Economic Analysis of British Columbia

Volume 38 • Issue 6 | ISSN: 0834-3980

B.C. Housing Forecast 2018-2021

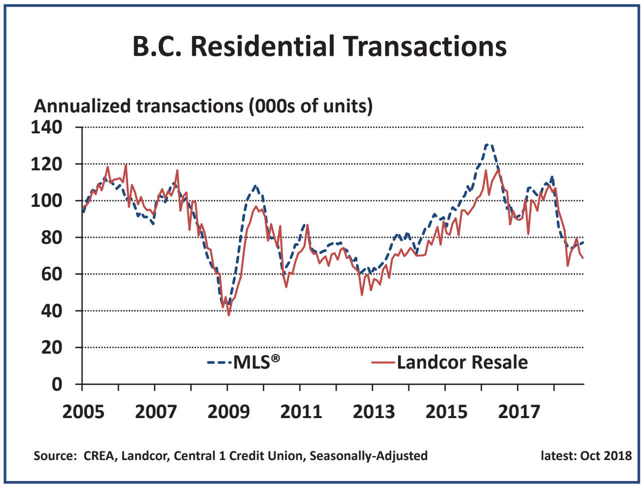
Highlights:

- B.C.'s mild housing market recession to give way to subdued home sales and flat home values through 2021
- Resale transaction to decline 17 per cent this year, little change through 2020
- Policy-driven downturn most prevalent in larger and higher priced urban markets
- Relatively stronger housing conditions anticipated in Northern B.C. and retiree-driven markets
- Median provincial resale transaction price down two per cent in 2019 to $520,000 with range-bound performance thereafter, no crash forecast
- Housing starts to decline from 40,000 unit pace to about 32,000 units in 2019 and 2020
- Rental market conditions to remain tight

Summary

B.C.'s housing market is amid a mild recession, observed in declining home sales, eroding sale prices and a downturn in housing starts. Subdued market conditions are expected to continue over the next three years, driven largely by the drag of federal B-20 mortgage 'stress-tests', government policies to constrain demand and higher interest rates. Moderate economic growth, higher employment, wage gains and population expansion will remain supportive of demand.

Annual resale home transactions will finish the year 17 per cent below 2017 levels and is forecast to show little traction in through 2021. Relative to population levels,



sales will trend at levels in line with the 2012-2014 downcycle. Housing prices will drift lower in larger urban markets due to slowing demand but remain propped up by solid growth in the economy outside housing. Northern B.C. is forecast to outperform other markets, reflecting the demand related to the construction of LNG Canada's $40 billion liquefied natural gas plant and associated pipelines. The median annual provincial resale price declines two per cent in 2019 to $520,000, reflecting downward momentum this year and holds range-bound over the forecast period. Price corrections in large urban markets will be modest given they are driven by policy measures rather than a broader job-loss inducing economic recession.

New housing construction will reflect the slowing market conditions, inducing builders to scale back in a market with weaker demand and slower presales. Housing starts are forecast to drop from 39,500 units in 2018 to less than 32,500 units in both 2019 and 2020.

Summary Forecast Table

	2016	2017	2018	2019	2020	2021
Residential Transactions, Units	105,928	98,594	81,465	81,990	85,110	87,005
% change	15.1	-6.9	-17.4	0.6	3.8	2.2
Residential Median Transaction Price	464,000	500,000	530,000	520,000	519,000	523,000
% change	8.4	7.8	6.0	-1.9	-0.2	0.8
Housing Starts	41.8	43.5	39.5	32.2	32.5	34.7
% change	33.1	3.9	-9.2	-18.5	0.9	6.8

Sources: Landcor, CMHC, Central 1 Credit Union

Rental market conditions are forecast to remain tight. The apartment vacancy rate holds near 1.3 per cent from 2019 through 2021 as renters find greater difficulty shifting into homeownership given tighter credit conditions and rental demand remains strong due to moderate economic and population inflows. Rent growth is forecast to remain near five per cent annually held back by restrictive rent control measures that limit hikes to consumer price index inflation for existing tenants. For units turned over, rent growth will be much higher as landlords can charge market rents which will continue to soar given low vacancy rates.

