the rennie review

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rennie

positive signs beyond the headlines

While year-over-year sales were down 25% in the Lower Mainland last month, April marked the 4th consecutive month of the sales gap narrowing, with prices beginning to move upwards.

"Vancouver's Housing Market is Dismal"; "From Boom to Bust"; and "The Losses Get Larger". These media headlines following the release of the latest MLS real estate data for the Lower Mainland are both dramatic and certain in their assessments--but do they truly and accurately reflect the current dynamics in today's market? In short, and with all due respect, no.

Before explaining why, it's always constructive to frame the Lower Mainland's housing market with some basic truths based on empirical evidence. First, demand (sales) is lower than it was last year and compared to the past-decade average for April as buyers have remained patient and cautious. More specifically, the 3,141 total sales in the Lower Mainland (the area comprised by the Greater Vancouver and Fraser Valley real estate boards) in April 2019 was 25% lower than one year ago, and 37% below the past-decade average for April.

Second, supply (inventory) has expanded rapidly over the past year: the 21,324 listings in April were 36% higher than in April one year ago. An important note to make here is that despite the relatively steep increase in inventory on a year-over-year basis, today's inventory is exactly in line with the past-decade average for April.

In response to these clear trends in supply and demand, prices have predictably moved downwards, with the all-property-type benchmark price for the Lower Mainland, at $955,400, was 7% below where it was at this time last year.

For many market followers, this narrative is already well-established; however, there are a number of key metrics that both provide additional perspective on current dynamics and hint at the medium-term direction of the market. Here are the 4 things you need to know.

1. With a 15% sales-to-listings ratio, Metro Vancouver's market is balanced. While conditions favour buyers when it comes to more expensive homes, and sellers still have the upper-hand when it comes to the less expensive ones, the market is, overall, operating in a normal fashion.

2. The region has experienced 4 consecutive months of increasing sales, with April tallying the most sales in any month since July 2018.

3. As a result of the above, the sales gap versus 2018 continues to close: year-over-year in April sales were down 25%, the 4th straight month the gap has narrowed (from a high of 45% in December 2018).

4. Benchmark condo prices have now registered 3 consecutive monthly increases (marking the first time this has happened since the beginning of 2018); meanwhile, benchmark townhome prices registered their first month-over-month increase since June 2018.

While many would-be buyers continued to weigh their options in April (and with good reason: inventory was up for the 4th straight month), there is growing evidence that Metro Vancouver has reached, or is closing in on, an inflection point. In other (less nerdy) words, buyer patience may begin to wane in the near-term as activity picks up across the region.

Current as of May 3, 2019. All data from the Real Estate Board of Greater Vancouver and Fraser Valley. The information set out herein (the "information") is intended for informational purposes only. RAR & RMS has not verified the information and does not represent, warrant or guarantee the accuracy, correctness and completeness of the information. RAR & RMS does not assume any responsibility or liability of any kind in connection with the information and the recipient's reliance upon the information. The recipient of the information should take steps as the recipient may deem necessary to verify the information prior to placing any reliance upon the information. The information may change and any property described in the information may be withdrawn from the market at any time without notice or obligation to the recipient from RAR & RMS.

chilliwack and district board area

DETACHED - APRIL 2019

MARKET SUMMARY

The number of detached listings in the CADREB in April, at 922, was 11% higher than last month and 43% above April 2018.

With 168 in April, detached sales were up 40% month-over-month but 16% below last year.

The sales-to-listings ratio increased to 18%, remaining a balanced market for detached product in the CADREB.

