



VIREB

VANCOUVER ISLAND REAL ESTATE BOARD

AN ASSOCIATION OF REALTORS®

NEWS RELEASE

FOR IMMEDIATE MEDIA RELEASE

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2006 good year for Van Island real estate

NANAIMO, BC – Multiple Listing Service® (MLS®) annual sales summary data released by the Vancouver Island Real Estate Board (VIREB) for 2006, shows a decline in volume while average sale prices continued to rise.

The average sale price across the VIREB region for 2006 was \$274,699. This is a 16 per cent increase from the \$235,648 posted at the end of 2005.

2007 President **Jennifer Lynch**, a REALTOR® on Gabriola Island, says the market has settled into a much more normal pattern.

“2006 was a really solid year for real estate sales on Vancouver Island. In all VIREB zone areas the average price for 2006 surpassed 2005,” she says.

“Now with a slight reduction in sales volume, and steady price increases, the market will shift towards more of a balance for buyers and sellers,” Lynch explains, noting the pace of price increases slowed down towards the end of 2006.

Past President **Darrell Paysen** says there were no surprises in the numbers. “They came in just as predicted. We’re heading into a much more sustainable market over the longer term.”

Unit sales volumes in 2006 were down across the VIREB region by 8 per cent, finishing the year at 5,584, down from the 6,098 posted in 2005. Only Campbell River posted a small unit gain in 2006.

2006 annual average sale prices across VIREB's six zones: Campbell River increased 21 per cent (to \$255,947), the Comox Valley was up 17 per cent (at \$278,803), Nanaimo is up 14 per cent (to \$288,880), Parksville/Qualicum grew 14 per cent (to \$313,707), Port Alberni increased 25 per cent (to \$183,963) and Duncan's increased 17 per cent (to \$284,238).

VIREB Vice President **Subhadra Ghose** says continuing low interest rates are a good indicator.

“It’s better for the young buyers to get into the market. We’re seeing new subdivisions building up across the Nanaimo area and condos continue to sell,” she says, noting the flow of buyers from Alberta continues as well.

In Port Alberni, VIREB Director **Lyle Price** says the local market is strong. “Port Alberni is being discovered as a great place to live, raise a family and retire. Prices are still lower than the rest of Vancouver Island and growth in areas like Sproat Lake continues to escalate.”

In the Comox Valley, VIREB Director **Marty Douglas** says the real estate market will remain active. “I expect many forecasts for 2007 to be of the 'sunny with cloudy periods' variety. I believe sales will be comparable to 2005 and 2006 but with even more bias in favor of the buyer as we see rapidly rising inventories of more new developments.”

Jim Stewart, a VIREB Director in Nanaimo, notes inquiries are continuing to come in. “It really shows how awareness of our region has grown. Baby boomers from all over are looking down the road a little bit to retirement, and this is where they want to be.”

Looking ahead, Paysen is predicting single digit increases in the average sales prices by this time next year.

Lynch says with signs pointing to a continuing strong and steady market for 2007, proper pricing will remain key.

“As a member of their local real estate Board, REALTORS® have their finger on the pulse of the housing market. Consumers should contact their REALTOR® if they are considering buying or selling a home.”

VIREB represents approximately 1,082 licensed REALTOR® members in more than 80 member offices on Vancouver Island (north of Victoria).

- 30 -

VIREB cautions that average price information can be useful in establishing trends over time, but does not indicate the actual prices in centers comprised of widely divergent neighborhoods or account for price differential between geographic areas.

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For more information, please contact:

Jennifer Lynch, 2007 President, 250-247-2088
Darrell Paysen, 2007 Past President, 748-5000
Drew Harris, Communications, 250-390-4212

Or, for further localized comments, please contact:

Campbell River:

Karol Power 286-3293

Comox Valley:

Martyn Douglas 897-3999 Ray Francis 897-3999

Duncan:

Cliff Moberg 746-6621

Darrell Paysen 748-5000

Nanaimo:

Subhadra Ghose 751-1223

Jim Stewart 758-7653

Jennifer Lynch 247-2088

Dave Thompson 751-1223

Parksville-Qualicum:

Ian Dewar 248-4321

Jim Hoffman 248-8371

Port Alberni:

Lyle Price 723-5666