Current resale market conditions

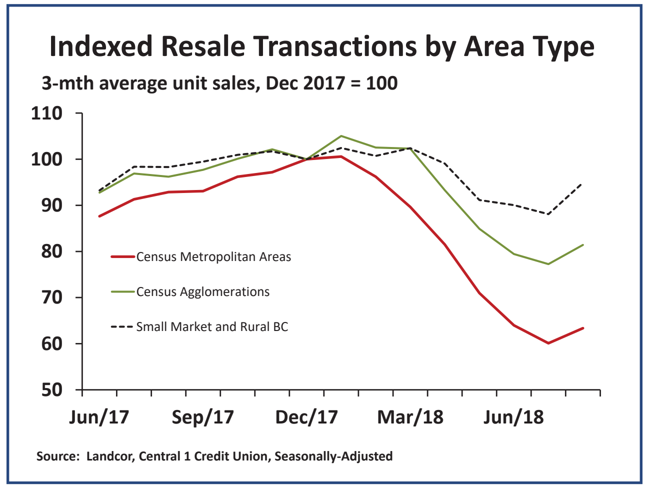
The home sales swoon in B.C. found bottom at mid-year but transaction activity remains low as federal B-20 mortgage 'stress tests' (federal stress tests), higher mortgage rates and provincial policy measures continue to constrain demand.

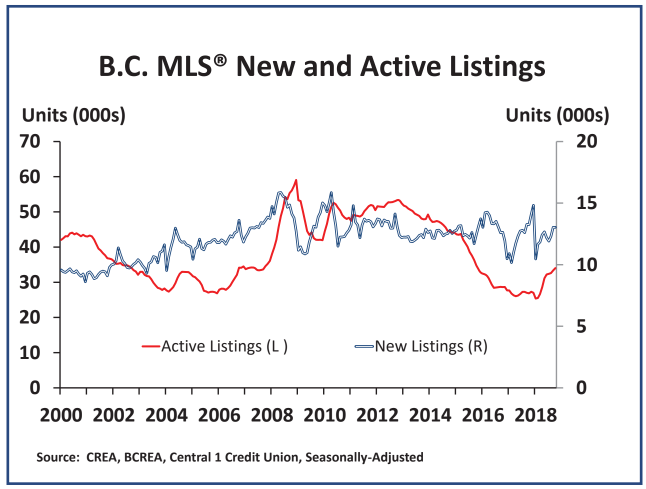
Home sales are trending at the lowest pace since 2014, with both MLS® and land title transfer measures at an annualized pace of under 77,000 units. Prior to the implementation of the federal stress tests, which knocked back purchasing power and sales activity in urban markets across the country, B.C. sales were trending at annualized pace of over 100,000 units.

Impacts of federal lending constraints are deeper on higher priced urban markets. Potential home buyers in these areas—particularly entry level buyers—may find greater difficulty in bridging the cut in purchasing power given the larger downpayment constraint. On aggregate, sales in B.C.'s four census metropolitan areas of Vancouver, Abbotsford-Mission, Kelowna and Victoria fell 40 per cent from the end of 2017, albeit led by markets in the Lower Mainland. Large and mid-sized urban markets (census agglomerations) posted a combined decline of 20 per cent, with small market sales down about 10 per cent. There are more than 20 census agglomerations which include municipalities such as Nanaimo, Kamloops, Williams Lake, Vernon, and others.

While policy factors are headwinds to broad demand, local housing markets continue to be supported by local factors such as employment and population growth and demographic change, particularly in areas like Vancouver Island.

