

MEDIA RELEASE

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2021 ENDS WITH NEAR-RECORD SALES AND RECORD-LOW INVENTORY

NANAIMO, BC - The Vancouver Island Real Estate Board (VIREB) recorded 11,045 unit sales (all property types) in 2021, close to the 12,014 and 11,341 unit sales seen in 2016 and 2017. It is a remarkable outcome notwithstanding since it occurred amidst an environment of historically low inventory. Based on buyer demand, 2021 would have likely set a historic sales record with sufficient supply.

By category, active listings of single-family homes were 47 per cent lower last month than in December 2020 and down by 26 per cent from November. VIREB's inventory of condo apartments declined by 71 per cent from one year ago and was 30 per cent lower than in November. Row/townhouse inventory dropped by 53 per cent year over year and was 13 per cent lower than the previous month.

As for sales, 226 single-family homes sold on the MLS® System in December, a 25 per cent decrease from one year ago and down 36 per cent from November. There were 75 condo apartment sales last month compared to 124 one year ago and 110 the previous month. In the row/townhouse category, 50 units sold in December compared to 53 one year ago and 98 in November 2021.

According to the British Columbia Real Estate Association, the supply situation is especially critical in markets outside the Lower Mainland, with one of the worst being Vancouver Island. Even if sales were to return to long-run average levels, total listings would need to nearly double to achieve a balanced market, and the road to doubling those listings lies in building more homes.

2021 VIREB president Ian Mackay repeated previous calls for new measures to increase housing stock.

"Expanding inventory is the key to affordability, and it requires a coordinated effort from all levels of government and adequate incentives for municipalities to take action," says Mackay. "The public also has a role to play by being more open to gentle densification in some areas."

Mackay added that VIREB 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. The changes include removing requirements for local governments to hold public hearings for development proposals that already align with Official Community Plans and equipping municipal staff to make decisions for minor development variance permits.

Regarding housing costs, the board-wide benchmark price of a single-family home reached \$785,300 in December, up 34 per cent year over year. In the apartment category, the benchmark price hit \$403,800 last month, a 29 per cent increase from December 2020. The benchmark price of a townhouse increased by 35 per cent, climbing to \$609,300 in December.

In Campbell River, the benchmark price of a single-family home hit \$689,000 in December, up by 32 per cent from the previous year. In the Comox Valley, the year-over-year benchmark price rose by 31 per cent to \$800,400. The Cowichan Valley reported a benchmark price of \$776,800, an increase of 30 per cent from December 2020. Nanaimo's benchmark price rose by 32 per cent, reaching \$790,000, while the Parksville-Qualicum area saw its benchmark price increase by 37 per cent to \$927,100. The cost of a benchmark single-family home in Port Alberni reached \$523,700, a 43 per cent year-over-year increase. The benchmark price of a single-family home for the North Island rose by 46 per cent to \$424,600.

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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