

Royal LePage In The Comox Valley

MARKET CONDITIONS

General market conditions as October 31, 2024.

Statistics provided from the Vancouver Island Real Estate Board.

RESIDENTIAL SINGLE FAMILY HOMES	October 2024	October 2023	PERCENT CHANGE
List	67	65	3%
Unit Sales	69	47	47%
Average Sell Price	\$869,707	\$920,740	-6%
Sell/List Ratio	103%	72%	
Active Listings	195	147	33%

YEAR TO DATE

CONDOMINIUM (APT)	2024	2023	PERCENT CHANGE
List	31	25	24%
Unit Sales	16	15	7%
Average Sell Price	\$443,847	\$397,313	12%
Sell/List Ratio	52%	60%	
Active Listings	84	56	50%

ROW/TOWNHOUSE	2024	2023	PERCENT CHANGE
List	19	19	0%
Unit Sales	13	12	8%
Average Sell Price	\$755,769	\$627,515	20%
Sell/List Ratio	68%	63%	
Active Listings	46	43	7%

Current Market Comments for Comox Valley

Below you will find an analysis showing active residential homes on the market as of October 31, 2024 by price range in comparison to previous twelve month sales.

12 MONTH SINGLE FAMILY HOME ANALYSIS

	12 MONTH List/Sell Ratio		12 MONTH List/Sell Ratio
\$300,000—\$399,999 0 Listings 1 Sales	100%	\$750,000—\$999,999 89 Listings 285 Sales	67%
\$400,000—\$499,999 2 Listings 11 Sales	79%	\$1,000,000—\$1,249,999 58 Listings 139 Sales	59%
\$500,000—\$599,999 10 Listings 38 Sales	70%	\$1,250,000—\$1,499,999 32 Listings 58 Sales	44%
\$600,000—\$750,000 28 Listings 146 Sales	76%	\$1,500,000—\$1,999,999 25 Listings 37 Sales	44%
		\$2,000,000+ 20 Listings 10 Sales	15%

SINGLE FAMILY HOME ANALYSIS SINCE JANUARY 2024

Below you will find an analysis showing active residential homes on the market as of October 31, 2024 by price range in comparison to sales since January 1st.

RESIDENTIAL INVENTORY October, 2024

PRICE RANGE	October 2024 Listings	SINCE Jan 1st Sales
\$300 — 399,999	0	1
\$400 — 499,999	2	9
\$500 — 599,999	10	33
\$600 — 749,999	28	127
\$750 — 999,999	89	265
\$1,000,000 — \$1,249,999	58	129
\$1,250,000 — \$1,499,999	32	51
\$1,500,000 — \$1,999,999	25	36
\$2,000,000+	20	7

RAW LAND SALES	CURRENT	RAW LAND SALES
Single Family Lot Fully Serviced	30 Listings	19 Sales
Waterfront Raw Land	7 Listings	2 Sales
Acreage	16 Listings	15 Sales
Total Land Listings and Sales	51 Listings	46 Sales

SELLERS NEED TO KNOW

October, 2024

... And what it means

Average Price

MLS takes all the sales for a time period (usually a month or year) adds their dollar amount and divides by the number of sales.

** The month of October average is	\$869,707
The 12 month/year average is	\$884,151
Since January 2022	\$886,078

Median Price

This is the absolute middle price, in other words, there are the same number of sales this price as there are above price.

The month of October is	\$848,500
The 12 month/year average is	\$837,000
Since January 2022	\$845,000

Sell to List Ratio

This shows the percentage of sales in comparison to the amount of listings there are. Typically there is a monthly percentage and a yearly one. The higher the percentage, the busier the market. A stable market would typically be around 55-65%. A seller's market is over 65% and a buyer's market is below 55%.

The month of October is	103%
The 12 month/year average is	61%
Since January 2022	60%

Seller to List Price Ratio

Is a percentage showing what the property sold for in comparison to its list price. It is shown monthly and for the year.

** The month of October is	98%
The 12 month/year average is	98%
Since January 2022	98%

** For the monthly figure this can be misleading. If there are disproportionate amount of higher or lower sales, it skews the average in that direction. All of these statistics can be broken down by area: Courtenay City, Comox, Cumberland, Courtenay East etc. They can be broken down by product: single family, condo apartment, condo townhouse, lots, acreage etc.

