

For Immediate Release

Okanagan Residential Sales: Gradual Downward Trend Continues

KELOWNA, B.C. – November 7, 2016. October saw Okanagan residential sales slow, with 779 sales posted to the MLS® as compared to 884 the previous month, down 12% from September, yet still a 19% increase over October of last year reports the Okanagan Mainline Real Estate Board (OMREB).

“A number of factors suggest a gradual downturn, including reduced sales volume, lower average prices, and longer days on market as compared to previous months,” comments Anthony Bastiaanssen, OMREB President and active REALTOR® in the central Okanagan. However, Bastiaanssen points out that continued low product inventories will likely slow progression towards a market where available housing supply matches buyer demand.

“We are watching to see the effects of shifting market conditions compounded by recent government interventions like the additional 15% property transfer tax for foreign buyers of Lower Mainland property announced by the BC government in August and recent Federal government measures including adjustments to income testing rules for borrowers requiring mortgage insurance.”

While these changes do not affect all buyers, they can have a psychological effect and potentially add to market shifts that are already occurring, notes Bastiaanssen, advising prospective buyers and sellers to consult a real estate professional, stressing the importance of working with one who is experienced with local markets.

“REALTORS are skilled in evaluating market conditions and the factors that can affect particular regions or product segments of interest,” says Bastiaanssen, cautioning buyers and sellers to look beyond general trends to inform their decision-making.

The average MLS® residential price in October was \$454,426.72 across the region spanning Peachland to Revelstoke, a 4.9% decrease over September but still a 6.9% increase over the same month last year. Average days to sell across the region was 92 in October, up from 84 in September. New listings were 884 in October, compared to 1118 in September and 1230 in August.

Turning to buyers of Okanagan properties, Bastiaanssen notes that, year over year, most buyers are couples with or without children and empty nesters or retired who are primarily from within the Okanagan and either relocating, moving to a similar-type property, moving up or downsizing.

A September OMREB survey offers a breakdown: those relocating to similar property types are 19.8% of buyers (up from 18.2 in August), move-up buyers are 19.6% (up from 16.2%), those downsizing are 16.8% (up from 13.4%) and first time buyers are 15.2% (down from 18.4%). Those buying for revenue or investment purposes dropped to 12.5% of buyers, from 15.4% in August.

Buyer types include couples without children at 27.7%, two parent families with children at 21.5% and empty nesters or retired at 20.7%, followed by single males, single females and single parents with children.

The largest number of buyers are from within the Okanagan at 52.3%, followed by buyers from the Lower Mainland/Vancouver Island at 21.5% and Alberta at 12.8%. Foreign buyers are 1.6% of the buying population, down from 2.8% in August.

OMREB serves three diverse markets within the region: the Central Okanagan Zone (Peachland to Lake Country), the North Zone (Predator Ridge to Enderby) and the Shuswap- Revelstoke Zone (Salmon Arm to Revelstoke).

For detailed statistics specific to each of the three regions served by OMREB, visit www.omreb.com.

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OMREB is a member-governed not-for-profit association representing more than 1000 REALTORS® and 92 real estate offices within the southern interior region of British Columbia (Peachland to Revelstoke). The Board is dedicated to providing leadership and support to its members in their pursuit of professional excellence.

DISCLAIMER: Monthly Sales statistics are based on the sales reported by real estate offices on or before the last day of the month. Sales not reported by month end and collapsed sales are reflected in the subsequent month's statistics.

All OMREB listings are published in the MLS® Real Estate Review and MLS® Commercial Review magazines available at all real estate offices and various locations in the Central Okanagan, North Okanagan, the Shuswap and

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Revelstoke areas. For comprehensive Board-wide statistical information, please visit our local public site:
www.omreb.com