

Monthly**Statistics**

FEBRUARY 2018



VIREB

FOR IMMEDIATE RELEASE

March 1, 2018

Buoyant Sellers' Market Continues

NANAIMO, BC – Last month, 316 single-family homes sold on the Multiple Listing Service® (MLS®) System compared to 288 in January and 345 one year ago. The number of apartments changing hands in February rose by 28 per cent while townhouse sales decreased by four per cent.

There were 812 single-family homes for sale in February compared to 749 in January and 947 one year ago. The supply of apartments and townhouses also rose slightly from 2017, up three per cent and five per cent, respectively. These modest inventory increases are welcome, but since new listings are snapped up so quickly, this additional supply will not move the VIREB market out of sellers' territory.

The British Columbia Real Estate Association (BCREA) notes that the housing market in B.C. is still thriving due to the province's strong economy. However, BCREA forecasts some economic headwinds for 2018. It appears that Guideline B-20 – also known as the mortgage stress test – lay behind December's uptick in sales as buyers scrambled to purchase before its January 1 implementation. Other risk factors include rising interest rates and new taxes introduced by the provincial government in the latest B.C. budget.

Broadening the scope of the Foreign Buyer Tax to include the Regional District of Nanaimo (RDN) will not have a significant impact on the VIREB housing market. Only 4.4 per cent of RDN residential real estate transactions in 2017 involved foreign buyers. More troubling is the new speculation tax, which targets homeowners who do not pay income tax in B.C., including those who leave their homes empty but still contribute heavily to the economy.

Kaye Broens, VIREB President-Elect, believes the speculation tax is well-intended, but the government is focusing on the wrong side of the housing equation.

"Instead of increasing supply, the B.C. government is concentrating on dampening demand," says Broens.

"Vancouver Island is a popular destination for retirees, many of whom come from Alberta, and the speculation tax could discourage many of those buyers."

A more effective solution for combatting rising house prices is to increase supply, which includes streamlining the approval process for developers, adds Broens.

On a local level, buyer demand and limited supply have created a buoyant sellers' market in the VIREB area. Multiple offers are commonplace, especially for properties in the \$400,000 to \$500,000 range. She stresses that it is a great time to sell.

"My advice to prospective sellers is to contact a REALTOR® to list their home now and not wait until spring," says Broens. "Prices are still rising, but that cannot continue indefinitely. At some point, buyers will begin bowing out of the market due to affordability issues."

In February 2018, the benchmark price of a single-family home in the VIREB area reached \$483,400, up 19 per cent from one year ago. (Benchmark pricing tracks the value of a typical home in the reported area.) The benchmark price of an apartment last month rose to \$293,900, up 29 per cent board-wide from the previous year, while the benchmark price of a townhouse hit \$376,900, a 22 per cent increase from February 2017.

Last month, the benchmark price of a single-family home in the Campbell River area hit \$392,700, an increase of 23 per cent over February 2017. In the Comox Valley, the benchmark price was \$476,700, up 18 per cent from last year. Duncan reported a benchmark price of \$419,000, an increase of 15 per cent compared to February 2017. Nanaimo's benchmark price rose 18 per cent to \$524,400 while the Parksville-Qualicum area saw its benchmark price increase by 19 per cent to \$540,400. The cost of a benchmark home in Port Alberni reached \$270,500, up 25 per cent from one year ago.

ABOUT VIREB

VIREB represents over 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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Visit our website for updated information at www.vireb.com.

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About the MLS® Home Price Index

On November 1st, VIREB adopted the MLS® Home Price Index (MLS® HPI) as a new method of reporting price trends in the market. The MLS® HPI determines the value for a typical “benchmark” home, which is a notional dwelling that shares a specific set of qualitative and quantitative attributes. Benchmark prices tend to be slightly lower than corresponding medians and averages

The MLS® HPI, based on the information entered into the MLS® System at the time of sale, is the best and purest way of determining price trends in the housing market. It was pioneered by six founding partners: the real estate boards of Calgary, Fraser Valley, Montreal, Toronto, and Vancouver, and the Canadian Real Estate Association. In 2009, the partners contracted with Altus Group to develop the MLS® HPI, which subsequently launched in January 2012. Others have since joined the program, with 10 partners and growing.

Why an MLS® Home Price Index?