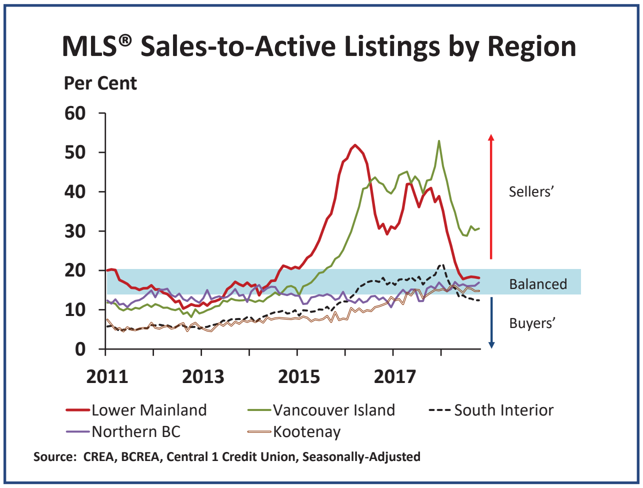
Regionally, sales downturns have been most pronounced in the Lower Mainland-Southwest and to a lesser extent Vancouver Island, and the Central Okanagan. Northern B.C., the Kootenay, and other parts of the southern interior have shown mild effects of recent policy changes.

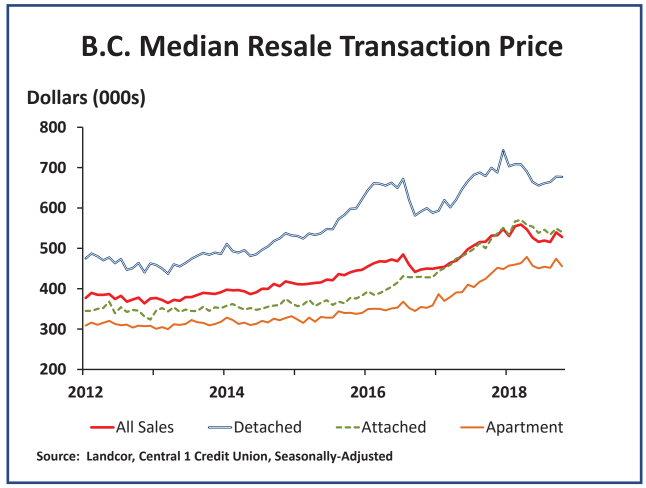




Rising resale inventory has emerged with the sales downturn. Homes for sale are taking longer to sell and while the new listings flow remains moderate, MLS® active listings have risen. Active listings are up 40 per cent year-over-year in the Lower Mainland, and more than 15 per cent in the Thompson-Okanagan and Vancouver Island areas. Listings are down in the north and Kootenay. While the relative increase in inventory has been substantial in the major markets, this compares to a period of exceptionally low inventories with current levels still lower than average. Lower Mainland listings are about 10 per cent below average levels extending back to 2000, with levels in the Thompson-Okanagan and Vancouver Island 20 per cent and 40 per cent below, respectively.

The sales slump has cooled markets from red-hot conditions observed in through most of 2017. Specifically, the Lower Mainland-Southwest has quickly shifted from a sellers' to a mild buyers' market. Conditions in the detached market have been significantly weaker since mid-2016 following a rapid run up in values, and the subsequent implementation of the foreign buyers' tax and other policy measures. Apartment and attached condominium sales have contracted sharply this year, as credit conditions have particularly constrained entry level buyers. The region is experiencing





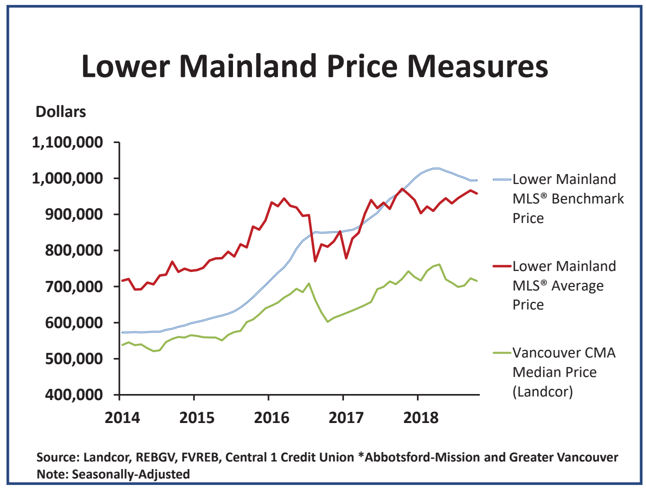
a policy-induced recession in the housing market evidenced by a sharp decline in sales, eroding prices and slowdown in new home construction.

