

MEDIA RELEASE

JULY 4, 2023

BUSIER JUNE THAN EXPECTED DESPITE RATE HIKE

NANAIMO, BC - Last month, there were 424 sales of single-family homes in the Vancouver Island Real Estate Board (VIREB) area, a five per cent increase from one year ago (403) and up by 13 per cent from May 2023 (488). Sales of condo apartments in June came in at 111, increasing by 39 per cent year over year and 29 per cent from the previous month. In the row/townhouse category, 101 units changed hands in June, up 49 per cent from one year ago and seven per cent from May.

Active listings of single-family homes were 1,105 in June, down from 1,204 one year ago. VIREB's inventory of condo apartments hit 319 last month, up from 295 listings in June 2022. There were 274 row/townhouses for sale last month compared to 222 one year ago.

"After a temporary slowdown likely influenced by the most recent interest-rate hike, June ended up being busier than we expected," says Kelly O'Dwyer, 2023 Chair. "Buyers and sellers are sort of meeting in the middle, with reasonable expectations at either end. Overall, it's looking like we're headed for a pretty normal summer market."

However, O'Dwyer is quick to note that lack of inventory continues to be a roadblock for potential buyers.

"There is no doubt that sales would be higher if there more listings," says O'Dwyer. "I know that we sound like a broken record, but the reality is that Vancouver Island has been chronically undersupplied for decades when it comes to housing."

Regardless of market conditions, connecting with a local REALTOR® can help smooth the way to a successful real estate transaction. They have specialized knowledge of their communities and will help you develop a winning strategy for buying or selling a home.

The board-wide benchmark price (MLS® Home Price Index) of a single-family home was \$759,900 in June 2023, down eight per cent from one year ago and up by one per cent from May. In the apartment category, the benchmark price was \$395,000 last month, a six per cent decrease from June 2022 and up by one per cent from May. The year-over-year benchmark price of a townhouse was \$558,600 in June, down five per cent from one year ago and a two per cent increase from May.

In Campbell River, the benchmark price of a single-family home was \$652,500 in June, down nine per cent from the previous year. The Comox Valley's year-over-year benchmark price dropped by nine per cent to \$805,300. In the Cowichan Valley, the benchmark price was \$771,200, a 10 per cent decrease from June 2022. Nanaimo's year-over-year benchmark price dropped by eight per cent to \$792,200, while the Parksville-Qualicum area saw its benchmark price decrease by six per cent to \$880,400. The cost of a benchmark single-family home in Port Alberni was \$532,600, down nine per cent from the previous year. For the North Island, the benchmark price of a single-family home decreased by eight per cent to \$431,100.

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 1,100 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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ANNUAL REVIEW OF THE MLS[®] HOME PRICE INDEX (HPI)

In line with best statistical practices, the Canadian Real Estate Association (CREA) reviews the MLS[®] Home Price Index (HPI) annually. Coverage may be revised when results from the annual review are implemented each June.

For example, MLS[®] HPI coverage may now extend to areas within markets where sales volumes were previously too low but have picked up enough to support benchmark price tracking. On the other hand, MLS[®] HPI coverage may have been discontinued for areas where sales have become too sparse to support benchmark price calculations.

To ensure that MLS[®] HPI coverage is consistent and comparable, CREA must sometimes recalculate historical aggregate and composite data. As a result, historical benchmark prices reported in this statistics package may differ from those distributed previously.