The MLS® HPI captures and analyzes Canadian home prices based on both quantitative and qualitative housing features.

Quantitative features captured by the index are, for example, number of rooms and bathrooms, living area above ground and the age of the home. Qualitative features include finished basement, if the home is new or resale, and the home’s proximity to shopping, schools, transportation, hospitals and so on.

The MLS® HPI gauges Vancouver Island prices relative to January 2005, and tracks price trends for **benchmark** housing types:

- Single-family homes
 - One-storey
 - Two-storey
- Townhouses
- Condominium apartments
- The complete methodology is available at http://homepriceindex.ca/hpi_resources_en.html

Why Does It Matter?

Average and median home prices are often misinterpreted, are affected by change in the mix of homes sold, and can swing dramatically from month to month (based on the types and prices of properties that sold in a given month). The MLS® HPI overcomes these shortcomings.

Compared to all other Canadian home price measures, the MLS® HPI identifies turning points sooner, is the most current, and is the most detailed and accurate gauge for Canadian home prices.

How to Read the Tables

Benchmark Price: Estimated sale price of a benchmark property. Benchmarks represent a typical property in each market.

Price Index: Index numbers estimate the percentage change in price on typical and constant quality properties over time. All figures are based on past sales. In January 2005, all indices are set to 100

Month/Year change %: Percentage change of index over a period of (x) month(s) year.

Single-Family Home Benchmark Price

MLS® Home Price Index



HPI or Benchmark
(Applies to all tabs)

- ☐ HPI
- ☒ Benchmark

Value or percent change
(Applies only to this tab)

- ☒ Value
- ☐ Percent change

Area

Vancouver Island & Areas

Property Type

Single Family

Benchmark by Timeframe and Property Type: Single Family							
	February 2018	1 Month Ago	3 Months Ago	6 Months Ago	12 Months Ago	36 Months Ago	60 Months Ago
Vancouver Island	\$483,400	\$471,200	\$463,200	\$457,500	\$405,900	\$323,600	\$309,300
Zone 1 - Campbell River	\$392,700	\$379,600	\$366,300	\$367,000	\$318,200	\$270,800	\$247,600
Zone 2 - Comox Valley	\$476,700	\$463,700	\$467,200	\$454,900	\$402,400	\$317,900	\$309,500
Zone 3 - Duncan	\$419,000	\$418,600	\$410,700	\$408,300	\$363,000	\$296,300	\$283,000
Zone 4 - Nanaimo	\$524,400	\$514,400	\$497,200	\$492,900	\$445,600	\$341,200	\$321,800
Zone 5 - Parksville / Qualicum	\$540,400	\$519,700	\$525,600	\$508,200	\$454,100	\$350,900	\$335,900
Zone 6 - Port Alberni	\$270,500	\$259,100	\$252,700	\$248,300	\$216,100	\$175,500	\$184,200
Zone 10 - Islands	\$399,800	\$411,700	\$408,500	\$419,400	\$315,500	\$266,200	\$265,400

Source: Vancouver Island Real Estate Board

MLS® Home Price Index



HPI or Benchmark
(Applies to all tabs)

