

MEDIA RELEASE

Please note: The provider of our HPI data has completed their annual review of benchmark attributes. As a result, there may be some discrepancies between the May 2020 benchmark prices in this package and the numbers reported from January to April 2020.

JUNE 1, 2020

HIGHER MAY SALES INDICATE A RECOVERING MARKET

NANAIMO, BC - While COVID-19 had a significant impact on the Vancouver Island Real Estate Board's (VIREB) housing market in April, the board's May numbers indicate that the market may already be recovering.

Last month, 246 single-family homes sold on the Multiple Listing Service® (MLS®) System compared to 189 in April 2020 and 456 in May 2019. Sales of apartments decreased by 56 per cent year over year but were significantly higher than in April, with 44 properties changing hands compared to 17 the previous month. Townhouse sales dropped by 70 per cent year over year but rose by 65 per cent from April.

Inventory of single-family homes last month dipped by 14 per cent year over year (1,486 to 1,282). Active listings of apartments rose by 21 per cent (339 to 410) year over year, while townhouse inventory dipped by four per cent (185 to 178).

The benchmark price of a single-family home board-wide was \$528,800 in May, an increase of three per cent from the previous year and marginally higher than in April. (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 three per cent as well, hitting \$306,400, down about one per cent from April. The benchmark price of a townhouse in May rose by three per cent year over year and was slightly higher than in April, climbing to \$423,300.

Regionally, the benchmark price of a single-family home in the Campbell River area last month was \$449,900, an increase of five per cent over last year. In the Comox Valley, the benchmark price reached \$532,000, up by two per cent from one year ago. Duncan reported a benchmark price of \$482,100, an increase of three per cent from May 2019. Nanaimo's benchmark price also rose by three per cent to \$575,300 in May, while the Parksville-Qualicum area saw its benchmark price increase by around one per cent to \$594,800. The cost of a benchmark single-family home in Port Alberni reached \$331,200 in May, a six per cent increase from one year ago.

On a provincial level, home sales throughout B.C. posted sharp declines in April due to the COVID-19 pandemic. Now that British Columbia is in the second phase of its Restart Plan, the British Columbia Real Estate Association (BCREA) anticipates that low interest rates and pent-up demand will translate to a significant recovery in home sales and prices. Historically, housing markets usually bounce back after a recession.

Since real estate was designated an essential service, some transactions have continued despite the pandemic, but the first priority of the real estate industry has been public health and safety.

"REALTORS® are committed to helping clients complete their real estate transactions safely," says 2020 president Kevin Reid. "That means doing as much as possible virtually and strictly obeying provincial health guidelines if an in-person encounter is necessary."

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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Visit our website for updated information at www.vireb.com.

HPI Note: Areas with insufficient data do not generate statistics and are not included in the HPI graphs.

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