

March 1, 2022

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Record low inventory prevents Victoria real estate market from cooling-off

A total of 718 properties sold in the Victoria Real Estate Board region this February, 16.8 per cent fewer than the 863 properties sold in February 2021 but a 51.5 per cent increase from January 2021. Sales of condominiums were down 7.9 per cent from February 2021 with 267 units sold. Sales of single family homes decreased 20.8 per cent from February 2021 with 309 sold.

“It was heartening this month to see some more listings come to market in February,” said 2022 Victoria Real Estate Board President Karen Dinnie-Smyth. “However, inventory levels remain at record lows and without a strong government focus on increasing supply, buyers will continue to face escalating prices and difficult market conditions.”

There were 849 active listings for sale on the Victoria Real Estate Board Multiple Listing Service® at the end of February 2022, an increase of 14.1 per cent compared to the previous month of January but a 35.6 per cent decrease from the 1,318 active listings for sale at the end of February 2021.

“We have asked the government for strong solutions to create supply to bring our market back into balance,” adds President Dinnie-Smyth. “We need incentives for gentle densification and the removal of municipal barriers to development. What government has chosen to focus on instead is their announcement of a cooling-off period for residential sales this spring. They announced this measure with no industry consultation into how this may impact our housing market. The Victoria Real Estate Board and the British Columbia Real Estate Association have strongly recommended against a cooling-off period. Industry research shows that a cooling-off period will add volatility in both slow and pressurized market conditions. It provides no protection for home sellers and creates more risk and uncertainty for them when selling a home. Experienced and well-funded buyers will have an advantage over first-time buyers because a cooling-off period reduces negotiations to price alone. We have recommended alternative ideas for consumer protection – including the suggestion that a pre-sale offer period be introduced, which transcends market conditions and would better protect buyers and sellers while also mitigating the impact of pre-emptive offers. We hope our suggestions are taken seriously, they are a result of thorough research and consultation of hundreds of our local practitioners. Instead of discussing the British Columbia Real Estate Association’s recommendations yesterday, Finance Minister Selina Robinson chose to inform the public that REALTORS® have a vested interest in home prices. For Minister Robinson to suggest that Realtors are keeping prices high is a convenient excuse and a weak attempt to divert attention away from the real issue – supply. Realtors would prefer a balanced market with reasonable prices and plenty of housing supply to meet demand. Our Realtors’ only vested interest is in their clients and the more balanced our market is, the better we are able to serve the needs of buyers and sellers.”

(continues page 2)

The Multiple Listing Service® Home Price Index benchmark value for a single family home in the Victoria Core in February 2021 was \$948,500. The benchmark value for the same home in February 2022 increased by 26.1 per cent to \$1,196,300, up from January's value of \$1,161,500. The MLS® HPI benchmark value for a condominium in the Victoria Core area in February 2021 was \$494,200, while the benchmark value for the same condominium in February 2022 increased by 22.1 per cent to \$603,600, up from the January value of \$587,300.

About the Victoria Real Estate Board – Founded in 1921, the Victoria Real Estate Board is a key player in the development of standards and innovative programs to enhance the professionalism of REALTORS®. The Victoria Real Estate Board represents 1,522 local Realtors. If you are thinking about buying or selling a home, connect with your local Realtor for detailed information on the Victoria and area housing market.