There is a wide variation of interpretation to these statistic and there are a number of other factors which influence them. At Royal LePage, we pride ourselves on keeping you as informed as we can on the market. We would be happy to meet with you to discuss this further.

CONTACT

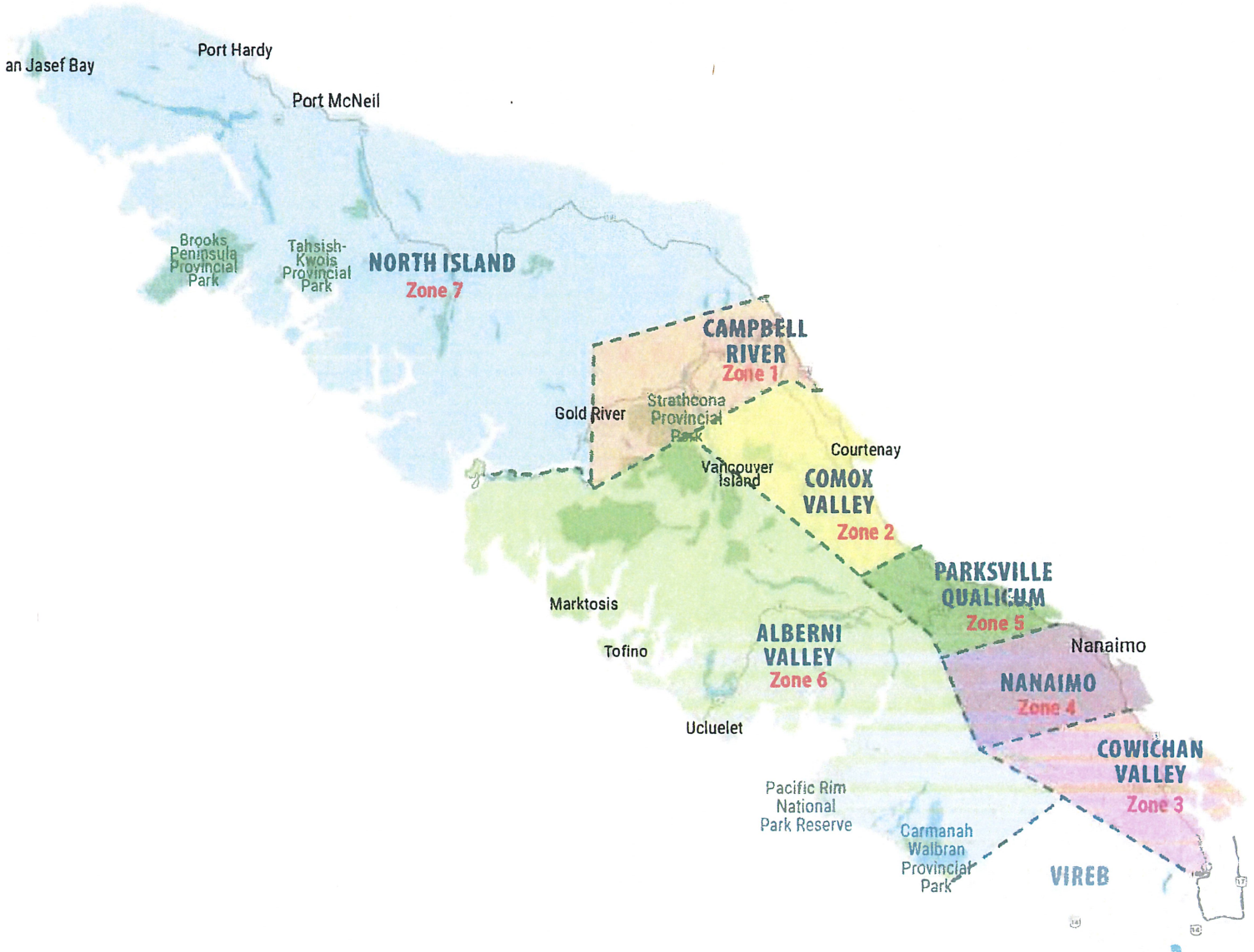
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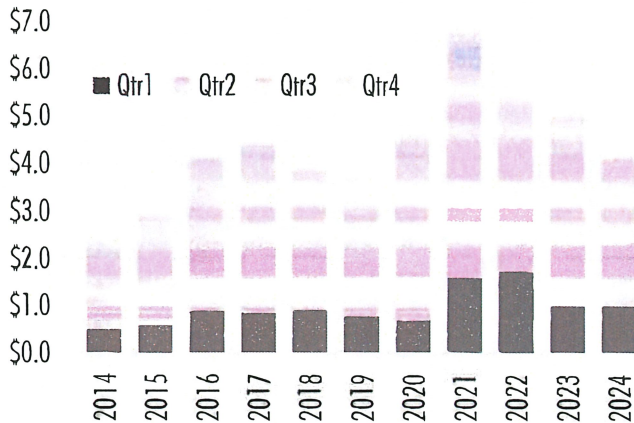
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**FIGURE 1: RESIDENTIAL SALES VOLUME
VIREB REGION - \$ BILLIONS**