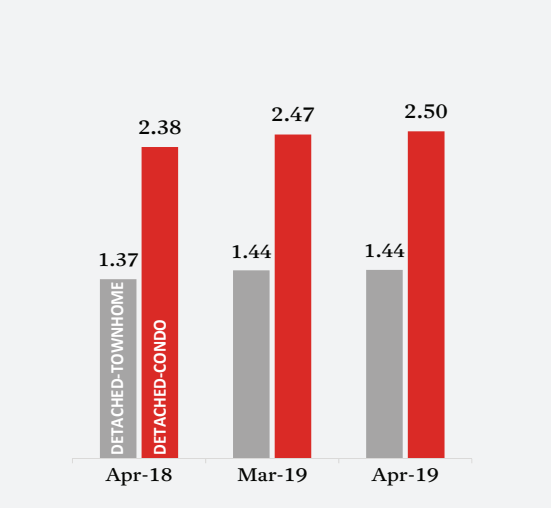
The benchmark price in April was $629,250, 3% above March 2019 and virtually unchanged vs April 2018.

The average sold price was $648,875, up 1.4% from the previous month and virtually unchanged vs April 2018.

AVERAGE PRICE	AVERAGE PSF PRICE	BENCHMARK PRICE	TOTAL LISTINGS	SALES	SALES TO LISTING RATIO
UP 0.4%	-	DOWN 0.1%	UP 43%	DOWN 16%	18%
VS 2018	VS 2018	VS 2018	VS 2018	VS 2018	BALANCED

	THIS MONTH	PREVIOUS MONTH		PREVIOUS YEAR	
	No.	No.	% Change	No.	% Change
TOTAL LISTINGS	922	833	11%	647	43%
TOTAL SALES	168	120	40%	201	-16%
SALES-LISTINGS RATIO	18%	14%	26%	31%	-41%
MEDIAN SALES PRICE	$629,250	$610,750	3%	$630,000	-0.1%
AVERAGE SOLD PRICE	$648,875	$639,731	1.4%	$645,977	0.4%
AVERAGE PRICE PSF	-	-	-	-	-

RATIO OF BENCHMARK PRICES



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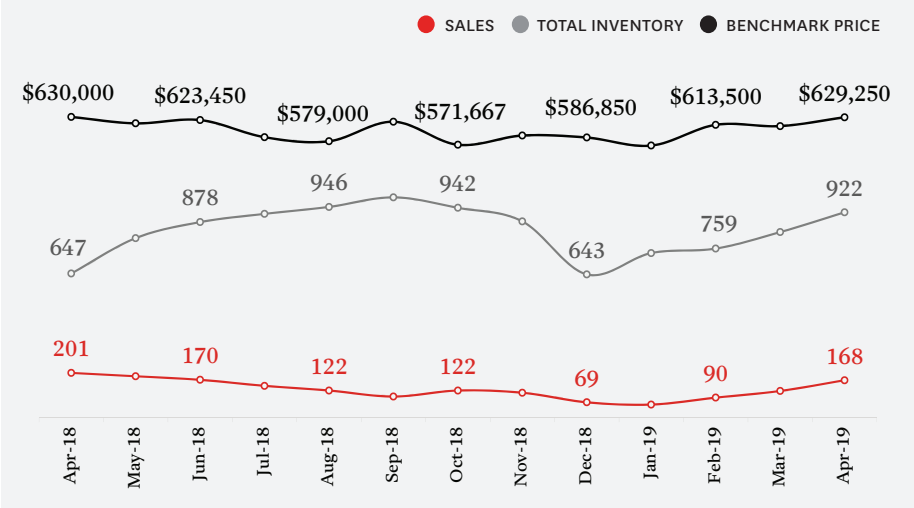
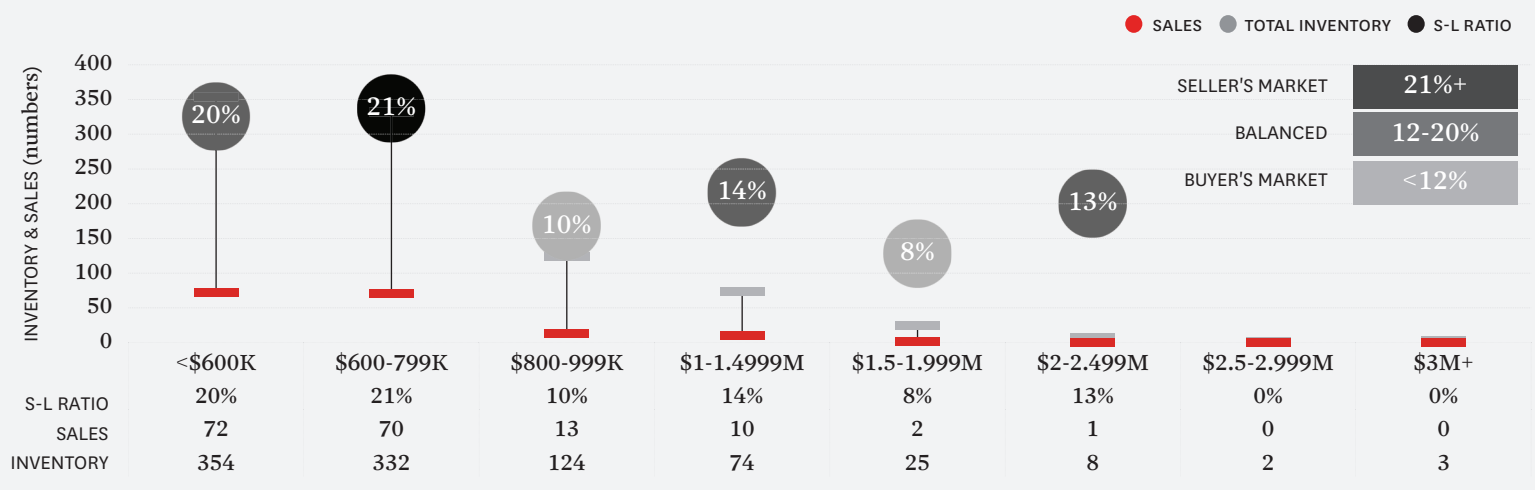


