Metro Vancouver: Downward trend in home sales interrupted in October
By Alexandra Ducharme

Based on October data from the Real Estate Board of Greater Vancouver (REBGV), we estimate that seasonally adjusted home sales increased 10.9% compared to September, an improvement that suspends an 8-month run of declining home sales. Notwithstanding October’s performance, home sales remain well under their pre-pandemic level and 45.9% below the peak reached in January 2022 (chart 1). On the supply side, we estimate that the number of properties listed for sale increased 4.8% from September, a first monthly rise in three months but still under pre-pandemic levels.

With the increase in inventory partly mitigated by the increase of sales, the market remained balanced in October (chart 2). Despite this month’s performance, we do not see the Vancouver real estate market taking off on an upward trend. The increase in mortgage rates resulted in a serious deterioration in affordability causing several home buyers to be priced out. With the Bank of Canada making it clear that the policy rate will rise again, housing sales should remain weak in the months ahead.

On a year-over-year basis, home sales were down 45.5% and stood 33.3% below the 10-year average number of sales for a month of October (chart 3). With two months left in the year, home sales in 2022 are standing 31.4% below their 2021 level (chart 4). On a 12-month basis, sales in the detached, attached and apartment segments fell by -47.3%, -44.8% and – 44.8% respectively.
Economics and Strategy

Montreal Office
514-879-2529
Stéfane Marion
Chief Economist and Strategist
stefane.marion@nbc.ca
Matthieu Arseneau
Deputy Chief Economist
matthieu.arseneau@nbc.ca

Kyle Dahms
Economist
kyle.dahms@nbc.ca

Alexandra Ducharme
Economist
alexandra.ducharme@nbc.ca

Toronto Office
416-869-8598
Warren Lovely
Chief Rates and Public Sector Strategist
warren.lovely@nbc.ca

Taylor Schleich
Rates Strategist
taylor.schleich@nbc.ca

Jocelyn Paquet
Economist
jocelyn.paquet@nbc.ca

Daren King, CFA
Economist
daren.king@nbc.ca

Angelo Katsoras
Geopolitical Analyst
angelo.katsoras@nbc.ca

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