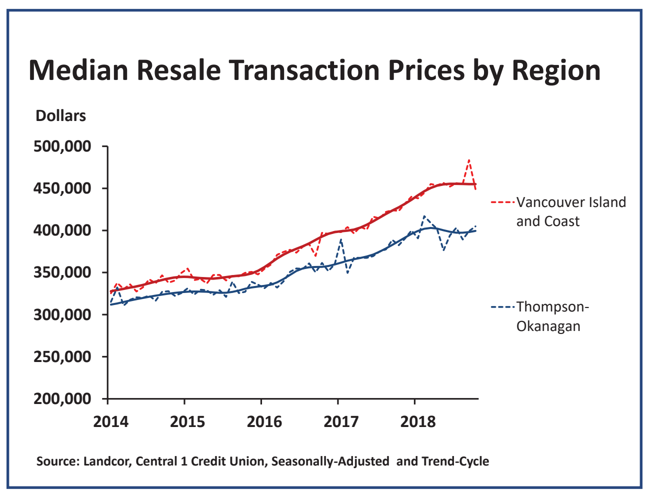
Sales-to-active listings— a traditional indicator to measure relative supply-and-demand—show firm conditions in most markets. However, the shift in momentum and price erosion in indicative of a market geared to buyers.

Sales have decreased on Vancouver Island. Nonetheless low supply and solid demand has kept prices firm and rising in some markets, particularly in communities outside of Victoria. Conditions have cooled considerably in the Thompson-Okanagan region, with market conditions weighed down by the Okanagan markets, albeit with firmer conditions in Kamloops. Kootenay and northern B.C. conditions are generally balanced. The rapid sales slowdown in the Metro Vancouver market has likely contributed to fewer sales and moderating market conditions in other areas due to delayed relocations. Less upward capital appreciation has curtailed demand for secondary homes.

Housing values have evolved in line with the market environment. Gone are the days of rapid price escalation. The median price of provincial resale transactions peaked early this year above $550,000 and has since declined by about five per cent. Declines reflect the downturn in sales, market weakness, a lower share of sales in higher priced urban markets and a higher share of sales for apartment and townhomes—but this trend has moderated.

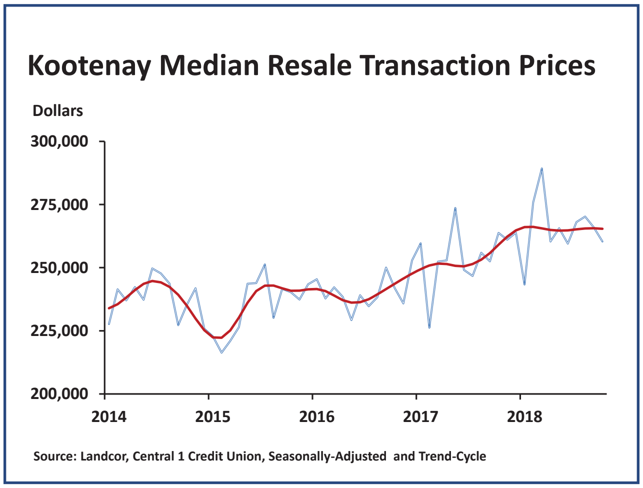
The Lower Mainland – Southwest has led the resale price retreat. While still up over the prior year, median apartment and townhome prices have declined about four per cent from peak. Detached home values have also eased, but most of the weakness is occurring at the higher end of the market and locales. The erosion in median home values are in line with declines in the constant quality housing price index published by the





Canadian Real Estate Association. Year-over-year growth in the composite index for real estate boards spanning Metro Vancouver and Abbotsford-Mission has decelerated, with the latest year-over-year growth settling to about one per cent in November. Apartment and townhome values have held up better than detached homes but have eased about five per cent from peak.