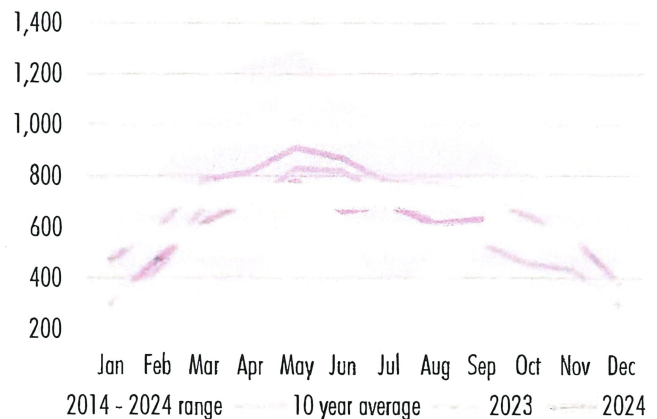


Source: Vancouver Island Real Estate Board, Q3 2024

The Vancouver Island real estate market experienced increased activity late in the fall following a quiet summer, although sales remained below the 10-year average for each summer month. In Q3 2024, there were 1,937 residential sales worth \$1.4 billion, representing a 4.0% increase in the number of transactions and a 4.9% rise in sales value. Throughout the summer, many buyers were absent from the market, as they prioritized summer activities and adopted a wait-and-see approach in anticipation of further interest rate cuts. Affordability and pressure on disposable income continue to be key concerns, contributing to cautious market behaviour.

Investors, who have traditionally been a consistent source of demand, have largely disappeared from the market. The combination of high mortgage rates, rising prices, and the negative impact of policies such as the short-term rental ban and various real estate taxes have made investment properties less attractive. As a result, some investors have opted to sell their properties, which has increased housing availability in the region.

**FIGURE 2: NUMBER OF RESIDENTIAL
SALES VIREB REGION**



Source: Vancouver Island Real Estate Board, Q3 2024

**FIGURE 3: QUARTERLY RESIDENTIAL*
HOMES MARKET QUICK STATS**



1,937 Residential sales in Q3 2024
4.0% increase vs Q3 2023



\$1.4 Billion transacted in Q3 2024
4.9% increase vs Q3 2023



3,703 New Listings in Q3 2024
11.1% increase vs Q3 2023



5.4 Months of inventory as of September 2024
62.5% increase vs September 2023

*Excluding land

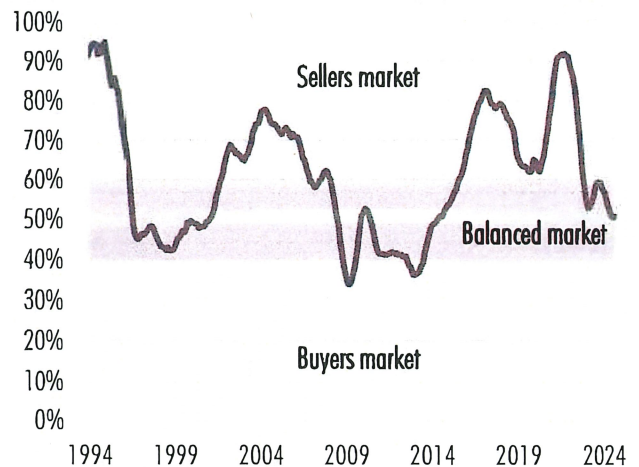
Source: Vancouver Island Real Estate Board, Q3 2024

The slowdown in transactions has led to a sharp increase in active listings, reaching 3,412 in September 2024. This is the highest level since 2015 and five times higher than the pandemic low in December 2021. Despite this significant increase, the supply of homes for sale remains balanced relative to demand. In September 2024, there were 5.4 months of supply, which, although increasing, is still well below the long-term market average. The market's stability is also evident in the sales-to-new-listings ratio, with monthly sales representing nearly 51% of new listings. While this percentage is trending downward, it remains within the range typically associated with a balanced market.