TOTAL LISTINGS & SALES BY PRICE RANGE



	<$600K	$600-799K	$800-999K	$1-1.4999M	$1.5-1.999M	$2-2.499M	$2.5-2.999M	$3M+
S-L RATIO	20%	21%	10%	14%	8%	13%	0%	0%
SALES	72	70	13	10	2	1	0	0
INVENTORY	354	332	124	74	25	8	2	3

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TOWNHOME - APRIL 2019

MARKET SUMMARY

The number of townhome listings in the CADREB increased 15% from last month, settling at 227, and was 123% above April 2018.

Townhome sales, at 57, were up by 7 vs March but down by 20 year-over-year.

The sales-to-listings ratio for townhomes was unchaged at 25% in April, as the CADREB's townhome segment remained in seller's market conditions.

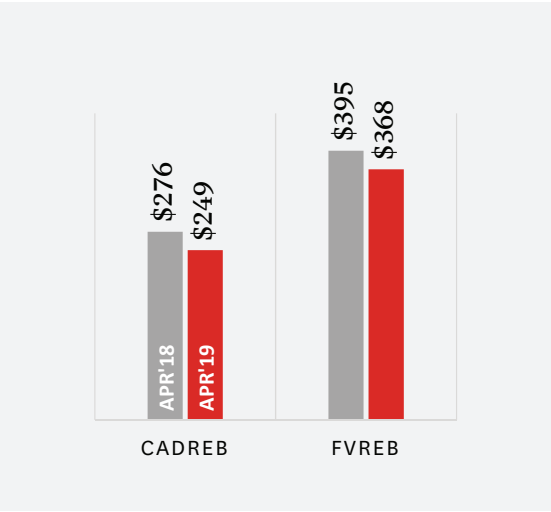
The benchmark price in April was $437,000, 3% above March but 5% below April 2018.

The average sold price was $440,191 in April, (increasing 0.6% vs March) while the average PSF sales price was $249 (decreasing 1.6%).