February 2022 Statistics Package for Media

Previous Periods Comparison of Unit Sales, Average Prices and Median Prices

Sales by Property Type	This Month										Last Month			This Month Last Year		
	February 2022										January 2022			February 2021		
	Units	LM%	LY%	Average\$	LM%	LY%	Median\$	LM%	LY%	Units	Average\$	Median\$	Units	Average\$	Median\$	
Single Family Greater Victoria	294	69.0%	-21.2%	\$1,429,618	1.0%	23.2%	\$1,293,000	3.4%	32.2%	174	\$1,415,759	\$1,250,000	373	\$1,160,541	\$978,000	
Single Family Other Areas	15	200.0%	-11.8%	\$1,031,920	-15.6%	-11.8%	\$1,050,000	-19.2%	16.9%	5	\$1,223,200	\$1,300,000	17	\$1,169,647	\$898,000	
Single Family Total All Areas	309	72.6%	-20.8%	\$1,410,313	0.0%	21.5%	\$1,280,000	2.2%	34.0%	179	\$1,410,380	\$1,252,500	390	\$1,160,938	\$955,000	
Condo Apartment	267	42.0%	-7.9%	\$678,862	-0.7%	25.1%	\$620,800	2.9%	36.5%	188	\$683,759	\$603,420	290	\$542,564	\$454,900	
Row/Townhouse	80	29.0%	-21.6%	\$926,157	6.1%	35.8%	\$838,500	-2.6%	33.1%	62	\$872,661	\$861,250	102	\$682,071	\$630,000	
Manufactured Home	11	-26.7%	-38.9%	\$296,055	-21.4%	-14.5%	\$237,500	-32.1%	23.4%	15	\$376,653	\$350,000	18	\$346,211	\$192,500	
Total Residential	667	50.2%	-16.6%							444			800			
Total Sales	718	51.5%	-16.8%							474			863			
Active Listings	849	14.1%	-35.6%							744			1,318			

Legend

Units: net number of listings sold
 LM%: percentage change since Last Month
 LY%: percentage change since This Month Last Year
 Average\$: average selling price
 Median\$: median selling price
 Total Residential: includes sales of residential property types
 Total Sales: includes sales of all property types
 Active Listings: total listings of all types on the market at midnight on the last day of the month

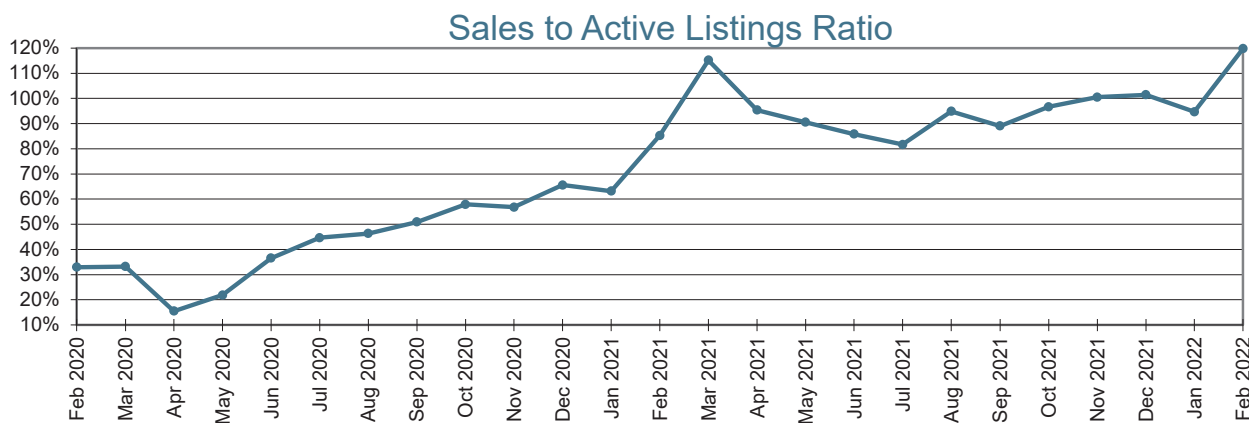
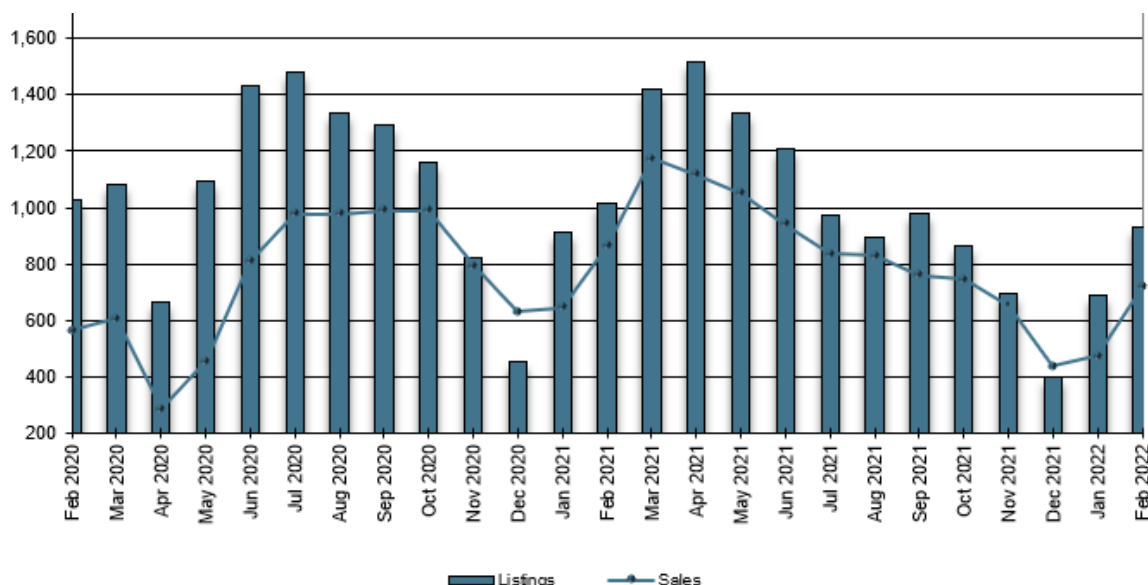
Previous Periods Comparison of MLS® HPI Benchmark Prices and MLS® HPI Index Values

