

MEDIA RELEASE

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IMPACT OF COVID-19 HITS HOME IN APRIL

NANAIMO, BC – The anticipated impact of COVID-19 on VIREB’s housing market became a reality in April, with sales of single-family homes dropping by 54 per cent year over year.

Last month, 189 single-family homes sold on the Multiple Listing Service® (MLS®) System compared to 333 in March 2020 and 412 in April 2019. Apartment and townhouse sales decreased by 82 and 69 per cent, respectively.

Inventory of single-family homes last month dipped by nine per cent year over year (1,293 to 1,173). Active listings of apartments rose by 33 per cent (303 to 403) year over year, while townhouse inventory dropped by 19 per cent (197 to 160).

The benchmark price of a single-family home board-wide was \$523,700 in April, an increase of three per cent from the previous year and marginally higher than in March. (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 \$313,300, which is slightly lower than the previous month. The benchmark price of a townhouse in April rose by two per cent year over year and was somewhat higher than in March, climbing to \$421,400.

Regionally, the benchmark price of a single-family home in the Campbell River area last month was \$438,500, an increase of four per cent over last year. In the Comox Valley, the benchmark price reached \$521,300, up by two per cent from one year ago. Duncan reported a benchmark price of \$482,800, slightly higher than in April 2019. Nanaimo’s benchmark price rose by two per cent to \$572,200 in April, while the Parksville-Qualicum area saw its benchmark price increase by two per cent to \$588,800. The cost of a benchmark single-family home in Port Alberni reached \$336,200 in April, an 11 per cent increase from one year ago.

In its most recent *Market Intelligence Report*, the British Columbia Real Estate Association (BCREA) predicts that the 2020 coronavirus-driven recession will be profound, although the duration may be shorter than past downturns. Home sales throughout B.C. are posting sharp declines as households and the real-estate sector adhere to social distancing. As measures implemented to mitigate the spread of COVID-19 are gradually lifted, BCREA anticipates that low interest rates and pent-up demand will translate to a significant recovery in home sales and prices.

While the provincial government has designated real estate as an essential service, it is not business as usual. VIREB REALTORS® are adapting to the “new normal” by embracing technology solutions, such as virtual open houses, to continue assisting their clients.

“Being declared an essential service recognizes that many British Columbians are currently involved in real estate transactions that began before the pandemic was declared or may need to be involved in one in the coming weeks and months,” says 2020 president Kevin Reid. “By using technological innovations like virtual tours and electronic document signing, REALTORS® are positioned to help them do so safely. However, our priority is public health. Real estate transactions can continue as long as everyone involved is protected.”

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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