AVERAGE PRICE	AVERAGE PSF PRICE	BENCHMARK PRICE	TOTAL LISTINGS	SALES	SALES TO LISTING RATIO
DOWN 3%	DOWN 10%	DOWN 5%	UP 123%	DOWN 26%	25%
VS 2018	VS 2018	VS 2018	VS 2018	VS 2018	SELLER'S

	THIS MONTH	PREVIOUS MONTH		PREVIOUS YEAR	
	No.	No.	% Change	No.	% Change
TOTAL LISTINGS	227	197	15%	102	123%
TOTAL SALES	57	50	14%	77	-26%
SALES-LISTINGS RATIO	25%	25%	-1.1%	75%	-67%
MEDIAN SALES PRICE	$437,000	$425,000	3%	$460,000	-5%
AVERAGE SOLD PRICE	$440,191	$437,772	0.6%	$454,038	-3%
AVERAGE PRICE PSF	$249	$253	-1.6%	$276	-10%

AVG PRICE PER SQUARE FOOT



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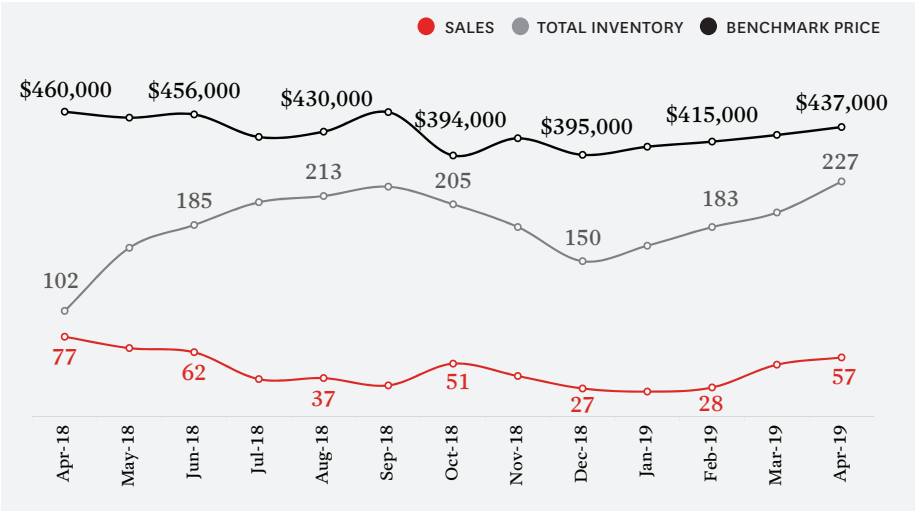
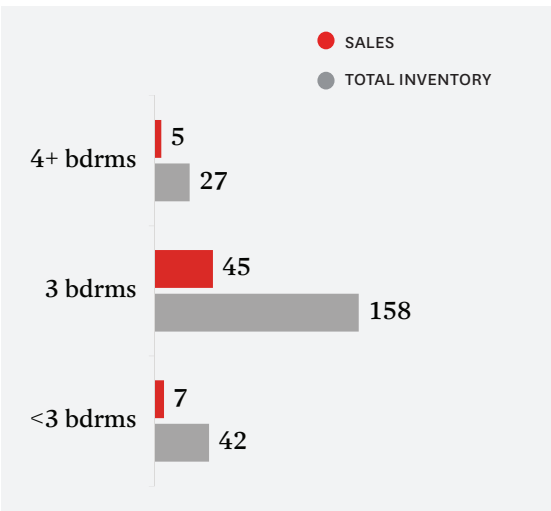
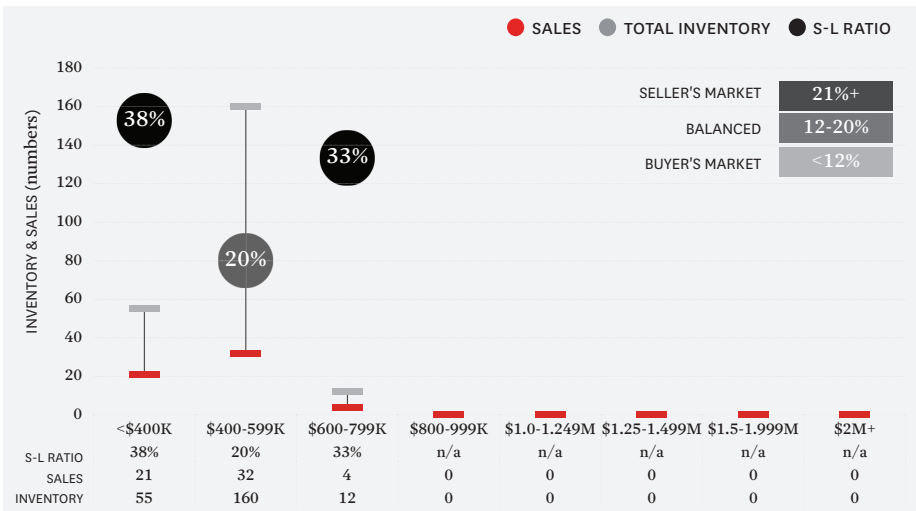


