

FOR IMMEDIATE RELEASE
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Lack of Supply and Guideline B-20 Continue to Dampen Sales

NANAIMO, BC – Sales of single-family homes in January dropped by 16 per cent from one year ago and were 26 per cent lower than in December.

Last month, 174 single-family homes sold on the Multiple Listing Service® (MLS®) System compared to 235 in December and 208 one year ago. Apartment sales in January decreased by three per cent year over year, while the number of townhouses sold dropped by 18 per cent from one year ago.

Inventory of single-family homes last month rose slightly from one year ago (981 to 992) and increased by six per cent from December 2019. Active listings of apartments rose by three per cent (299 to 309) year over year, while townhouse inventory dropped by 24 per cent (165 to 125).

The benchmark price of a single-family home board-wide was \$515,400 in January, a four per cent increase from one year ago and marginally lower than in December. (Benchmark pricing tracks the value of a typical home in the reported area.) In the apartment category, the year-over-year benchmark price rose by five per cent, hitting \$309,300, which is two per cent higher than in December. The benchmark price of a townhouse last month rose by three per cent year over year, climbing to \$408,600, and was virtually the same as in December.

Regionally, the benchmark price of a single-family home in the Campbell River area last month was \$437,300, an increase of four per cent over last year. In the Comox Valley, the benchmark price reached \$521,900, up by four per cent from one year ago. Duncan reported a benchmark price of \$478,000, an increase of three per cent from January 2019. Nanaimo's benchmark price rose by four per cent to \$562,700 in January, while the Parksville-Qualicum area saw its benchmark price drop slightly to \$571,400. The cost of a benchmark single-family home in Port Alberni reached \$328,900 in January, a 10 per cent increase from one year ago.

Trend wise, inventory is tightening again, which is one of the factors behind weaker sales. REALTORS® are reporting that there is keen interest among buyers. However, reduced purchasing power due to Guideline B-20 and limited supply in their price range are pushing them to the sidelines.

"The stress test is compressing more demand into our mid- and lower-priced property market. Lack of inventory in that price range is certainly curtailing some buyers from moving ahead with their home purchase," says Broens. "Unfortunately, without new construction, this gridlock may just be the new normal."

Broens also adds that the recent release of home assessments tends to create confusion for consumers, who are not always aware that the assessed figure is based on data that is several months old and may not reflect current market value.

"Whether you're a buyer or seller, a REALTOR® can help you cut through the fog of confusion around home prices," says Broens. "We have access to tools and market analytics that will help us determine an optimal selling price for your home and find a property that fits your budget."

ABOUT VIREB

VIREB represents over 1,000 REALTOR® members in nearly 90 member offices on Vancouver Island (north of Victoria).

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