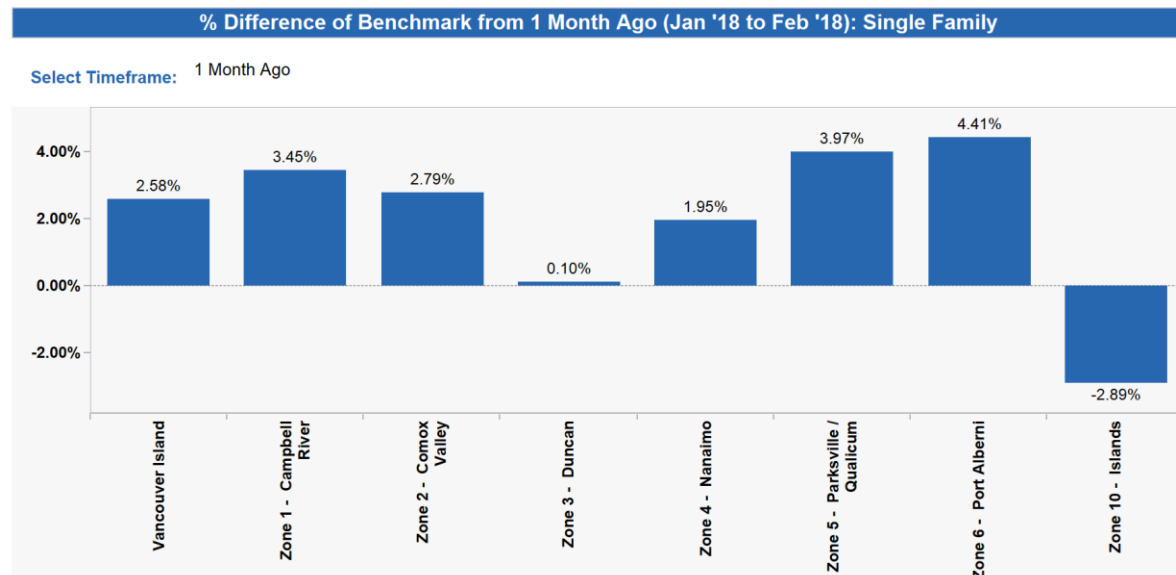
- ☐ HPI
- ☒ Benchmark

Area

Vancouver Island & Areas

Property Type

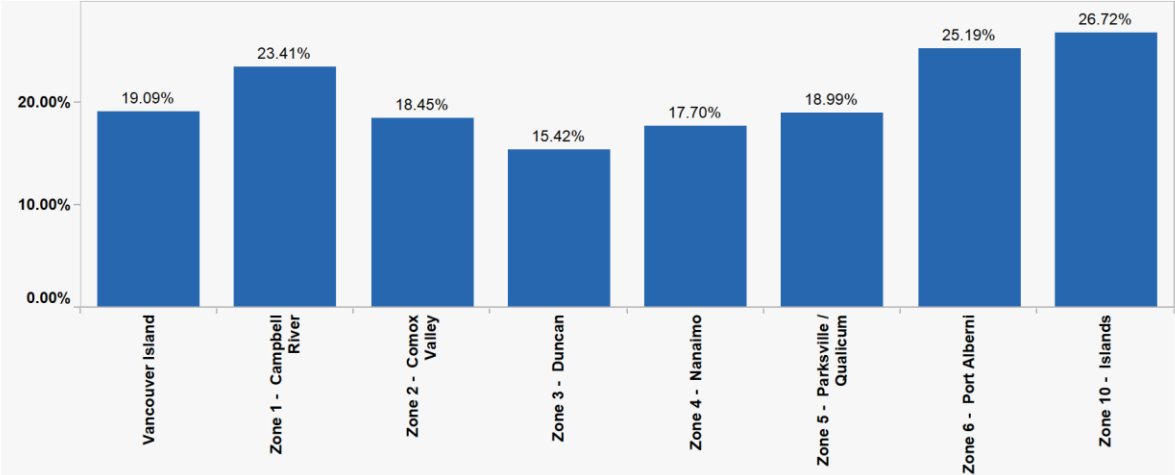
Single Family



Source: Vancouver Island Real Estate Board

% Difference of Benchmark from 12 Months Ago (Feb '17 to Feb '18): Single Family

Select Timeframe: 12 Months Ago



Source: Vancouver Island Real Estate Board

Apartment Benchmark Price

MLS® Home Price Index

HPI or Benchmark
(Applies to all tabs)
☐ HPI
☒ Benchmark

Value or percent change
(Applies only to this tab)
☒ Value
☐ Percent change

Area
Vancouver Island & Areas

Property Type
Apartment

Benchmark by Timeframe and Property Type: Apartment

	February 2018	1 Month Ago	3 Months Ago	6 Months Ago	12 Months Ago	36 Months Ago	60 Months Ago
Vancouver Island	\$293,900	\$288,400	\$274,100	\$266,500	\$228,600	\$175,000	\$171,400
Zone 1 - Campbell River	\$277,600	\$266,600	\$258,500	\$247,800	\$205,700	\$153,300	\$153,400
Zone 2 - Comox Valley	\$322,900	\$308,800	\$296,900	\$290,200	\$237,500	\$171,200	\$168,000
Zone 3 - Duncan	\$196,300	\$202,500	\$188,500	\$190,000	\$156,600	\$112,800	\$125,700
Zone 4 - Nanaimo	\$303,200	\$301,400	\$284,500	\$271,800	\$242,300	\$194,400	\$186,400
Zone 5 - Parksville / Qualicum	\$343,900	\$333,600	\$319,300	\$321,000	\$284,000	\$217,900	\$198,300

