

MEDIA RELEASE

JANUARY 3, 2023

QUIET DECEMBER CLOSES OUT THE YEAR

NANAIMO, BC - Last month, 200 single-family homes sold in the Vancouver Island Real Estate Board (VIREB) area, a 10 per cent decrease from one year ago and a drop of 18 per cent from November. Sales of condo apartments in December came in at 35, declining by 53 per cent year over year and dropping by 36 per cent from November. In the row/townhouse category, 27 units changed hands in December, down 46 per cent from one year ago and 41 per cent from November.

Inventory continues to build over what was available in December 2021, but active listings did drop from November 2022. Year-over-year listings of single-family homes rose to 895 from 223 one year ago but dipped by 25 per cent from the previous month. VIREB's inventory of condo apartments was 248 in December 2022, up from 67 listings one year ago and down by 13 per cent from November. There were 229 row/townhouses for sale last month compared to 56 one year ago and 266 in November.

"December sales activity reflected a typical end-of-year market, which is usually slower during the holiday season," says Erica Kavanaugh, 2022 VIREB Chair. "REALTORS® are reporting that some clients are taking a wait-and-see approach, opting to wait until spring, which typically sees more interest from buyers and an uptick in listings."

Two notable policy changes affecting the real estate industry take effect this month, although their potential impact on VIREB's housing market is unknown. The Home Buyer Rescission Period (HBRP) launched in British Columbia on January 3. This provincial policy gives buyers the right to withdraw from a purchase agreement within three business days of an accepted offer. On the federal level, the *Prohibition on the Purchase of Residential Property by Non-Canadians Act* (colloquially known as the Foreign Buyer Ban) went into effect on January 1. This legislation bans non-Canadians from buying residential property across Canada for two years. However, since foreign buyers represent a minimal component of VIREB's market, this legislation is unlikely to have much impact on sales in the VIREB area.

Regarding prices, the board-wide benchmark price (MLS® Home Price Index) of a single-family home was \$750,900 in December, down slightly from one year ago and a drop of three per cent from November. (Benchmark pricing tracks the value of a typical home in the reported area.) In the apartment category, the benchmark price was \$405,400 last month, a six per cent increase from December 2021 and down two per cent from November. The year-over-year benchmark price of a townhouse rose by four per cent to \$568,000 and was slightly higher than in November.

In Campbell River, the benchmark price of a single-family home hit \$661,300 in December, down two per cent from the previous year. The Comox Valley's year-over-year benchmark price dropped by one per cent to \$789,500. In the Cowichan Valley, the benchmark price was \$752,700, a one per cent decrease from December 2021. Nanaimo's year-over-year benchmark price rose slightly, climbing to \$777,600, while the Parksville-Qualicum area saw its benchmark price drop by two per cent to \$878,900. The cost of a benchmark single-family home in Port Alberni reached \$539,100, up four per cent from the previous year. For the North Island, the benchmark price of a single-family home rose by 10 per cent to \$445,900.

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 1,100 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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