

MEDIA RELEASE

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HOUSING MARKET QUIETS AS YEAR-END APPROACHES

NANAIMO, BC - Last month, 249 single-family homes sold in the Vancouver Island Real Estate Board (VIREB) area, a 37 per cent decrease from one year ago and up by three per cent from September. There were 42 condo apartment sales in October 2022, a decline of 65 per cent year over year and down by 19 per cent from September. In the row/townhouse category, 51 units changed hands in October, down 41 per cent from one year ago and up four per cent from September.

Active listings of single-family detached properties last month more than tripled from October 2021 but dipped by four percent from September, hitting 1,360. VIREB's inventory of condo apartments was 314 in October 2022, up from 124 listings one year ago and down by five per cent from September. There were 296 row/townhouses for sale last month, up by 147 per cent from the previous October and virtually the same number as in September (295).

"More inventory and weaker demand mean it's a perfect time to buy. Well-priced and well-maintained properties are still generating multiple offers and selling briskly, but the market has shifted from the heated conditions REALTORS® saw for much of the year," says Erica Kavanaugh, 2022 VIREB Chair. "Buyers and sellers need to be realistic and flexible about prices, and a local REALTOR® can help develop a winning strategy no matter which side of the real estate transaction you occupy."

Kavanaugh adds that the underlying supply issues contributing to low inventory and high prices are still factors working behind the scenes; they've just taken a back seat for now.

"On the surface, it looks like the market is levelling out, and additional inventory is certainly good news for buyers. But active listings are still not where they need to be," notes Kavanaugh.

In October 2013, there were 2,362 single-family homes for sale. Every year since then, except for 2018 and 2019, active listings dropped from the previous year, reaching a historic low of 394 in 2021. So, it will take a substantial decrease in demand or a significant increase in supply to achieve healthy inventory levels that can accommodate Vancouver Island's expected population growth in the coming years.

The board-wide benchmark price of a single-family home reached \$787,500 in October, up eight per cent from one year ago but down by four per cent from September. In the apartment category, the benchmark price was \$414,200 last month, an 11 per cent increase from October 2021 and down three per cent from September. The year-over-year benchmark price of a townhouse increased by 11 per cent to \$583,900, but it dropped by two per cent from September.

Benchmark prices for single-family homes decreased from August to September in every zone except the North Island. However, prices are still higher than in 2021. In Campbell River, the benchmark price of a single-family home hit \$679,300 in October, up by four per cent from the previous year. In the Comox Valley, the year-over-year benchmark price rose by seven per cent to \$829,800. The Cowichan Valley reported a benchmark price of \$804,500, an increase of nine per cent from October 2021. Nanaimo's benchmark price rose by nine per cent, reaching \$811,200, while the Parksville-Qualicum area saw its benchmark price increase by seven per cent to \$913,000. The cost of a benchmark single-family home in Port Alberni reached \$566,300, up 13 per cent from the previous year. For the North Island, the benchmark price of a single-family home rose by 20 per cent to \$488,000.

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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