The market has seen an increase in offers subject to sale conditions, as existing homeowners are taking longer than expected to sell their properties. This delay has frustrated some sellers, coinciding with a slowdown in showings. The perceived sharpness of the slowdown is largely due to the unprecedented activity levels in 2021 and 2022, combined with nearly seven years of a seller-favored market from 2016 to 2023, making the shift to a balanced market feel significant. Sellers must recognize that comparables from the past 24 months may no longer apply. Ultimately, those who price their homes accurately are still closing deals, while sellers testing the market without serious intent are unlikely to succeed.

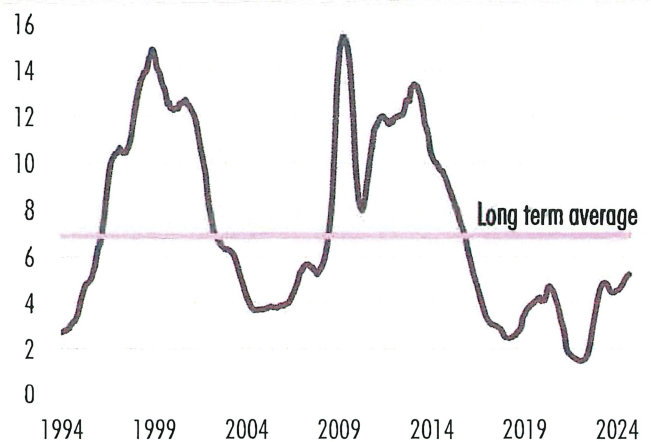
In September, the federal government announced mortgage reforms to improve affordability. Effective December 15, the price cap for insured mortgages will increase from \$1 million to \$1.5 million. Additionally, 30-year mortgage amortizations will be expanded to any purchase from first-time homebuyers and to all buyers of new builds. While these changes may benefit some buyers, many families earning an average income will struggle to qualify for a mortgage for an average-priced home without additional equity, even with these changes.

FIGURE 4: SALES TO NEW LISTINGS RATIO 12-month moving average



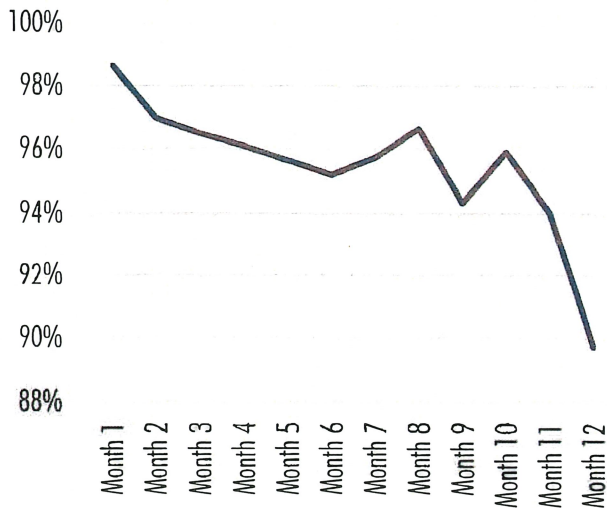
Source: Vancouver Island Real Estate Board, Q3 2024

FIGURE 5: HISTORICAL MONTHS OF INVENTORY 12-month moving average



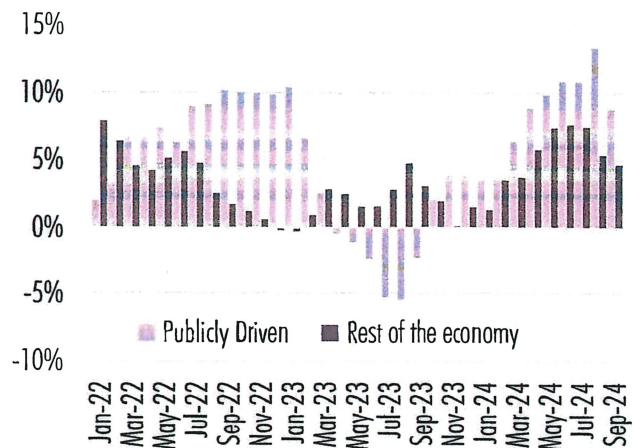
Source: Vancouver Island Real Estate Board, Q3 2024

