

## Supply response emerges in Metro Vancouver's active housing market

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Credit: Real Estate Board of Greater Vancouver

Home sellers have become increasingly active in Metro Vancouver's\* housing market this spring in response to heightened demand and rising home values that have materialized during the pandemic.

The Real Estate Board of Greater Vancouver (REBGV) reports that residential home sales in the region totalled 4,908 in April 2021, a 342.6 per cent increase from the 1,109 sales recorded in April 2020, and a 14 per cent decrease from the 5,708 homes sold in March 2021.

Last month's sales were 56.2 per cent above the 10-year April sales average and is the highest total on record for the month.

"Our housing market has changed considerably from one year ago when COVID-19 concerns brought activity to a near standstill," Keith Stewart, REBGV's economist said. "This was followed by a well-documented spike in home buyer demand across the region. So far this spring, we've seen a corresponding supply response from home sellers,"

There were 7,938 detached, attached and apartment homes newly listed for sale on the Multiple Listing Service® (MLS®) in Metro Vancouver in April 2021. This represents a 243.2 per cent increase compared to the 2,313 homes listed in April 2020, a 4.2 per cent decrease compared to March 2021 when 8,287 homes were listed and is the highest new listing total ever recorded in the region in April.

"While homes are now being listed at record levels, more supply is needed to meet today's demand and help market conditions achieve greater balance," Stewart said.

The total number of homes currently listed for sale on the MLS® system in Metro Vancouver is 10,245, a 9.1 per cent increase compared to April 2020 (9,389) and a 12 per cent increase compared to March 2021 (9,145).

Today's active listings total is 11.2 per cent below the 10-year April average.

For all property types, the sales-to-active listings ratio for April 2021 is 47.9 per cent. By property type, the ratio is 37.4 per cent for detached homes, 70 per cent for townhomes, and 51.5 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.

"Record low interest rates, increased household savings, a strengthening economy and a continued focus on living space during the pandemic are all factors that are helping to bolster demand while steady price growth is encouraging more sellers to list their homes," Stewart said.

The MLS® Home Price Index composite benchmark price for all residential properties in Metro Vancouver is currently \$1,152,600. This represents a 12 per cent increase over April 2020 and a 2.6 per cent increase compared to March 2021.

"With our market at record activity in recent months, and with the continued safety risk that COVID-19 poses, REALTORS® remain focused on helping their clients make sound and responsible buying and selling decisions today while continuing to strictly follow the pandemic safety protocols established for real estate in our province," Taylor Biggar, REBGV Chair said.

Sales of detached homes in April 2021 reached 1,655, a 326.5 per cent increase from the 388 detached sales recorded in April 2020. The benchmark price for a detached home is \$1,755,500. This represents a 20.9 per cent increase from last year and a 3.2 per cent increase compared to March 2021.

Sales of apartment homes reached 2,289 in April 2021, a 355.1 per cent increase compared to the 503 sales in April 2020. The benchmark price of an apartment home is \$729,600. This represents a 5.9 per cent increase from April 2020 and a 1.9 per cent increase compared to March 2021.

Attached home sales in April 2021 totalled 964, a 342.2 per cent increase compared to the 218 sales in April 2020. The benchmark price of an attached home is \$900,900. This represents a 13.9 per cent increase from April 2020 and a 3.3 per cent increase compared to March 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.