

## Home buyer competition intensifies across Metro Vancouver's housing market

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Credit: Real Estate Board of Greater Vancouver

Competition amongst home buyers is putting upward pressure on home prices across Metro Vancouver's\* housing market.

The Real Estate Board of Greater Vancouver (REBGV) reports that residential home sales in the region totalled 3,727 in February 2021, a 73.3 per cent increase from the 2,150 sales recorded in February 2020, and a 56 per cent increase from the 2,389 homes sold in January 2021.

Last month's sales were 42.8 per cent above the 10-year February sales average.

"Metro Vancouver's housing market is experiencing seller's market conditions. The supply of listings for sale isn't keeping up with the demand we're seeing," Colette Gerber, REBGV Chair said. "Competition amongst home buyers is causing multiple offer situations and upward pressure on prices.

"This is particularly true in the townhome market where demand is outstripping the available supply. Conditions differ depending on location and property type so it's important to work with your local REALTOR® to develop strategies to meet your needs."

There were 5,048 detached, attached and apartment homes newly listed for sale on the Multiple Listing Service® (MLS®) in Metro Vancouver in February 2021. This represents a 26.1 per cent increase compared to the 4,002 homes listed in February 2020 and a 12.7 per cent increase compared to January 2021 when 4,480 homes were listed.

The total number of homes currently listed for sale on the MLS® system in Metro Vancouver is 8,358, a 9.1 per cent decrease compared to February 2020 (9,195) and a 0.6 per cent increase compared to January 2021 (8,306). This is 21.2 per cent below the February 10-year average for new listings.

For all property types, the sales-to-active listings ratio for February 2021 is 44.6 per cent. By property type, the ratio is 41.8 per cent for detached homes, 61.8 per cent for townhomes, and 41.7 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.

"Low interest rates remain a key driver in today's market. We're seeing steady numbers of firsttime home buyers and move-up buyers entering the market," Gerber said.

The MLS® Home Price Index composite benchmark price for all residential properties in Metro Vancouver is currently \$1,084,000. This represents a 6.8 per cent increase over February 2020 and a 2.6 per cent increase compared to January 2021.

Less populated communities within the region continue to experience the largest year-over-year price increases across all property types. Examples, according to the MLS HPI®, include Bowen Island (34.4 per cent increase), the Sunshine Coast (32.7 per cent increase), West Vancouver (16.1 per cent increase) Maple Ridge (14.8 per cent increase) and Ladner (13.7 per cent increase).

Sales of detached homes in Metro Vancouver reached 1,231 in February 2021, a 79.7 per cent increase from the 685 detached sales recorded in February 2020. The benchmark price for a detached home is \$1,621,200. This represents a 13.7 per cent increase from February 2020 and a 2.8 per cent increase compared to January 2021.

Sales of apartment homes reached 1,759 in February 2021, a 65.8 per cent increase compared to the 1,061 sales in February 2020. The benchmark price of an apartment is \$697,500. This represents a 2.5 per cent increase from February 2020 and a 2.5 per cent increase compared to January 2021.

Attached home sales in February 2021 totalled 737, an 82.4 per cent increase compared to the 404 sales in February 2020. The benchmark price of an attached home is \$839,800. This represents a 7.2 per cent increase from February 2020 and a 2.9 per cent increase compared to January 2021.

\*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.