

MEDIA RELEASE

NOVEMBER 1, 2023

INTEREST RATES TAKING A TOLL ON HOUSING MARKET

NANAIMO, BC – Last month, there were 244 sales of single-family homes in the Vancouver Island Real Estate Board (VIREB) area, the same number as last October and down by eight per cent from September 2023 (266). Sales of condo apartments in October came in at 60, increasing by 43 per cent year over year and down 29 per cent from September. In the row/townhouse category, 58 units changed hands last month, up 14 per cent from one year ago and down 18 per cent from September.

Active listings of single-family homes were 1,157 in October, down from 1,360 one year ago. VIREB's inventory of condo apartments was 307 last month, down from 314 listings in October 2022. There were 265 row/townhouses for sale last month compared to 296 one year ago.

“October was slower than expected, continuing the trend of the past few months,” says Kelly O’Dwyer, 2023 Chair. “High interest rates and a mortgage stress test of eight per cent are taking a toll on demand.”

In fact, the British Columbia Real Estate Association anticipates that VIREB will close out the year with around 7,100 sales, which would be the lowest number posted since 2013.

“REALTORS® are reporting that some buyers and sellers have already decided to wait until spring to buy or list their home, hoping that interest rates will drop,” adds O’Dwyer.

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 \$767,600 in October 2023, up three per cent from one year ago and down one per cent from September. In the apartment category, the benchmark price was \$394,300 last month, a two per cent increase from October 2022 and down one per cent from September. The year-over-year benchmark price of a townhouse was \$557,400 in October, up three per cent from last year and a slight increase from September.

In Campbell River, the benchmark price of a single-family home was \$658,500 last month, up five per cent from the previous year. The Comox Valley’s year-over-year benchmark price rose seven per cent to \$839,700. In the Cowichan Valley, the benchmark price was \$772,600, a one per cent increase from October 2022. Nanaimo’s year-over-year benchmark price rose by two per cent to reach \$802,500, while the Parksville-Qualicum area saw its benchmark price increase by two per cent to \$881,700. The cost of a benchmark single-family home in Port Alberni was \$509,200, down two per cent from the previous year. For the North Island, the benchmark price of a single-family home decreased by six per cent to \$412,000.

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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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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