FIGURE 6: SOLD TO LIST RATIO BY DAYS ON THE MARKET



Source: Vancouver Island Real Estate Board, Q3 2024

FIGURE 7: VANCOUVER ISLAND EMPLOYMENT GROWTH



Source: Statistics Canada, Q3 2024

Inflation slowed to 1.6% in September, the lowest since February 2021 and below the Bank of Canada's target midpoint. As expected, the Bank cut rates by 50 basis points at its October meeting. Economists expect the Bank to continue cutting rates in the coming months, bringing the policy rate down to 3.00% by 2025. This would help shift towards a more neutral policy, especially in light of the weak economy and easing inflation pressures.

While most recent rate cuts are already reflected in current mortgage rates, a stabilization will signal to consumers that interest rates have levelled off, encouraging buyers to enter the market rather than continuing waiting for further reductions.

According to the latest data from Statistics Canada, job growth in publicly driven sectors—health, education, and public administration—on Vancouver Island increased by 19.4% from September 2019 to September 2024, compared to just 7.0% in all other sectors. MNP reports that 64% of household income in the region comes from either the public sector or housing and construction, while only 13% is derived from traditional industries like forestry and agriculture. Additionally, about 9,000 new businesses have launched

on Vancouver Island over the past five years, but fewer than 10% employ staff. While these factors have stabilized the economy in the short-term, they pose risks for long-term growth. Public sector jobs rely on tax revenue rather than profits. Without growth in the private sector, the tax base stagnates, limiting government revenue or requiring debt or higher taxes to sustain spending. The private sector drives innovation, boosts efficiency, and enhances productivity. It also attracts investment and generates jobs, making the economy more stable and sustainable.

The recent surge in real estate activity is likely to continue for a few more weeks before tapering off with the arrival of cooler weather. Housing affordability remains a central issue, and the provincial election on October 19 could influence the residential market, depending on the policies of the winning party. However, the actual impact may not be evident for several months. Furthermore, elections in the U.S. and the potential for a federal election are contributing to a climate of caution among businesses and households, leading many to postpone significant decisions.



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Q3 2024

Market Overview

Vancouver Island Real Estate Board Q3 2024 Statistics

Location	SINGLE-FAMILY		TOWNHOUSE		APARTMENT	
	Sales	Benchmark Price	Sales	Benchmark Price	Sales	Benchmark Price
VIREB TOTAL	1,047 ↑ 2.8%	\$777,600 ↑ 0.1%	260 ↑ 12.6%	\$545,400 ↓ -0.5%	232 ↓ -8.7%	\$403,600 ↓ -1.6%
Campbell River	101 ↓ -22.9%	\$694,700 ↑ 2.7%	36 ↑ 56.5%	\$546,200 ↑ 1.3%	27 ↓ -14.4%	\$358,100 ↓ -0.6%
Comox Valley	166 ↑ 4.3%	\$828,600 ↓ -0.1%	48 ↓ -4.0%	\$562,900 ↑ 1.9%	49 ↑ 11.4%	\$385,300 ↓ -2.1%
Duncan	174 ↓ -34.1%	\$773,900 ↓ -2.3%	35 ↓ -12.5%	\$525,300 ↑ 1.6%	29 ↑ 1.2%	\$345,800 ↑ 3.8%
Nanaimo	258 ↓ -13.6%	\$810,800 ↑ 0.2%	75 ↓ -3.8%	\$515,600 ↓ -2.6%	70 ↓ -8.2%	\$404,900 ↓ -3.0%
Parksville/Qualicum	165 ↑ 50.0%	\$902,500 ↑ 0.6%	52 ↑ 79.3%	\$637,600 ↓ -3.8%	42 ↑ 18.7%	\$509,400 ↓ -1.3%
Port Alberni	94 ↓ -14.3%	\$501,100 ↓ -3.0%	8 ↑ 100.0%	\$449,700 ↓ -2.6%	6 ↑ 42.4%	\$379,000 ↓ -4.6%
North Island	28 ↓ -36.4%	\$451,100 ↑ 4.2%	6 ↑ 20.0%	\$235,700 ↓ -0.2%	7 ↑ 27.3%	\$0

* Percentage represents change compared to the same period last year

** Benchmark Prices as of September 2024