Source: Vancouver Island Real Estate Board

MLS® Home Price Index

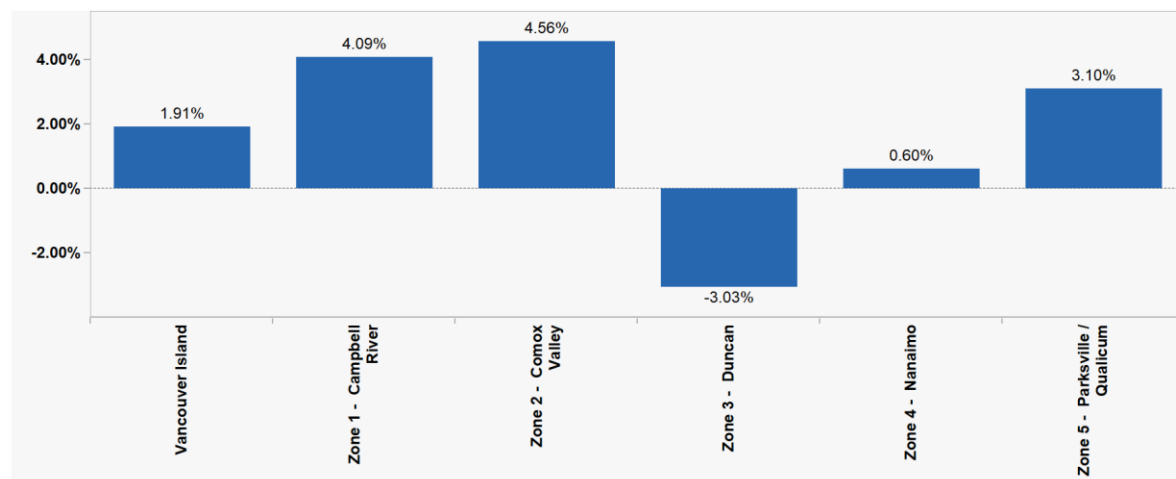
HPI or Benchmark
(Applies to all tabs)
☐ HPI
☒ Benchmark

