

For Immediate Release

Cooling Trend Continues

KELOWNA, B.C. – October 4, 2017. Residential sales in the Okanagan region of Peachland to Revelstoke continued a gradual cooling trend that started in June, with 740 sales posted to the Multiple Listing Service (MLS®) in September, a 16% drop from August sales of 882 and 16% fewer than this time last year reports the Okanagan Mainline Real Estate Board (OMREB).

“While the slow-down is moderate, the signs are there: fewer sales, not as many active and new listings and a rise in the average number of days it takes to sell a home - all of which suggest a cooling off period,” comments OMREB President Read.

Average price in September, at \$496,433, was up just 1.5% from August. New listings of 1118 were slightly lower than last month’s 1297 and the average number of days it took to sell a home in September rose to 78 days from 70 in August but down from 90 days this time last year. Active listings are currently at 5091, 3% fewer than last month and 4% fewer than September last year.

Read notes a less than 3% difference between June and September average pricing and less than 4% difference between September’s pricing and this time last year.

“Despite the market’s gradual shift towards a more balanced one, which is where the market more equally favours both buyers and sellers, average price remains relatively constant,” Read adds, noting that home prices are likely buoyed by a general lack of homes for sale in relation to demand.

“It’s a bit of a catch 22...high prices contribute to a lack of inventory because potential sellers are concerned about whether or not they can afford to purchase a different home, yet fewer homes on offer means that there is more competition for the homes that are available to buy,” says Read.

Read speculates that while strong economic conditions and population growth will likely fuel housing demand, interest rate hikes and the potential for additional mortgage rules, over and above those implemented in 2016, may have the opposite effect.

An OMREB monthly survey offers insight into buyers of property within the region served by the Board. Buyers of property transactions that closed in August were primarily motivated to buy for revenue or investment purposes at 20% of buyers, relocation and/or moving to a similar property type at 18% and downsizing at 16%. Largest demographic buying groups were two-parent families with children at 29%, followed by couples without children at 22% and empty nesters or retired at 19%. Those already residing within the Okanagan region continued to be the majority of buyers at 57%, followed by those from the Lower Mainland at 17% and Alberta at 13%, with buyers from elsewhere at significantly lower percentages of the buyer population.

“There was a notable spike in buyers purchasing for revenue or investment purposes, which may reflect interest in a number of condominium-type projects that recently opened for pre-build sales,” comments Read, adding “By all reports, sales have been brisk on several of these property types.”



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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 1200 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 Revelstoke areas. For comprehensive Board-wide statistical information, please visit our local public site:

www.omreb.com