Price growth trends among other economic regions have moderated with slower market conditions, but levels have generally held steady. Price levels have



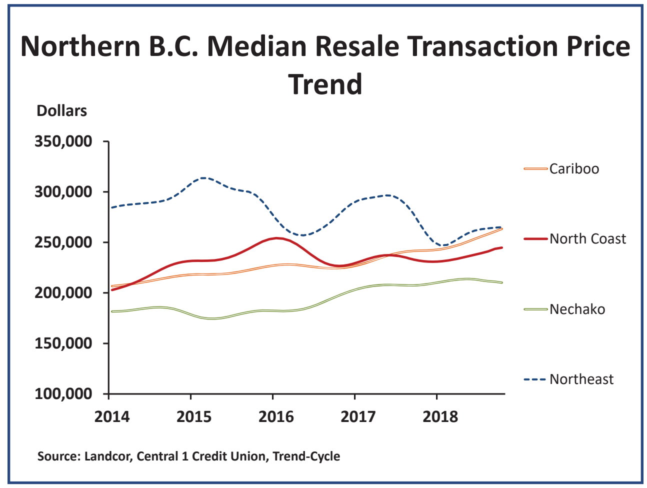
climbed in some regions such as the Cariboo and North Coast. Areas catering to retirement demand on the Island and southern interior continue to

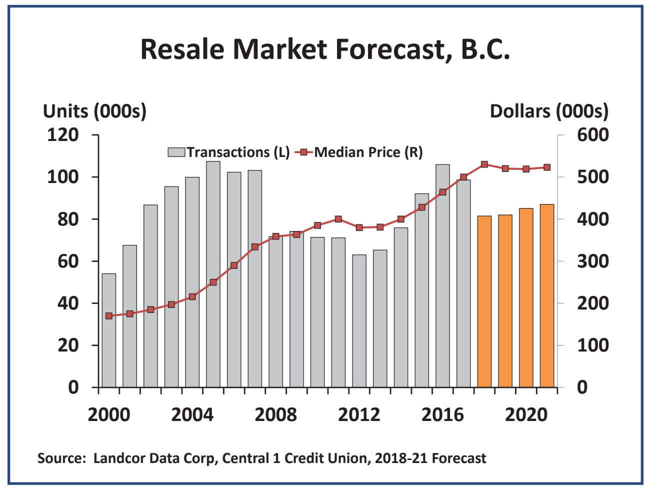
Resale Market Forecast

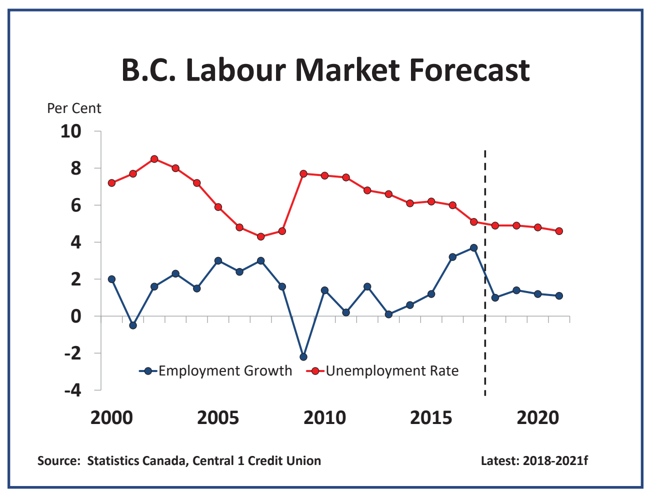
Tempered sales conditions are forecast to continue through 2019, with only modest improvement in 2020 and 2021.

Economic growth and labour market conditions are forecast to remain moderate. This is slow when compared to the strong pace observed over the past two years when economic growth averaged 3.5 per cent. Growth in real Gross Domestic Product (GDP) is forecast to trend near 2.5 per cent over the forecast period. A tight labour market—observed in the lowest unemployment rate in the country and high job vacancy rate—wage gains and population growth underpin consumer demand. The effects of slower housing market conditions will drag on economic growth. Construction of the LNG Canada's liquefied natural gas project and associated pipelines in B.C.'s north will buoy regional employment in the central and northern interior.