Area
Vancouver Island & Areas

Property Type
Apartment

% Difference of Benchmark from 1 Month Ago (Jan '18 to Feb '18): Apartment

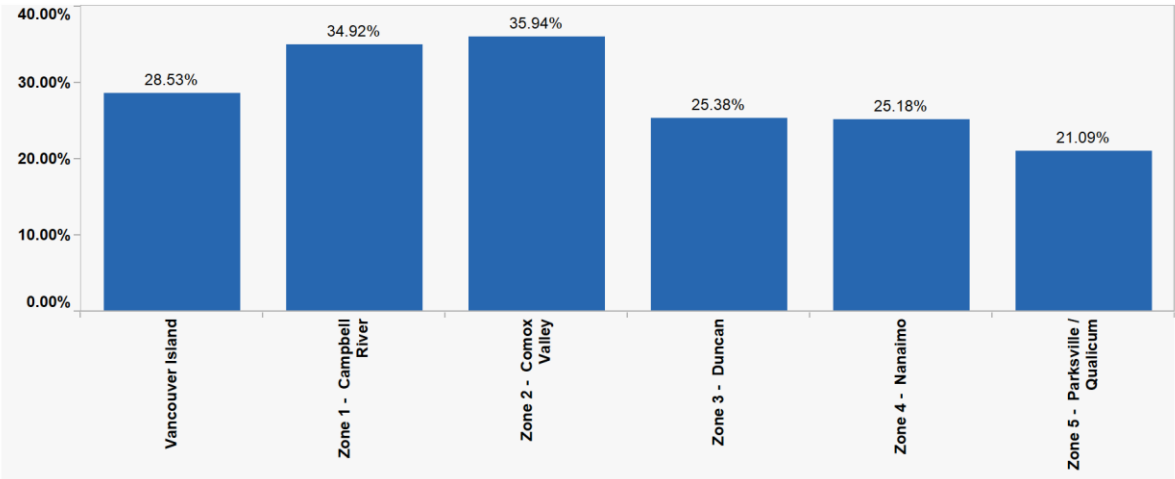
Select Timeframe: 1 Month Ago



Source: Vancouver Island Real Estate Board

% Difference of Benchmark from 12 Months Ago (Feb '17 to Feb '18): Apartment

Select Timeframe: 12 Months Ago



Source: Vancouver Island Real Estate Board

Townhouse Benchmark Price

MLS® Home Price Index

HPI or Benchmark
(Applies to all tabs)
☐ HPI
☒ Benchmark

Value or percent change
(Applies only to this tab)
☒ Value
☐ Percent change

Area
Vancouver Island & Areas

Property Type
Townhouse

Benchmark by Timeframe and Property Type: Townhouse							
	February 2018	1 Month Ago	3 Months Ago	6 Months Ago	12 Months Ago	36 Months Ago	60 Months Ago
Vancouver Island	\$376,900	\$376,200	\$359,200	\$363,500	\$308,300	\$245,300	\$245,800
Zone 1 - Campbell River	\$279,700	\$281,700	\$266,600	\$273,700	\$242,900	\$194,000	\$187,100
Zone 2 - Comox Valley	\$384,100	\$386,500	\$362,200	\$373,900	\$330,600	\$258,000	\$249,300
Zone 3 - Duncan	\$299,300	\$307,900	\$288,100	\$302,500	\$219,200	\$177,600	\$186,200
Zone 4 - Nanaimo	\$330,000	\$331,900	\$319,500	\$321,000	\$272,400	\$213,500	\$223,900
Zone 5 - Parksville / Qualicum	\$477,900	\$449,000	\$441,800	\$422,100	\$378,300	\$296,900	\$291,000
Zone 6 - Port Alberni	\$172,000	\$162,100	\$159,800	\$156,200	\$144,500	\$140,200	\$141,200

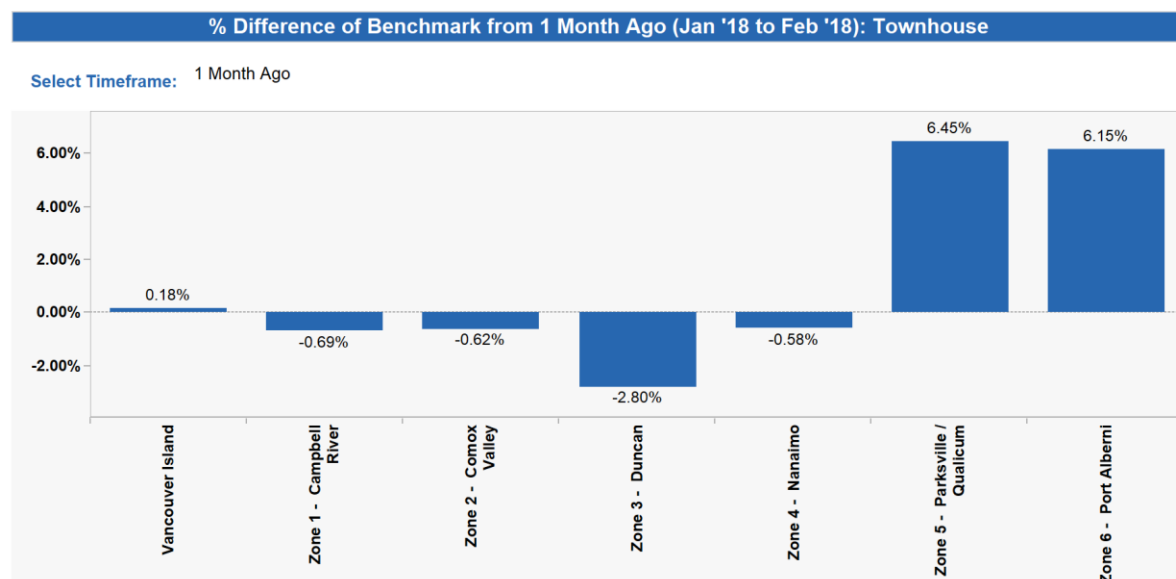
Source: Vancouver Island Real Estate Board

