Metro Vancouver: Home sales decline slightly in August
By Alexandra Ducharme

Based on August data from the Real Estate Board of Greater Vancouver (REBGV), we estimate that seasonally adjusted home sales edged down 0.5% compared to July, a seventh consecutive monthly decline that kept home sales below their pre-pandemic level and 45.6% below the peak reached in January 2022 (chart 1). On the supply side, we estimate that the number of properties listed for sale decreased by 2.2% from July, a first monthly decrease in eight months.

With lower sales compensating for the slight dip in inventory, the market remained in balanced territory in July (chart 2). The decline in home sales in Vancouver over the last seven months is tied to the increase in interest rates which has led to a deterioration in housing affordability (see report). In such a context, many buyers are probably hesitant to transact given the current uncertainties. With the central bank expected to hike its policy rate again in September, we see the market remaining soft in the quarters ahead.

On a year-over-year basis, home sales were down 40.7% and stood 29.2% below the 10-year average number of sales for a month of August (chart 3). For the first eight months of 2022, cumulative sales were down 28.3% compared to the same period last year (chart 4). On a 12-month basis, sales in the detached, attached and apartment segments fell by -45.3%, -38.4% and -38.8% respectively.
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