NUMBER OF BEDROOMS



TOTAL LISTINGS & SALES BY PRICE RANGE



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CONDO - APRIL 2019

MARKET SUMMARY

There were 175 condo listings in the CADREB in April, 10% above March and 65% higher than in April 2018.

April condo sales increased by 44% month-over-month but were 31% below April 2018.

The sales-to-listings ratio for condos in the CADREB increased to 28%, remaining in a seller's market.

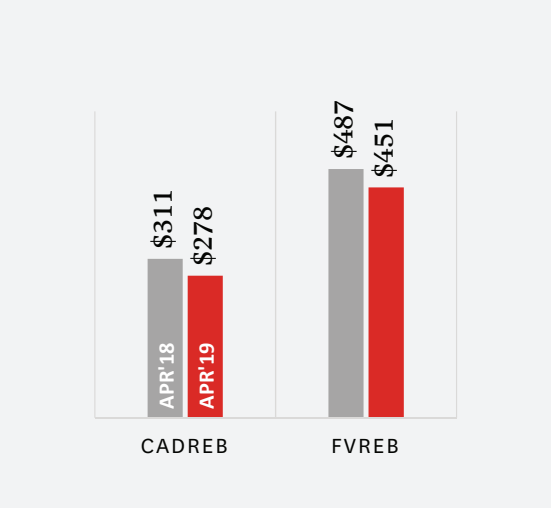
The condo benchmark price in April was $252,000, 2% above March but 5% lower than in April 2018.

The average sold price was $259,204, up 6% from last month; the average PSF sales price was $278, 2% below last month.

AVERAGE PRICE	AVERAGE PSF PRICE	BENCHMARK PRICE	TOTAL LISTINGS	SALES	SALES TO LISTING RATIO
DOWN 10%	DOWN 11%	DOWN 5%	UP 65%	DOWN 31%	28%
VS 2018	VS 2018	VS 2018	VS 2018	VS 2018	SELLER'S

	THIS MONTH	PREVIOUS MONTH		PREVIOUS YEAR	
	No.	No.	% Change	No.	% Change
TOTAL LISTINGS	175	159	10%	106	65%
TOTAL SALES	49	34	44%	71	-31%
SALES-LISTINGS RATIO	28%	21%	31%	67%	-58%
MEDIAN SALES PRICE	$252,000	$247,000	2%	$265,000	-5%
AVERAGE SOLD PRICE	$259,204	$245,211	6%	$288,889	-10%
AVERAGE PRICE PSF	$278	$284	-2%	$311	-11%