MLS® Home Price Index

HPI or Benchmark
(Applies to all tabs)
☐ HPI
☒ Benchmark

Area
Vancouver Island & Areas

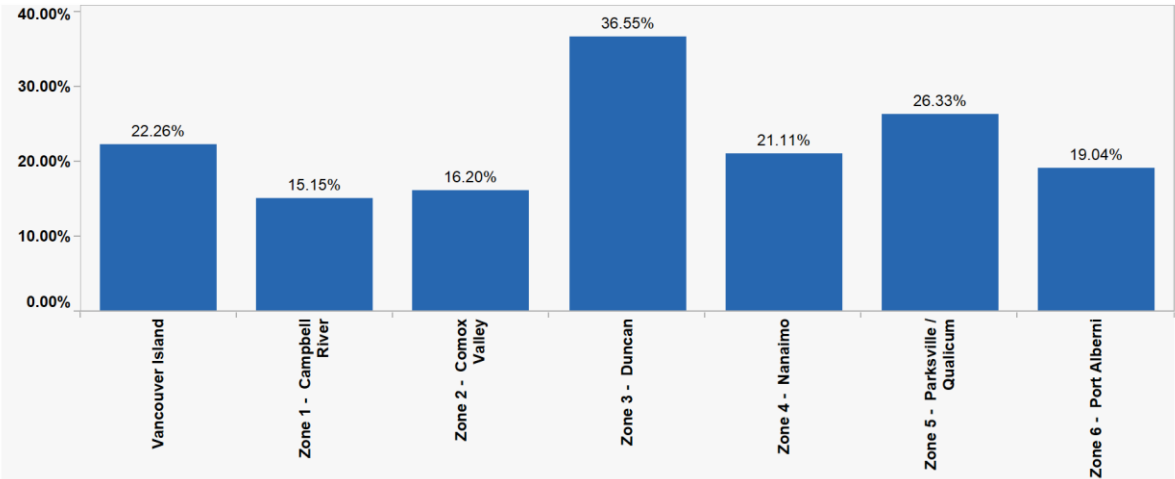
Property Type
Townhouse



Source: Vancouver Island Real Estate Board

% Difference of Benchmark from 12 Months Ago (Feb '17 to Feb '18): Townhouse

Select Timeframe: 12 Months Ago



Source: Vancouver Island Real Estate Board

HPI Data

MLS® Home Price Index



HPI or Benchmark
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☐ Benchmark

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Area

Vancouver Island & Areas

Property Type

Single Family

HPI by Timeframe and Property Type: Single Family

	February 2018	1 Month Ago	3 Months Ago	6 Months Ago	12 Months Ago	36 Months Ago	60 Months Ago
Vancouver Island	222.7	217.1	213.4	210.8	187.0	149.1	142.5
Zone 1 - Campbell River	224.6	217.1	209.5	209.9	182.0	154.9	141.6
Zone 2 - Comox Valley	232.4	226.1	227.8	221.8	196.2	155.0	150.9
Zone 3 - Duncan	207.3	207.1	203.2	202.0	179.6	146.6	140.0
Zone 4 - Nanaimo	234.7	230.2	222.5	220.6	199.4	152.7	144.0
Zone 5 - Parksville / Qualicum	219.9	211.5	213.9	206.8	184.8	142.8	136.7
Zone 6 - Port Alberni	232.1	222.3	216.8	213.0	185.4	150.6	158.0
Zone 10 - Islands	191.6	197.3	195.8	201.0	151.2	127.6	127.2

Source: Vancouver Island Real Estate Board

MLS® Home Price Index



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- ☒ HPI
☐ Benchmark

Value or percent change
(Applies only to this tab)

- ☒ Value
☐ Percent change

Area

Vancouver Island & Areas

Property Type

Apartment

HPI by Timeframe and Property Type: Apartment

	February 2018	1 Month Ago	3 Months Ago	6 Months Ago	12 Months Ago	36 Months Ago	60 Months Ago
Vancouver Island	251.4	246.7	234.5	228.0	195.6	149.7	146.6
Zone 1 - Campbell River	244.2	234.6	227.4	218.0	181.0	134.9	135.0
Zone 2 - Comox Valley	273.1	261.2	251.1	245.4	200.9	144.8	142.1
Zone 3 - Duncan	237.1	244.5	227.6	229.4	189.1	136.2	151.8
Zone 4 - Nanaimo	250.1	248.6	234.6	224.2	199.8	160.3	153.7
Zone 5 - Parksville / Qualicum	233.1	226.1	216.4	217.6	192.5	147.7	134.4

