Home prices remain steady, buyers and sellers become more comfortable operating in today's market

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Metro Vancouver* home prices have remained steady since provincial health officials implemented physical distancing requirements in March.

The Real Estate Board of Greater Vancouver (REBGV) reports that the MLS® Home Price Index1 composite benchmark price for all residential properties in Metro Vancouver today is $1,028,400. This is virtually unchanged from April 2020, a 1.4 per cent increase over the last three months, and a 2.9 per cent increase compared to May 2019.

"Home prices have been stable during the COVID-19 period," Colette Gerber, REBGV Chair said. "While we're seeing a variety of long-term projections for the market, it's critical to understand the facts and trends as they emerge."

Residential home sales in the region totalled 1,485 in May 2020, a 43.7 per cent decrease from the 2,638 sales recorded in May 2019 and a 33.9 per cent increase from the 1,109 homes sold in April 2020.

Last month's sales were 54.4 per cent below the 10-year May sales average.

"Home sale and listing activity is down compared to typical, long-term levels and up compared to the activity we saw in April 2020," Gerber said. "Home buyers and sellers are adapting today, becoming more comfortable operating with the physical distancing requirements that are in place in the market."

There were 3,684 detached, attached and apartment properties newly listed for sale on the Multiple Listing Service® (MLS®) in Metro Vancouver in May 2020. This represents a 37.1 per cent decrease compared to the 5,861 homes listed in May 2019 and a 59.3 per cent increase compared to April 2020 when 2,313 homes were listed.

"Home buyers and sellers are working with their REALTORS® to use new tools to complete different stages of the real estate transaction virtually," Gerber said. "When in-person interactions are necessary, we're working with our clients to follow the physical distancing requirements set out by WorkSafeBC and the provincial health officer."

The total number of homes currently listed for sale on the MLS® system in Metro Vancouver is 9,927, a 32.4 per cent decrease compared to May 2019 (14,685) and a 5.7 per cent increase compared to April 2020 (9,389).

For all housing types, the sales-to-active listings ratio for May 2020 is 15 per cent. By housing type, the ratio is 13.5 per cent for detached homes, 18.9 per cent for townhomes, and 14.8 per cent for apartments.

Generally, analysts say downward pressure on home prices occurs when the ratio dips below 12 per cent for a sustained period, while home prices often experience upward pressure when it surpasses 20 per cent over several months.

Sales and benchmark prices by property type

Sales of detached homes in May 2020 reached 534, a 41.5 per cent decrease from the 913 detached sales recorded in May 2019. The benchmark price for detached properties is $1,456,700. This is a 0.3 per cent increase from April 2020, a 2.2 per cent increase over the past three months, and a 2.9 per cent increase compared to May 2019.

Sales of apartment homes reached 653 in May 2020, a 47.6 per cent decrease compared to the 1,246 sales in May 2019. The benchmark price of an apartment home is $686,500. This is a 0.3 per cent decrease from April 2020, a 0.9 per cent increase over the past three months, and a three per cent increase compared to May 2019.

Attached home sales in May 2020 totalled 298, a 37.8 per cent decrease compared to the 479 sales in May 2019. The benchmark price of an attached home is $792,700. This is a 0.2 per cent increase from April 2020, a 1.2 per cent increase over the past three months, and a 1.8 per cent increase compared to May 2019.

*Editor's Note: Areas covered by the Real Estate Board of Greater Vancouver include: Burnaby, Coquitlam, Maple Ridge, New Westminster, North Vancouver, Pitt Meadows, Port Coquitlam, Port Moody, Richmond, South Delta, Squamish, Sunshine Coast, Vancouver, West Vancouver, and Whistler.