020 and 99 in July 2021.

"Sales would undoubtedly be higher if there were adequate inventory," says Ian Mackay, 2021 VIREB President. "Further, because the real estate sector is driven by supply and demand, we expect that prices will continue to rise unless demand drops or listings increase."

Mackay says that with a fall election on the horizon, VIREB is encouraged by the major parties' focus on housing affordability.

"However, without a tangible plan to build more homes, we're concerned that election promises will fall far short of what's needed and do little to improve affordability," adds Mackay.

VIREB believes that the levers of delay developers face at the local level impede new construction and are significant barriers to increasing housing supply. BCREA, VIREB, and other real estate boards continue advocating with policymakers at the provincial and regional levels to speed up the development process so that municipalities can expand supply more quickly to meet demand.

"Building more homes isn't the easy solution, but it's the key to making housing more affordable," states Mackay.

The board-wide benchmark price of a single-family home reached \$740,900 in August, up 33 per cent year over year and slightly higher than in July. In the apartment category, the benchmark price hit \$390,200 last month, a three per cent increase month over month and up by 27 per cent year over year. The benchmark price of a townhouse rose by 31 per cent from the previous August and by one per cent from July, climbing to \$569,900.

In Campbell River, the benchmark price of a single-family home hit \$650,800 in August, up by 33 per cent from the previous year. In the Comox Valley, the year-over-year benchmark price rose by 32 per cent to \$772,800. The Cowichan Valley reported a benchmark price of \$733,600, an increase of 32 per cent from August 2020. Nanaimo's benchmark price rose by 29 per cent, hitting \$741,900, while the Parksville-Qualicum area saw its benchmark price increase by 35 per cent to \$863,800. The cost of a benchmark single-family home in Port Alberni reached \$492,400, a 43 per cent year-over-year increase. The benchmark price for the North Island rose by 52 per cent, hitting \$394,400 in August.

**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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## CONTACTS

**Ian Mackay, President: 250.248.4321**

**Erica Kavanaugh, President-Elect: 250.248.4321**

**Kevin Reid, Past President: 250.334.3124**

**Darrell Paysen, Manager, Member Services: 250.390.4212**

For localized commentary, please contact:

### **Campbell River**

Ashley Stawski: 250.286.1187

### **Comox Valley**

Kevin Reid: 250.334.3124

### **Cowichan Valley**

Susan Perrey: 250.245.2252

### **Nanaimo**

Deana Baumel: 250.751.1223

Kelly O'Dwyer: 833.817.6506

### **Parksville-Qualicum**

Erica Kavanaugh: 250.248.4321

### **Port Alberni-West Coast**

Judy Gray: 250.726.2228

### **Directors-at-Large**

Janet Scotland: 250.923.2111

David Procter: 250.339.2021

Ian Mackay: 250.248.4321

### **MLS® HPI Media Contact**

Communications Department

Vancouver Island Real Estate Board

[communications@vireb.com](mailto:communications@vireb.com)

250.390.4212