Source: Vancouver Island Real Estate Board



HPI or Benchmark
(Applies to all tabs)
☒ HPI
☐ Benchmark

Value or percent change
(Applies only to this tab)
☒ Value
☐ Percent change

Area
Vancouver Island & Areas

Property Type
Townhouse

HPI by Timeframe and Property Type: Townhouse							
	February 2018	1 Month Ago	3 Months Ago	6 Months Ago	12 Months Ago	36 Months Ago	60 Months Ago
Vancouver Island	219.7	219.3	209.4	211.9	179.7	143.0	143.3
Zone 1 - Campbell River	214.4	215.9	204.3	209.8	186.2	148.7	143.4
Zone 2 - Comox Valley	225.9	227.3	213.0	219.9	194.4	151.7	146.6
Zone 3 - Duncan	229.4	236.0	220.8	231.9	168.0	136.1	142.7
Zone 4 - Nanaimo	224.3	225.6	217.2	218.2	185.2	145.1	152.2
Zone 5 - Parksville / Qualicum	213.0	200.1	196.9	188.1	168.6	132.3	129.7
Zone 6 - Port Alberni	201.9	190.2	187.6	183.3	169.6	164.5	165.7

Source: Vancouver Island Real Estate Board

MLS® Sales Summary

February 2018 MLS® Sales Summary

NANAIMO, March 1, 2018. Presented in chart form below, are the single-family residential units sales, average sale prices and median price information for all zones within the Board.

Zone	Unit Sales			% Change	Average Sale Price			% Change	Median
	Feb 2018	Jan 2018	Feb 2017		Feb 2018	Jan 2018	Feb 2017		
Zone 1- Campbell River	39	19	26	50%	\$422,975	\$393,179	\$432,937	-2%	\$395,250
Zone 2- Comox Valley	50	53	50	0%	\$519,142	\$493,340	\$467,363	11%	\$490,000
Zone 3- Cowichan Valley	51	48	66	-23%	\$518,877	\$456,951	\$411,894	26%	\$498,000
Zone 4- Nanaimo	85	89	96	-11%	\$551,961	\$522,608	\$496,924	11%	\$545,000
Zone 5- Parksville/Qualicum	49	38	64	-23%	\$628,631	\$606,874	\$481,737	30%	\$560,000
Zone 6- Port Alberni/West	23	26	30	-23%	\$359,835	\$325,967	\$240,369	50%	\$315,000
Board Totals	316	288	345	-8%	\$505,418	\$474,913	\$442,659	14%	\$490,000