AVG PRICE PER SQUARE FOOT



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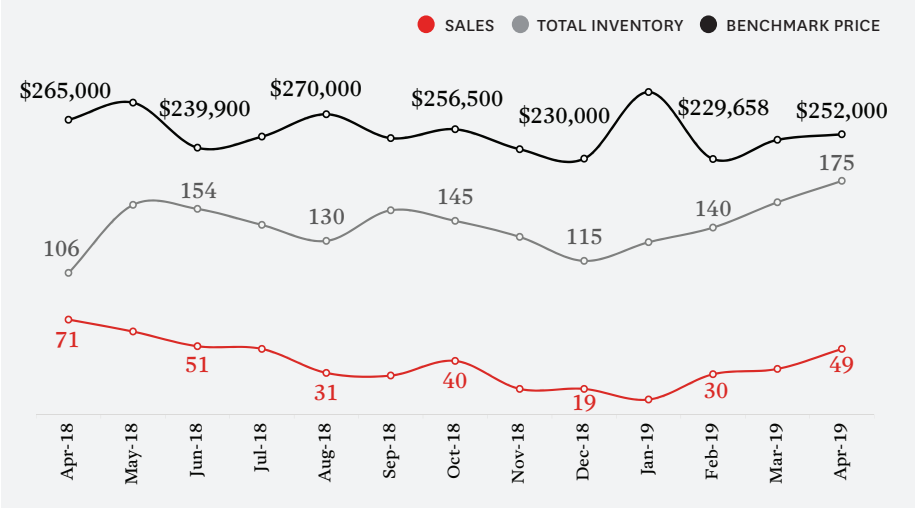

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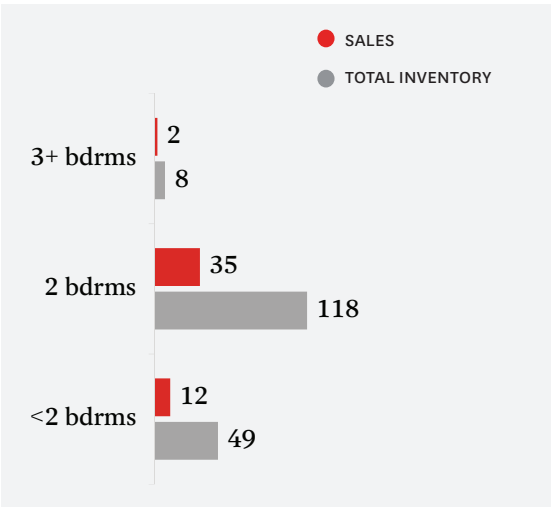
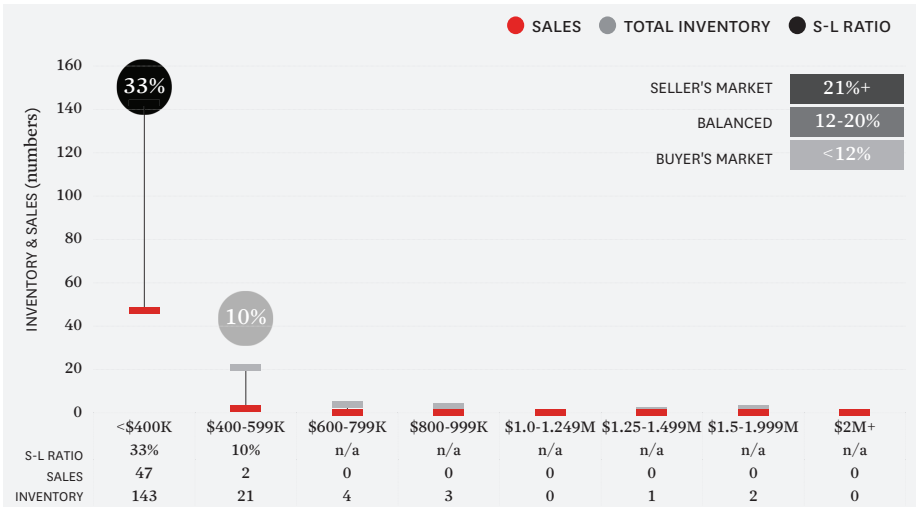


TOTAL LISTINGS & SALES BY PRICE RANGE



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