

MEDIA RELEASE

NOVEMBER 1, 2021

DIFFERENT MONTH BUT THE SAME ISSUES CONTINUE

NANAIMO, BC - The predominant theme running through the housing market in the Vancouver Island Real Estate Board (VIREB) area is one of “different month, same issues.”

By category, 398 single-family homes sold in October, a 23 three per cent decrease from one year ago. There were 122 condo apartment sales last month, a six per cent decrease from October 2020. In the row/townhouse category, 88 units sold compared to 98 the previous October. However, there is little doubt that a dearth of active listings is causing the sales decline.

Buyers continue to face frustrating hurdles caused by historically low inventory, with little relief in sight. Active listings of single-family homes were 46 per cent lower last month than in October 2020 and dropped by 18 per cent from September. VIREB’s inventory of condo apartments declined by 63 per cent from one year ago and was 26 per cent lower than in September. However, there was some positive news for townhouse buyers. While active listings in this category dropped by 39 per cent year over year, inventory increased by 13 per cent from September.

In its most recent housing forecast, the British Columbia Real Estate Association (BCREA) stated that the supply situation is especially severe in markets outside the Lower Mainland, including Vancouver Island. Listings activity has been lacklustre, and even if sales come back down to long-run average levels, total listings would need to nearly double to bring markets back into balance. The road to doubling those listings lies in increasing the housing supply.

“Unless demand drops significantly or more inventory comes online through new construction, VIREB’s inventory situation likely won’t improve,” says Ian Mackay, 2021 VIREB President.

Mackay welcomes the news that the Government of British Columbia is giving local governments more tools and powers to simplify and speed up their development approvals processes, helping to build the homes people need more quickly.

“Real estate is all about supply and demand. New construction isn’t a quick solution, but it’s the only one that can address the housing shortage, and, hopefully, temper prices,” said Mackay.

The board-wide benchmark price of a single-family home reached \$757,300 in October, up 31 per cent year over year. In the apartment category, the benchmark price hit \$397,200 last month, a 30 per cent increase from October 2020. The benchmark price of a townhouse was up by 34 per cent year over year.

In Campbell River, the benchmark price of a single-family home hit \$663,000 in October, up by 29 per cent from the previous year. In the Comox Valley, the year-over-year benchmark price rose by 31 per cent to \$779,000. The Cowichan Valley reported a benchmark price of \$756,900, an increase of 30 per cent from October 2020. Nanaimo’s benchmark price rose by 28 per cent, hitting \$755,500, while the Parksville-Qualicum area saw its benchmark price increase by 34 per cent to \$887,300. The cost of a benchmark single-family home in Port Alberni reached \$504,000, a 36 per cent year-over-year increase. The benchmark price for the North Island rose by 55 per cent, hitting \$418,800 in September.

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.

Trademarks are owned or controlled by The Canadian Real Estate Association (CREA) and identify real estate professionals who are members of CREA (REALTOR®) and/or the quality of services they provide (MLS®).

Visit our website for updated information at www.vireb.com.

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

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

250.390.4212

