

MEDIA RELEASE

SEPTEMBER 1, 2023

QUIET MARKET CLOSES OUT THE SUMMER

NANAIMO, BC – Last month, there were 324 sales of single-family homes in the Vancouver Island Real Estate Board (VIREB) area, a seven per cent increase from one year ago (304) and down by 21 per cent from July 2023 (414). Sales of condo apartments in August came in at 85, increasing by 29 per cent year over year but down 13 per cent from the previous month. In the row/townhouse category, 77 units changed hands last month, up 51 per cent from one year ago and down 10 per cent from July.

Active listings of single-family homes were 1,072 in August, down from 1,368 one year ago. VIREB's inventory of condo apartments was 308 last month, down from 332 listings in August 2022. There were 254 row/townhouses for sale last month compared to 280 one year ago.

“The last two weeks of August were slower than the rest of the summer, which isn't surprising,” says Kelly O'Dwyer, 2023 Chair. “The market is usually pretty quiet right before school starts again.”

In its *Third-Quarter Housing Market Forecast*, the British Columbia Real Estate Association (BCREA) reports that the B.C. housing market has been more resilient than expected in 2023, with both home sales and prices holding up well in the face of sharply higher interest rates. BCREA has projected the VIREB area to close out the year with 8,300 unit sales and is forecasting 8,800 unit sales in 2024.

While housing market activity across the province began the year well below normal, according to BCREA, the conditional pause by the Bank of Canada in January spurred a surprisingly strong recovery in the spring. Further, because inventory remains very low, prices rose through much of 2023 despite below-average sales.

The board-wide benchmark price (MLS® Home Price Index) of a single-family home was \$770,500 in August 2023, down two per cent from one year ago and up slightly from July. In the apartment category, the benchmark price was \$397,900 last month, a one per cent decrease from August 2022 and down slightly from July. The year-over-year benchmark price of a townhouse was \$560,400 in August, nearly the same as last August and marginally lower than in July.

In Campbell River, the benchmark price of a single-family home was \$673,700 last month, up around one per cent from the previous year. The Comox Valley's year-over-year benchmark price dropped by three per cent to \$819,400. In the Cowichan Valley, the benchmark price was \$781,300, a two per cent decrease from August 2022. Nanaimo's year-over-year benchmark price dropped by two per cent to \$799,200, while the Parksville-Qualicum area saw its benchmark price increase by one per cent to \$896,200. The cost of a benchmark single-family home in Port Alberni was \$528,500, down four per cent from the previous year. For the North Island, the benchmark price of a single-family home decreased by six per cent to \$437,000.

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

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