



VIREB

VANCOUVER ISLAND REAL ESTATE BOARD

AN ASSOCIATION OF REALTORS®



FOR IMMEDIATE RELEASE

November 1, 2013

Healthy Home Sales Show Return to Historical Averages

NANAIMO, BC – Sales activity across the Vancouver Island housing market area continued to improve in the month of October, resulting in a 29 per cent increase in unit sales over this time last year. As sales momentum continues to build after a particularly slow market last year, we are witnessing a return to our historical averages across the board area.

The Vancouver Island Real Estate Board (VIREB) reports that there were a total of 352 single-family homes sold in the VIREB area on the Multiple Listing Service® (MLS®) in October 2013. This signifies a 29 per cent increase compared to the 272 sales recorded in October 2012, and a 4.8 per cent increase over last month.

“We are currently seeing a good supply of listings and attractive interest rates, which we anticipate will remain for the foreseeable future,” said VIREB president, Gary Gray. “This should create a healthy market balance moving into the new year.”

This month, VIREB joins the Canadian Real Estate Association and ten major real estate markets in Canada by adopting a new method of statistical reporting called the MLS® Home Price Index, or HPI. This system provides a more consistent trend analysis, and is a better indicator of property value that averages and medians, which are easily skewed by the sale of high-end or low-end properties. The methodology used by MLS® HPI has been endorsed by Statistics Canada, Canada Mortgage and Housing Corporation, the Bank of Canada, Finance Canada and Central 1 Credit Union.

Mirrored after the Consumer Price Index, the HPI calculates the value for a typical “benchmark home”, which is a notional dwelling that shares a specific set of qualitative and quantitative attributes that are typical for the type of residential dwelling in question.

For October 2013, the benchmark price for a single-family benchmark home in the VIREB coverage area was \$310,100, with an MLS® HPI index value of 145.5. (This represents a 45.5 per cent increase since January 2005, when the index was 100). This benchmark price increased 0.50 per cent over last month and decreased 1.4 per cent over last year. The average price of a single-family home in the VIREB area was \$330,304.

Benchmark prices tend to be slightly lower than corresponding medians and averages. MLS® HPI estimates the values of our typical homes, whereas medians and averages reflect the overall selling prices of the unique mix of homes that sold in a given month.

The benchmark price for a single-family home in the Campbell River area was \$260,000, up 1.1 per cent over last year; in the Comox Valley the benchmark price was \$312,300, down 0.8 per cent over last year; Duncan reports a benchmark price of \$281,600, dropping 4.3 per cent from last year; Nanaimo’s benchmark price was \$325,600,

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down 1.3 per cent over last year; Parksville/Qualicum has a benchmark price of \$347,300, dipping 0.4 per cent from last year; and Port Alberni is listed at \$193,600 for a benchmark home, up 6.1 per cent over last year.

-30-

VIREB represents nearly 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 centers comprised of widely divergent neighbourhoods or account for price differential between geographic areas.

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