

MEDIA RELEASE

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FALL BRINGS MORE BREATHING ROOM FOR BUYERS

NANAIMO, BC – Last month, active listings of single-family detached properties nearly tripled from September 2021, jumping to 1,417. VIREB's inventory of condo apartments was 332 in September 2022, up from 167 listings one year ago. There were 295 row/townhouses for sale last month, nearly tripling from the 106 reported one year ago.

Although there is still robust demand, more inventory creates breathing room for buyers and eases some of the pressure they've been facing when making an offer. On the other side of the transaction, sellers may have to adjust their expectations as demand is strongest for homes priced to reflect the reality of a shifting market.

"We're still seeing multiple offers on well-priced properties, but buyers are taking more of a wait-and-see approach," says Erica Kavanaugh, 2022 VIREB Chair. "Overpriced properties typically take longer to sell, so clients need to be realistic when listing their home. What your neighbour sold for in the spring doesn't mean you'll get the same amount of money now. Six months can be a long time in real estate."

However, Kavanaugh adds that the underlying supply issues that contributed to low inventory and high prices still exist. The BC Real Estate Association (BCREA) has produced several forecasts that point to decades of insufficient supply throughout much of British Columbia, with one of the most acute inventory situations on Vancouver Island.

"We did see a small inventory bump in January, and active listings have risen steadily since then, which is great news for buyers," says Kavanaugh. "But if demand increases again without a corresponding bump in housing supply, we could be back to the same conditions we experienced in 2021 and much of 2022."

September saw 241 single-family-home sales, a 45 per cent decrease from one year ago and down by 21 per cent from August. There were 52 condo apartment sales last month, a decline of 57 per cent year over year and down by 21 per cent from August. In the row/townhouse category, 49 units changed hands in September, down 42 per cent from one year ago and four per cent from August.

The board-wide benchmark price of a single-family home reached \$816,700 in September, up 14 per cent from one year ago but down by three per cent from August. In the apartment category, the benchmark price was \$425,800 last month, a 15 per cent increase from September 2021 and down four per cent from August. The year-over-year benchmark price of a townhouse increased by 14 per cent to \$597,500, but it dropped by three per cent from August.

Benchmark prices for single-family homes decreased from August to September in nearly every zone, but prices are still higher than in 2021. In Campbell River, the benchmark price of a single-family home hit \$710,100 in September, up by 11 per cent from the previous year. In the Comox Valley, the year-over-year benchmark price rose by 13 per cent to \$864,300. The Cowichan Valley reported a benchmark price of \$838,400, an increase of 14 per cent from September 2021. Nanaimo's benchmark price rose by 15 per cent, reaching \$843,000, while the Parksville-Qualicum area saw its benchmark price increase by 12 per cent to \$937,800. The cost of a benchmark single-family home in Port Alberni reached \$579,800, up 18 per cent from the previous year. For the North Island, the benchmark price of a single-family home rose by 24 per cent to \$487,800.

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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