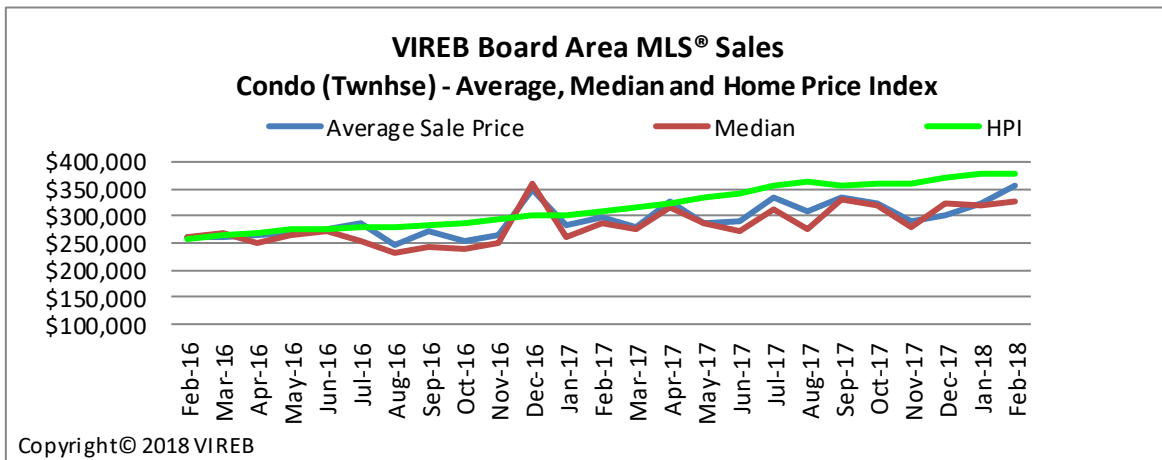
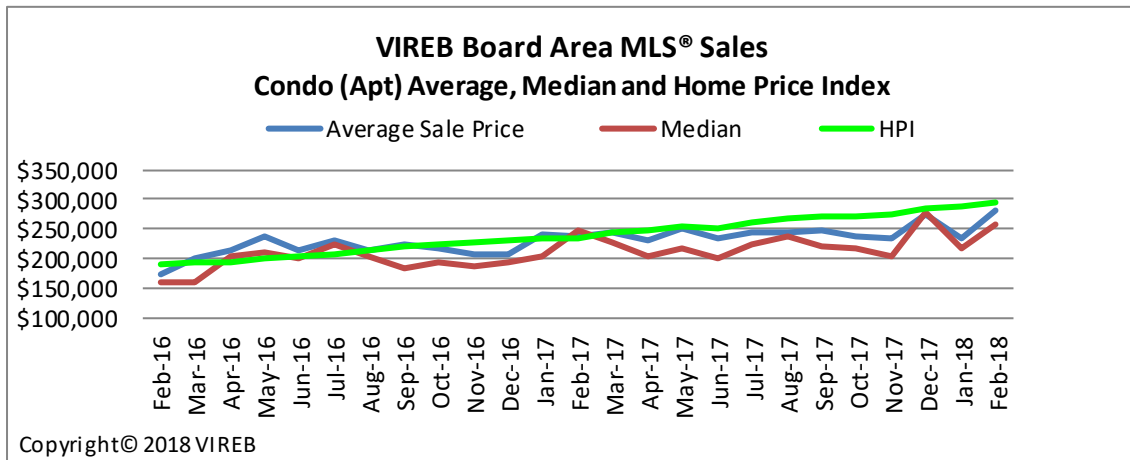
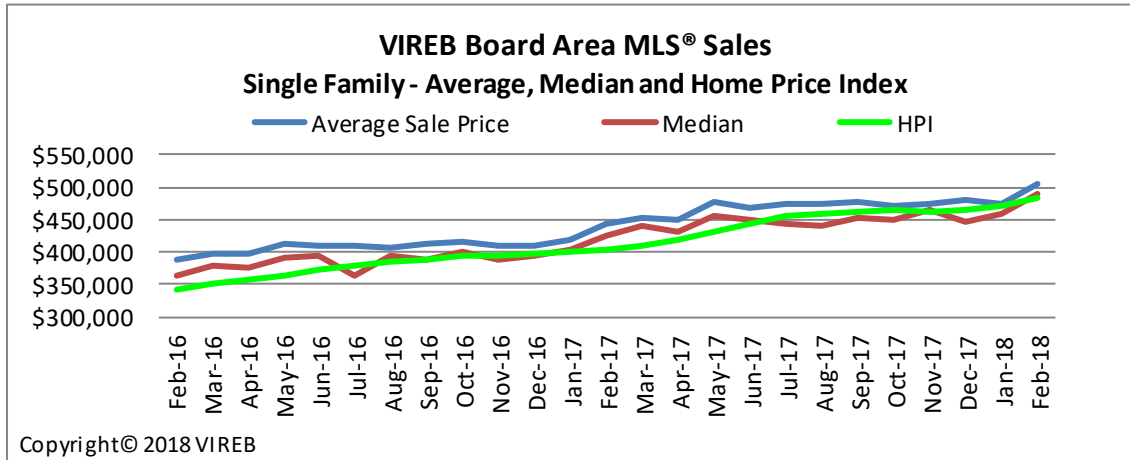
Source: Multiple Listing Service® (MLS®) sales data from the Vancouver Island Real Estate Board.

Median Price: An actual sale at or immediately adjacent to the midpoint in a price group. In the case of an even number of sales, the median is the highest price in the lower half of that price group. If the total number of sales is an odd amount, the midpoint sale is taken to be the median (i.e. 9 sales, sale no. 5 represents the median).

Please note: The Board Totals figures also include: Zone 7-North Island, Zone 9-Out of Board Properties, and Zone 10-Islands figures which are not listed separately in this table.

Copies of archived Statistics are available at our website. Go to www.vireb.com and under Resources in the top menu, choose Market Statistics. You are encouraged to contact any of the Directors of the Vancouver Island Real Estate Board to obtain local comments.

Average, Median, and Benchmark Price (HPI) Comparisons



Single-Family Active Listings / Listings and Sales

