

# MEDIA RELEASE

DECEMBER 1, 2020

## STRONG BUYER DEMAND HAMPERED BY LOW INVENTORY

**NANAIMO, BC** - Last month, 422 single-family detached properties (excluding acreage and waterfront) sold on the MLS® System compared to 318 in November 2019, a 33 per cent increase. Sales dipped by 19 per cent from October.

In the condo apartment category, sales rose by 65 per cent year over year and decreased by 17 per cent from October. Row/townhouse sales increased by 84 per cent from the previous year but dropped by eight per cent from October.

“Although sales decreased in September and October, we attribute it to a lack of inventory, not weakening demand,” says VIREB president-elect Ian Mackay. “The buyers are there, but the listings aren’t.”

Active listings of single-family detached properties were 541 in November compared to 733 in October, a 26 per cent decrease. There were 307 condo apartments and 143 row/townhouses for sale last month, down eight per cent and 27 per cent, respectively, from October.

The strength of the provincial housing market continues to surprise even the experts. In its *Fourth-Quarter Housing Forecast*, the British Columbia Real Estate Association (BCREA) states that the COVID-19 pandemic and associated recession have impacted housing markets in unexpected and unpredictable ways.

“Despite what may be the worst recession in B.C. history, the housing market had a record fall season, and prices are rapidly rising as pent-up demand floods into an under-supplied market,” says BCREA. “As that pent-up demand from the loss of a spring season fades, sales will likely slow from their current pace, but activity is expected to remain strong as record-low mortgage rates and a recovering economy continue to drive sales.”

Notwithstanding high demand, correctly pricing your home remains the key to a quick sale. Overpriced homes tend to linger in our area despite prevailing market conditions, Mackay says.

The benchmark price of a single-family home hit \$540,300 in November, up by four per cent year over year. The benchmark price of an apartment reached \$310,200, an increase of four per cent, while the benchmark price of a townhouse rose by nine per cent year over year, climbing to \$441,600.

In Campbell River, the benchmark price of a single-family home hit \$475,900, an increase of eight per cent over last year. In the Comox Valley, the benchmark price was \$544,900, up by three per cent from one year ago. Duncan reported a benchmark price of \$502,100, an increase of five per cent from November 2019. Nanaimo’s benchmark price rose by one per cent, hitting \$564,500, while the Parksville-Qualicum area saw its benchmark price increase by seven per cent to \$620,100. The cost of a benchmark single-family home in Port Alberni reached \$326,800, a marginal year-over-year increase. For the North Island, the benchmark price rose to \$237,300, an 18 per cent increase over last year.

**Please note: The Vancouver Island Real Estate Board (VIREB) transitioned to a new MLS® System on July 28 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

**Kevin Reid, President: 250.334.3124**

**Ian Mackay, President-Elect: 250.248.4321**

**Kaye Broens, Past President: 833.817.6506**

**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**

Kaye Broens: 833.817.6506

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

