

FOR IMMEDIATE RELEASE

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Despite Additional Inventory, the VIREB Area is Still a Sellers' Market

NANAIMO, BC – In February 2017, 347 single-family homes sold on the Multiple Listing Service® (MLS®) System compared to 406 last February, a decrease of 15 per cent. Sales rose by 42 per cent from January 2017, which saw 245 sales. Inventory of single-family homes declined by 38 per cent from February 2016, with 949 active listings compared to 1,529 one year ago. However, the 949 available properties reflect a six per cent increase over January, an encouraging development since the lack of inventory continues to challenge consumers and REALTORS® in the VIREB area.

The British Columbia Real Estate Association (BCREA) reports that strong economic fundamentals are fuelling housing demand throughout British Columbia, with the B.C. economy continuing to outpace the rest of Canada. Among other factors, increased population growth is a significant force driving the provincial housing market.

“In the first three-quarters of 2016, net migration to British Columbia hit 50,000 people,” says Cameron Muir, BCREA Chief Economist. “Although most of those residents will end up on the Lower Mainland, the effects of this influx will inevitably trickle into other markets.”

Although BCREA expects the provincial economy to weaken somewhat this year, consumer confidence and job growth should continue to have a net positive effect on the housing market. After dipping in late 2016 and early 2017, overall sales activity in the province appears to be trending upwards again, and that is certainly happening on Vancouver Island.

In fact, sales in the VIREB area would no doubt be much higher if there were more properties available, says Janice Stromar, 2017 VIREB President.

“The Nanaimo market in February was busier than I’ve ever seen,” says Stromar. “Single-family homes in the \$450,000 range are practically flying out the door, and multiple offers are the norm, not the exception.”

The VIREB area has been a sellers’ market for several months now, and Stromar encourages people to list their homes now.

“Real estate is cyclical, and consumers need to take advantage of these market conditions because they won’t last forever,” says Stromar.

She adds that connecting with a local REALTOR® is especially crucial in a competitive housing market. REALTORS® have specialized knowledge of their communities and are equipped with sales tools, such as custom analytics, to help buyers formulate winning offers and help sellers receive maximum dollars for their home.

In February 2017, the benchmark price of a single-family home in the VIREB area was \$403,100, up 18 per cent from one year ago. Prices increased in every zone, ranging from 14 per cent in Duncan and Port Alberni to 25 per cent in Nanaimo. The benchmark price of an apartment in February rose 22 per cent board-wide from the previous year, but the highest increases were seen in Parksville-Qualicum (24 per cent), the Comox Valley (26 per cent), and Campbell River (26 per cent). The townhouse market also strengthened in February, posting a 20 per cent increase board-wide.

The February 2017 benchmark price of a single-family home in the Campbell River area was \$318,100, an increase of 17 per cent over February 2016. In the Comox Valley, the benchmark price hit \$401,000, up 17 per cent from 2016. Duncan reported a benchmark price of \$345,500, an increase of 14 per cent compared to February 2016. Nanaimo's benchmark price rose 25 per cent to \$444,400 while the Parksville-Qualicum area saw its benchmark price increase by 20 per cent to \$454,100. The price of a benchmark home in Port Alberni stayed the same as in January but did rise by 14 per cent from one year ago.

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ABOUT VIREB

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

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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