



## Residential Prices Inch up Despite Fewer Sales

**KELOWNA, B.C.** – October 2, 2018. Despite slower sales activity of 585 residential sales in September compared to 709 the previous month and 740 last year, the average price across the region of Revelstoke to Peachland inched up 5% over August and 8% over last September, reports the Okanagan Mainline Real Estate Board (OMREB).

“We’re seeing a shift across the region with all signs, save average price, pointing to a market continuing to transition from a sellers’ market to one that would favour buyers and sellers more equally,” comments OMREB President Marv Beer.

Other indicators of a normalizing market include an increase in the time it takes to sell homes, with 90 average days on market for September, compared to 78 last month and 78 last year. Rising housing inventory is another signal, now 29% higher than a year ago with more supply slated to come on-stream within the next year or two.

“More supply means buyers have more choice and, as a result, tend to become more discerning. This can ultimately affect price, however, real estate markets are never quite that simple, as other factors are also at play,” says Beer.

Already checked by higher interest rates, the market may react to predictions of more hikes, now more likely with the US Federal Reserve’s most recent rate increase and the Bank of Canada’s pledge that rates will rise in October. Government policy changes, such the proposed speculation tax slated to be voted on in October can also have a dampening effect. Conversely, the market is bolstered by strong provincial economic fundamentals such as low unemployment and demographics that include millennials ready to purchase their first home.

Beer notes that buyer profiles for the region have remained consistent over the eight years of data collection. “While the BC government would have us believe that speculation by foreign buyers and those from other provinces is making homes here less affordable, the reality is that at 84%, the vast majority of buyers in this area are BC residents, and that figure changes only slightly year over year” says Beer adding “Clearly, the solution to greater affordability lies elsewhere.

Have questions about the market and all the recent changes? I would love to meet with you and discuss them.

Sincerely,

Amy

*“Looking after the details from A to Z”*

### Important Stats for Kelowna, West Kelowna, and Lake Country

	Residential	Condo
Total active listings	1241	536
Compared to same time last year	961	354
Average List Price YTD	\$737,197	\$357,971
Average Days on Market YTD	58	64
Compared to same time last year	49	58
List vs. Sale Ratio YTD	43.40%	57.41%
List Price vs. Sale Price Ratio YTD	97.84%	97.81%
Compared to same time last year	98.30%	98.19%
Number of sales YTD	1728	1088
Average Sale Price YTD	\$721,274	\$350,131
Compared to same time last year	\$679,966	\$333,665
Overall Depreciation - Appreciation	6.08%	4.94%