Credit conditions will continue to hold back sales volume and remain the main impediment to a rebound. Federal stress tests have had a severe impact on sales since introduction in January, cutting potential purchasing power of some buyers by 20 per cent. Entry level and younger buyers in higher priced urban markets were particularly affected by the steeper downpayment required under the new rules. There are no signs that the stress test regulations will be reversed. Additionally, higher mortgage rates will further bite affordability, although rates are expected to climb at a mild pace. Variable interest rates are forecast to climb 50 basis points (bps) in 2019 in line with Bank of Canada's hikes, with no change forecast thereafter until late 2020. Fixed rate 5-year term mortgage rates are forecast to increase 30 bps to 5.75 per cent at the end of 2020 and edge up further in 2021.







Provincial policy measures from 2018—including hikes to the foreign buyer tax and the introduction of a speculation tax, which targets 'satellite' families and owners of secondary homes that are not rented out in specific markets—also contribute to a less active market.

Subdued resale housing volume continues through the forecast period. Provincial resale transaction holds steady in 2019 near 82,000 units, up 0.6 per cent following a 17 per cent drop this year. This drag is primarily due to ongoing sluggishness of demand in the Lower Mainland-Southwest markets, specifically

Metro Vancouver. Metro Vancouver is forecast to show virtually no change in annual sales volume, although the trend will rise. Sales volumes perk up in the Thompson-Okanagan and Vancouver Island. Affordability seekers and retirees will support these markets, but the former will face some drag from the oil-induced slowdown in Alberta. Northern markets will buck the weaker trend owing largely to increased demand related to the LNG project-driven economic activity.

Credit factors continue to constrain sales activity both in B.C. and across Canada. The housing sales trend will rise modestly through 2020 underpinned by population expansion, relatively robust wage growth and mild price erosion. Resale market transaction growth in the province will climb to 3.8 per cent in 2020 to 85,110 units and 2.2 per cent in 2021 to 87,005 units. Relative to the size and growth of the population, resale transactions will be the lowest since 2012 to 2014.

Weak market momentum precedes a sluggish price environment, but there are few signs that a substantial price correction is imminent.

The recent uplift in inventory has largely been caused by fewer sales rather than a slew of new listings in the market. That said, in the Lower Mainland and other larger urban areas, some speculative buyers and investors may have opted to sell in an environment of low capital appreciation. Increased supply is expected as the elevated level of new condominium apartments under construction complete. The increase will be more of a ‘current of supply’ rather than a ‘tsunami of supply’.

In the absence of an economic recession and job losses, asking prices in large urban markets will be slow to adjust to weaker demand. Eager buyers will be keen to bid low; however, fewer resale transactions indicates a gap between sellers’ expectations and buyers’ ability to pay. As a result, many owners will keep their homes off the market.

The median price for provincial resale transactions is forecast to edge lower in 2019 to $520,000. This largely reflects the price downtrend in the Lower Mainland – Southwest observed this year, as well as a shift in sales volume to lower-priced multi-family units. Price levels in Metro Vancouver are forecast to edge lower through 2019, while surrounding areas remain range-bound following this year’s pullback. Kelowna and Victoria are also forecast to show modest erosion in median price levels. In contrast, price growth in retiree driven markets on Vancouver Island remains positive. Price growth in Northern B.C. will lead all markets as construction of the major LNG project picks up.

