



Home buyer demand remains elevated across Metro Vancouver

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Credit: Real Estate Board of Greater Vancouver

In the first month of 2021, Metro Vancouver's* housing market continued the pattern set at the end of last year with home sale activity outpacing the supply of homes listed for sale.

The Real Estate Board of Greater Vancouver (REBGV) reports that residential home sales in the region totalled 2,389 in January 2021, a 52.1 per cent increase from the 1,571 sales recorded in January 2020, and a 22.8 per cent decrease from the 3,093 homes sold in December 2020.

Last month's sales were 36.4 per cent above the 10-year January sales average.

"With home sale activity well above our January average, the supply of homes for sale isn't able to keep pace," Colette Gerber, REBGV Chair said. "This is causing increased competition amongst home buyers and upward pressure on prices."

There were 4,480 detached, attached and apartment properties newly listed for sale on the Multiple Listing Service® (MLS®) in Metro Vancouver in January 2021. This represents a 15.7 per cent increase compared to the 3,872 homes listed in January 2020 and an 86 per cent increase compared to December 2020 when 2,409 homes were listed.

The total number of homes currently listed for sale on the MLS® system in Metro Vancouver is 8,306, a 3.6 per cent decrease compared to January 2020 (8,617) and a 2.7 per cent decrease compared to December 2020 (8,538).

For all property types, the sales-to-active listings ratio for January 2021 is 28.8 per cent. By property type, the ratio is 26.3 per cent for detached homes, 37.6 per cent for townhomes, and 27.8 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.

"Shifting housing needs during the pandemic and historically low interest rates have been key drivers of demand in our market over the last six months," Gerber said. "People who managed to enter the market a few years ago, and have seen their home values increase, are now looking to move up in the market to accommodate their changing needs."

The MLS® Home Price Index composite benchmark price for all residential properties in Metro Vancouver is currently \$1,056,600. This represents a 5.5 per cent increase compared to January 2020 and a 0.9 per cent increase compared to December 2020.

Sales of detached homes in January 2021 reached 740, a 68.6 per cent increase from the 439 detached sales recorded in January 2020. The benchmark price of a detached home is \$1,576,800. This represents a 10.8 per cent increase from January 2020 and a 1.4 per cent increase compared to December 2020.

Sales of apartment homes reached 1,195 in January 2021, a 46.8 per cent increase compared to the 814 sales in January 2020. The benchmark price of an apartment home is \$680,800. This represents a 2.2 per cent increase from January 2020 and a 0.6 per cent increase compared to December 2020.

Attached home sales in January 2021 totalled 454, a 42.8 per cent increase compared to the 318 sales in January 2020. The benchmark price of an attached home is \$815,800. This represents a 4.3 per cent increase from January 2020 and a 0.2 per cent increase compared to December 2020.

*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.