

MEDIA RELEASE

MAY 3, 2021

LITTLE RELIEF FOR FRUSTRATED BUYERS IN APRIL

NANAIMO, BC – There was little relief for frustrated buyers in April despite an increase in active listings.

Inventory of single-family homes and condo apartments rose by eight per cent and 16 per cent, respectively, but active listings of townhouses dropped by eight per cent.

April saw sales of 590 single-family detached properties compared to 567 the previous month. In the condo apartment category, 133 units sold last month versus 136 in March 2021. As for townhouses, 106 units changed hands in April compared to 124 the previous month. (Since the pandemic began at this time last year, and the economic lockdown significantly slowed down the housing market – at least initially – year-over-year sales comparisons are not particularly helpful right now.)

The pervasive lack of inventory has created a strong sellers' market, and buyers face fierce competition in their home search. Multiple offers are the norm rather than the exception, and many homes are selling over the asking price.

“Buyers are understandably frustrated, and it’s also disheartening for REALTORS®,” says 2021 VIREB president Ian Mackay. “Whether they’re buyers or sellers, we want to make our clients happy.”

Mackay echoes the sentiments voiced by the British Columbia Real Estate Association (BCREA), which does not see the inventory situation improving until more supply comes online. BCREA and local real estate boards are advocating with policymakers at the provincial and regional levels to speed up the development process so that municipalities can expand supply more quickly to meet demand.

“We have seen that demand-side policies like taxes and higher mortgage rates are just not working,” notes Mackay. “The best route to making housing more affordable, particularly for first-time buyers, is to increase supply. It’s not a quick solution, but it’s the only one that makes sense long-term.”

It is no surprise that the heated housing market is impacting prices, which are rising throughout the board area. The benchmark price of a single-family home hit \$659,300 last month, up by four per cent from March and 22 per cent higher than in April 2020. The benchmark price of an apartment reached \$345,200, a year-over-year increase of 14 per cent and four per cent higher than in March. The benchmark price of a townhouse rose by 21 per cent year over year, climbing to \$499,200, which was three per cent higher than in March.

In Campbell River, the benchmark price of a single-family home hit \$588,800 in April, an increase of 25 per cent over last year. In the Comox Valley, the benchmark price was \$692,300, up by 24 per cent from one year ago. Duncan reported a benchmark price of \$596,300, an increase of 19 per cent from April 2020. Nanaimo’s benchmark price rose by 23 per cent, hitting \$683,000, while the Parksville-Qualicum area saw its benchmark price increase by 16 per cent to \$743,400. The cost of a benchmark single-family home in Port Alberni reached \$417,700, a 26 per cent year-over-year increase. For the North Island, the benchmark price rose to \$305,000, a 19 per cent increase over last year.

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 1,000 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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