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Victoria Real Estate Market Slowly Stabilizing after a Record Breaking 2016

November 1, 2017

A total of 664 properties sold in the Victoria Real Estate Board region this October, 9.7 per cent fewer than the 735 properties sold in October last year.

“As expected, we saw fewer sales than this time last year,” notes Victoria Real Estate Board President Ara Balabanian. “Looking at the longer term picture however, sales last month were 17.1 per cent above the ten year average of 567 properties for the month of October, so the market is still very active here in Victoria, and this is in spite of the ongoing low inventory levels.”

There were 1,905 active listings for sale on the Victoria Real Estate Board Multiple Listing Service® at the end of October 2017, a decrease of 3.6 per cent compared to the month of September and 1.7 per cent fewer than the 1,938 active listings for sale at the end of October 2016.

The Multiple Listing Service® Home Price Index benchmark value for a single family home in the Victoria Core in October 2016 was \$752,000. The benchmark value for the same home in October 2017 has increased by 9.3 per cent to \$821,900, but is lower than July’s value of \$834,200.

“The fact that we’ve seen such a controlled levelling off in the market directly following a year which felt so uncontrollable in terms of demand and pressure on prices illustrates the depth and stability of the Victoria market. An unstable market may have experienced a heavy correction or shift, whereas in our market sales are moderating at a reasonable rate.” adds President Balabanian. “In the coming months we expect to see less inventory on the market, because the year end changes buyer and seller behaviours, their focus shifts to holidays and winter weather. One unknown influence that may play on the winter market is the upcoming mortgage stress test. Some buyers may move their purchasing timelines forward to make their home purchases before the stress test on uninsured buyers (those with a downpayment of 20 per cent or more) becomes required January 1.”

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 1,364 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.

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

Sales by Property Type	This Month										Last Month			This Month Last Year		
	2017 - October										2017 - September			2016 - October		
	Units	LM%	LY%	Average\$	LM%	LY%	Median\$	LM%	LY%	Units	Average\$	Median\$	Units	Average\$	Median\$	
Single Family Greater Victoria	294	6.1%	-19.2%	\$854,833	-3.3%	10.5%	\$767,250	-3.5%	12.0%	277	\$884,196	\$795,000	364	\$773,504	\$685,000	
Single Family Other Areas	45	21.6%	21.6%	\$550,237	-8.9%	-18.1%	\$535,000	9.2%	1.0%	37	\$604,103	\$490,000	37	\$671,673	\$529,500	
Single Family Total All Areas	339	8.0%	-15.5%	\$814,400	-4.3%	6.6%	\$745,500	-4.4%	11.8%	314	\$851,192	\$780,000	401	\$764,108	\$667,000	
Condos	213	-0.5%	-0.9%	\$449,176	-8.0%	13.8%	\$370,500	-5.0%	13.0%	214	\$488,348	\$390,000	215	\$394,571	\$327,750	
Townhouses	70	22.8%	-11.4%	\$555,496	1.6%	8.1%	\$510,000	2.4%	18.6%	57	\$546,834	\$498,000	79	\$513,687	\$430,000	
Manufactured Homes	11	-45.0%	-8.3%	\$185,309	-3.6%	14.3%	\$165,000	-5.7%	6.1%	20	\$192,180	\$175,000	12	\$162,117	\$155,500	
Total Residential	633	4.6%	-10.5%							605			707			
Total Sales	664	3.8%	-9.7%							640			735			
Active Listings	1,905	-3.6%	-1.7%							1,976			1,938			

