

MEDIA RELEASE

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LACKLUSTRE DECEMBER CLOSES OUT 2023

NANAIMO, BC – The Vancouver Island Real Estate Board (VIREB) recorded 7,297 unit sales in 2023 compared to 11,045 in 2021 and 7,810 in 2022. High interest rates are primarily to blame for the weaker sales, as there was significant demand, but many buyers opted to wait for an anticipated 2024 rate cut.

Last month, there were 151 sales of single-family homes in the VIREB area, down 23 per cent from last December and 36 per cent from November. Sales of condo apartments in December came in at 39, increasing by 11 per cent year over year but down 30 per cent from November. In the row/townhouse category, 39 units changed hands last month, an increase of 50 per cent from one year ago and down 22 per cent from November 2023.

Active listings of single-family homes dropped to 796 in December from 895 one year ago and 1,040 in November. VIREB's inventory of condo apartments was 257 last month, up from 248 in December 2022 but down from November's 285 listings. There were 244 row/townhouses for sale last month compared to 229 one year ago and 282 in November.

“Based on conversations REALTORS® are having with clients, there is certainly demand out there, so we're expecting a fairly busy spring,” says Kelly O'Dwyer, 2023 Chair. “However, there are policy changes coming in 2024 that could impact the real estate market, such as new rules surrounding short-term rentals that take effect on May 1.”

Another potentially significant policy change that could impact sales is the B.C. government's decision to expand the speculation tax to Parksville, Qualicum Beach, Courtenay, Comox, and Cumberland. Residents in those communities must declare for the first time in January 2025 based on how they use their property in 2024.

The board-wide benchmark price (MLS® Home Price Index) of a single-family home was \$753,000 in December 2023, up five per cent from one year ago and down one per cent from November. In the apartment category, the benchmark price was \$384,500 last month, a year-over-year increase of three per cent and a one per cent decrease from November 2023. The benchmark price of a townhouse last month was \$544,200, up two per cent from December 2022 and down two per cent from November.

In Campbell River, the benchmark price of a single-family home was \$653,100 last month, up seven per cent from the previous year. The Comox Valley's year-over-year benchmark price rose seven per cent to \$820,600. In the Cowichan Valley, the benchmark price was \$763,400, a four per cent increase from December 2022. Nanaimo's year-over-year benchmark price rose by five per cent to \$781,900, while the Parksville-Qualicum area saw its benchmark price increase by two per cent to \$845,200. The cost of a benchmark single-family home in Port Alberni was \$530,700, up three per cent from the previous year. For the North Island, the benchmark price of a single-family home dropped slightly to \$426,300. However, prices of single-family homes, condo apartments, and row/townhouses dipped from November to December in most zones.

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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