Benchmark Home by Property Type and Region	Feb 2022 Benchmark Price	Jan 2022 Benchmark Price	Feb 2021 Benchmark Price	Feb 2022 Benchmark Index	Jan 2022 Benchmark Index	Feb 2021 Benchmark Index	% Chg from Last Mth	% Chg from Last Yr
Single Family: Greater Victoria	\$1,109,400	\$1,085,800	\$859,600	309.9	303.3	240.1	2.2%	29.1%
Single Family: Core	\$1,196,300	\$1,161,500	\$948,500	309.9	300.9	245.7	3.0%	26.1%
Single Family: Westshore	\$971,600	\$962,400	\$729,300	316.3	313.3	237.4	1.0%	33.2%
Single Family: Peninsula	\$1,193,000	\$1,197,700	\$917,600	306.3	307.5	235.6	(0.4%)	30.0%
Condo Apartment: Greater Victoria	\$597,700	\$578,000	\$487,400	316.6	306.2	258.2	3.4%	22.6%
Condo Apartment: Core	\$603,600	\$587,300	\$494,200	318.3	309.7	260.6	2.8%	22.1%
Condo Apartment: Westshore	\$472,500	\$438,800	\$370,700	332.2	308.5	260.6	7.7%	27.5%
Condo Apartment: Peninsula	\$563,200	\$553,100	\$474,700	273.6	268.7	230.6	1.8%	18.6%
Row/Townhouse: Greater Victoria	\$786,100	\$771,100	\$623,900	293.6	288.0	233.0	1.9%	26.0%
Row/Townhouse: Core	\$855,100	\$835,500	\$687,900	304.2	297.3	244.7	2.3%	24.3%
Row/Townhouse: Westshore	\$643,300	\$636,900	\$507,500	273.3	270.6	215.6	1.0%	26.8%
Row/Townhouse: Peninsula	\$802,300	\$776,800	\$619,900	307.8	298.0	237.8	3.3%	29.4%

Legend

Benchmark Price: the calculated MLS® HPI Benchmark Price for this Benchmark Home
Benchmark Index: the percentage change in this Benchmark Price since **January 2005**
% Chg from Last Mth: the percentage change in this Benchmark Price since last month
% Chg from Last Yr: the percentage change in this Benchmark Price since this month last year
Regions on the map: visit vreb.org/vrebareas for map views of the VREB trading area

Total new MLS® listings and total MLS® sales for entire district



This chart tracks the ratio of total residential sales over total active residential listings at month-end for each of the last 25 months.

The active listing count and the sales count can be viewed as indicators of housing supply and demand respectively. Observing the ratio between them can thus help indicate a "buyers' market", where there is downward pressure on prices, and a "sellers' market", where there is upward pressure on prices.