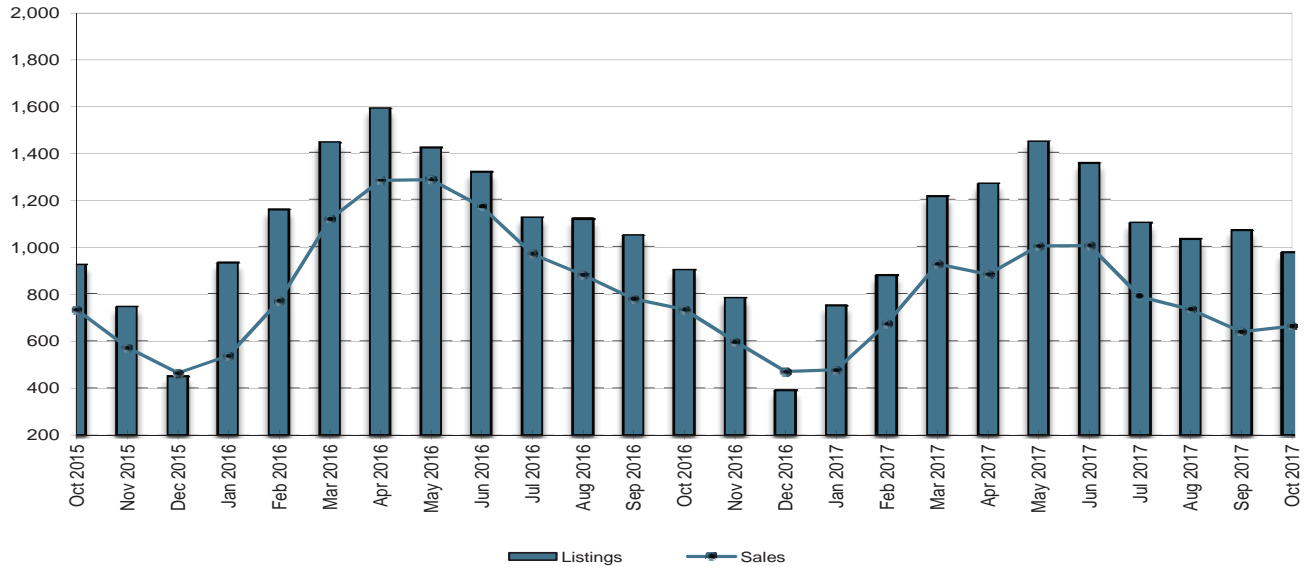
Legend
Units: net number of listings sold
LM%: percentage change since Last Month
LY%: percentage change since This Month Last Year
Average\$: average selling price
Median\$: median selling price
Active Listings: total listings on the market at midnight on the last day of the month

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

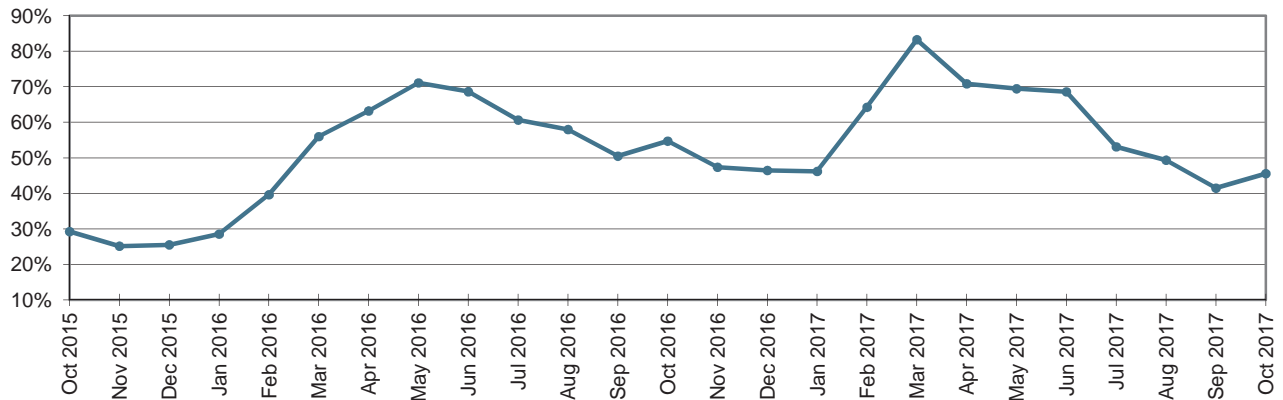
Commonly Quoted Benchmark Home	October 2017 Benchmark Price	September 2017 Benchmark Price	October 2016 Benchmark Price	October 2017 Index Value	September 2017 Index Value	October 2016 Index Value	LM%	LY%
Single Family Benchmark Home: Greater Victoria	\$690,000	\$692,800	\$619,700	199.2	200.0	178.9	-0.4%	11.3%
Single Family Benchmark Home: Core	\$821,900	\$823,100	\$752,000	215.0	215.3	196.7	-0.1%	9.3%
Single Family Benchmark Home: Westshore	\$585,200	\$588,000	\$508,700	188.2	189.1	163.6	-0.5%	15.0%
Single Family Benchmark Home: Peninsula	\$745,100	\$757,400	\$683,900	192.5	195.7	176.7	-1.6%	8.9%
Condo Benchmark Home: Greater Victoria	\$437,800	\$436,800	\$366,000	217.6	217.1	181.9	0.2%	19.6%
Townhouse Benchmark Home: Greater Victoria	\$562,000	\$555,200	\$489,300	198.5	196.1	172.8	1.2%	14.9%

Legend	Current Month:	October 2017
	Last Month:	September 2017
	Last Year:	October 2016
	LM%:	Percentage change between current month and last month
	LY%:	Percentage change between current month and same month last year

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



Sales to Active Listings Ratio



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)

MLS® HPI benchmark and value - Single Family Homes

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 ten 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® Home Price Index  **HPI or Benchmark**
(Applies to all tabs)

- HPI
- Benchmark

Area
VREB Area Summary

Property Type
Single Family - All

% Difference of Benchmark from 12 Months Ago (Oct '16 to Oct '17): Single Family - All

Select Timeframe: 12 Months Ago

