

## **FOR IMMEDIATE RELEASE**

**January 3, 2017**

### **2016 Was a Banner Year for Real Estate**

NANAIMO, BC – Sales of single-family homes in December were lower than the previous month, reflecting seasonal market conditions and inventory challenges, but annual sales volume rose 24 per cent over 2015.

A total of 6,063 single-family homes sold on the Multiple Listing Service® (MLS®) in 2016, an increase of 24 per cent over the 4,885 sales recorded the previous year. VIREB's housing market hit its peak in May, which saw 771 sales. The average sale price of a single-family home board wide increased by 13 per cent in 2016 to reach \$404,695. Inventory of single-family homes dipped to 859 in December, a historic low, down 17 per cent from November and 37 per cent from one year ago. This figure is the lowest recorded in the VIREB area since the board began tracking inventory in 1999.

The British Columbia Real Estate Association (BCREA) notes that housing demand throughout 2016 was driven by a provincial economy that outperformed the rest of the country. However, BCREA does expect the housing market to weaken somewhat this year.

"Although BCREA anticipates that less robust economic conditions combined with government policy constraints will slow housing demand by more than 15 per cent in 2017, unit sales should remain well above the 10-year average of 85,000," says Cameron Muir, BCREA Chief Economist. "Sales in the VIREB area this year will likely trend lower than in 2016, but this is merely the market returning to more normal levels from last year's unprecedented sales activity."

As she has stated in previous media releases, Margo Hoffman, 2016 VIREB President, reaffirms that housing sales in the VIREB area would be higher if there were more homes available. Seasonal market conditions can account for some of December's decreased sales, but there are still plenty of buyers, and multiple offers are the norm when listings hit the market.

"We've been in a sellers' market for several months now, and buyers are snapping up available properties," says Hoffman. "But homeowners need to realize these market conditions won't last forever, so if you've been thinking of selling, it's a perfect time to do so."

Hoffman adds that connecting with a local REALTOR® is especially crucial in a competitive housing market. REALTORS® have specialized knowledge of their communities and are equipped with sales tools, such as custom analytics, to help you develop a winning strategy for buying or selling a home.

In December 2016, the benchmark price of a single-family home in the VIREB area was \$396,100, up 17 per cent from one year ago. Prices increased in every zone, ranging from nine per cent in Port Alberni to 20 per cent in Nanaimo. The benchmark price of an apartment rose 20 per cent board-wide from the previous year, but the highest increases were posted in Parksville-Qualicum (25 per cent), the Comox Valley (26 per cent), and Campbell River (31 per cent). The townhouse market also strengthened in December, posting high double-digit increases in every zone, from 16 per cent in Port Alberni to 20 per cent in Campbell River.

The December 2016 benchmark price of a single-family home in the Campbell River area was \$311,500, an increase of 17 per cent over December 2015. In the Comox Valley, the benchmark price was \$396,000, up 19 per cent from 2015. Duncan reported a benchmark price of \$345,000, an increase of 14 per cent compared to December 2015. Nanaimo's benchmark price rose 20 per cent to \$429,200 while the Parksville-Qualicum area saw its benchmark price rise by 18 per cent to \$453,800. The price of a benchmark home in Port Alberni hit \$214,700, up nine per cent from one year ago.

## ABOUT VIREB

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

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