

## **FOR IMMEDIATE RELEASE**

**June 1, 2016**

### **Hot Housing Market Puts Home Sellers in Driver's Seat**

NANAIMO, BC – Home sellers are in the driver's seat throughout the VIREB area as buyers compete for available listings.

In May 2016, 771 single-family homes sold on the MLS® System compared to 527 last May, an increase of 46 per cent. Month over month, sales were up by 17 per cent from the 660 sales processed in April 2016. Last month's active listings totalled 1,684, down 32 per cent from the 2,507 reported in May 2015.

Cameron Muir, BCREA Chief Economist, states that retail sales growth in the double digits reflects high levels of consumer confidence, which is spilling over into real estate. Tourism on Vancouver Island also posted a huge spike recently, which aids local economic conditions. However, although housing demand is extraordinarily high, its foundation is solidly based on a healthy GDP and rising population growth.

"British Columbia's GDP is at three per cent, and employment growth rose around 3.5 per cent in the first four months of 2016," says Muir. "Real estate is benefiting from that growth, with sales in the entire southern half of the province at record or near-record levels."

Janice Stromar, VIREB 2016 President-Elect, confirms that the VIREB housing market is recording record sales in many areas. Multiple offers, particularly on single-family homes, are the norm rather than the exception. Low inventory levels are still a major challenge for REALTORS® and buyers for a variety of reasons.

"This is a fantastic time to sell, but some homeowners have been holding back because they love their home or are worried they won't find another property to buy," says Stromar. "More houses are now coming onto the market, but buyers snap them up so quickly, we still don't have enough inventory to satisfy the demand."

Despite increases in both the benchmark and average prices over the past year, the Vancouver Island housing market is still an affordable alternative to Victoria and Lower Mainland communities.

"Although retirees frequently choose to migrate to Vancouver Island, we are seeing younger professionals trading in their homes on the Lower Mainland for a significantly nicer property here," says Stromar. "I wouldn't call it a trend, but it's becoming more common if people can find jobs on the Island or telecommute to jobs on the Lower Mainland all or part of the time."

Stromar adds that in a competitive housing market, connecting with a local REALTOR® is crucial to ensure you develop a winning strategy for buying or selling your home.

In May 2016, the benchmark price of a single-family home in the VIREB area was \$364,500, up 9.36 per cent from one year ago. Benchmark pricing tracks the value of a typical home in the reported area. The benchmark price of townhouses and apartments also increased in nearly every market. The average MLS® price of a single-family home in May was \$411,458, a 13 per cent increase from May 2015.

The May 2016 benchmark price of a single-family home in the Campbell River area was \$287,500, a 3.27 per cent increase over 2015. In the Comox Valley, the benchmark price was \$360,400, up 11.32 per cent from 2015. Duncan reported a benchmark price of \$317,300, an increase of 6.71 per cent over the same month in 2015. Nanaimo's benchmark price rose 10.82 per cent to \$389,800 while the Parksville-Qualicum area saw its benchmark price rise by 14.31 per cent to \$417,900. The price for a benchmark home in Port Alberni was \$197,300, unchanged from one year ago.

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## ABOUT VIREB

VIREB represents approximately 975 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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