- below 10%, there is downward pressure on prices (buyers' market)
- above 25%, there is upward pressure on prices (sellers' market)
- in the 15-20% range, there is little pressure on prices either way (balanced market)

The Victoria Real Estate Board uses the MLS® Home Price Index (MLS® HPI) to report on market trends. The MLS® HPI uses the concept of a benchmark home, a notional home with common attributes of typical homes in a defined area.

Through the analysis of over fifteen years of Victoria Real Estate Board MLS® sales data, the MLS® HPI defined benchmark homes for Victoria in each category (single family homes, townhouses, condos) and for each neighbourhood. The benchmark starting point was 2005, where each type of property and neighbourhood was assigned an index value of 100.

MLS® HPI benchmark and value - Single Family Homes

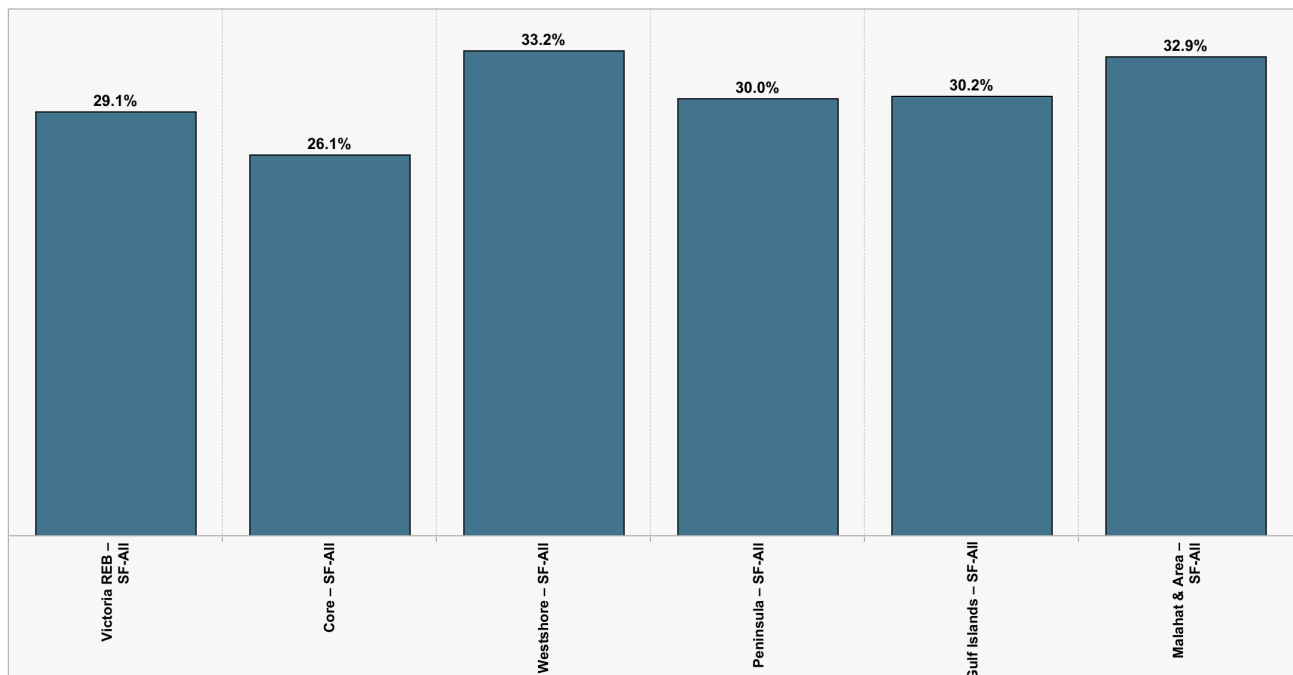
1. Area Group
VREB Area Summary

2. Property Type
– Single Family-All (SF-All)

3. Area/Property Type Selection
All

% Difference from 12 Months Ago (February 2021 to February 2022)

Select Timeframe: 12 Months Ago



MLS® HPI benchmark and value - Condominium / Apartments

1. Area Group
VREB Area Summary

2. Property Type
- Condo Apartment (Con)

3. Area/Property Type Selection
All

% Difference from 12 Months Ago (February 2021 to February 2022)

Select Timeframe: 12 Months Ago