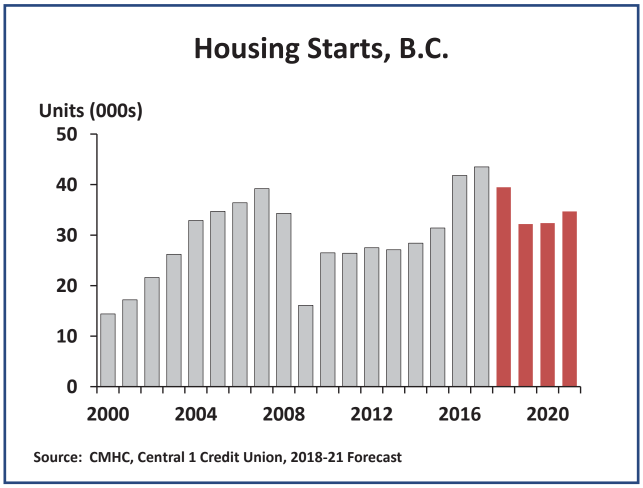
Residential Investment

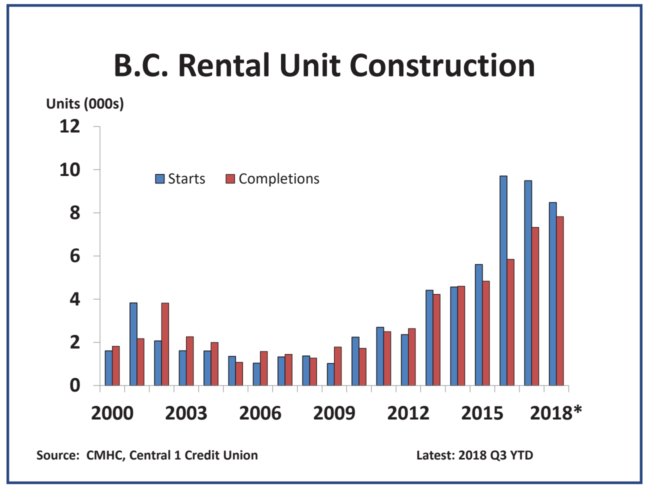
The down cycle in existing home sales will precede a period of fewer housing starts. While existing home inventory is relatively low, builders are taking stock of the rapid shift in market conditions, credit conditions, and higher levels of units under construction. Presales have slowed this year. More stringent rent control measures and the softer outlook for income growth will likely slow purpose-built rental construction and blunt demand for private investor condominiums.

Urban starts have dropped sharply in recent months from a pace of above 40,000 annualized units through the first 11 months of 2018 to about 31,000 units. This pullback largely reflected a slowdown in recent apartment starts. This recent plunge is not entirely attributable to a slowing market as projects are planned and pre-sold years in advance before construction start dates. Nevertheless, the housing starts cycle will erode over the forecast period led by a stall in the multi-family apartment and townhome starts, which will drag mostly on the Vancouver CMA.

Through the first 11 months of 2018, urban starts fell by seven per cent, with single-detached home starts down 11 per cent and apartment and townhome starts down six per cent. Declines in condominium and freehold tenure have been offset in part by higher rental starts. Among metro areas, Kelowna has experienced the sharpest pull back this year at nearly 30 per cent year-to-date owing in part to a surge in 2017. Although starts have broadly eroded, Metro Vancouver is the primary drag with a seven per cent drop in overall starts. Mid-sized urban markets have experienced a more modest drop in housing starts.

Provincially, new home starts are forecast to fall to 25 per cent from the 2017 peak to about 32,000 units in both 2019 and 2020, following nearly 40,000 units this year and 43,500 units in 2017. In previous market cycles, housing starts have declined by 40 to 50 per cent from peak. Typically this is associated with broader economic recessions rather than a policy driven housing downturn as currently is the case. Rental market construction faces negative risks due to recent policy measures. That said, increased risks in the global economic picture could trigger further downside to our outlook. A deeper pull back in Metro Vancouver starts leads to a sharper decline in provincial multi-family starts in 2019 of 18 per cent from 2018 to 22,000 units (the lowest since 2015), before a mild uplift thereafter.





Similarly, renovation spending growth will slow. Resale home sales often trigger renovation activity before and after the transaction as sellers try to increase property values through minor renovations, while buyers invest in their new homes. That said, renovation spending is less volatile than housing starts, owing to ongoing investment for normal wear and tear. A slower market may also induce existing owners to re-invest in their homes if they plan to stay longer.

Building permits—captured in the new home construction and renovation markets—are forecast to decline in dollar-volume by 12.5 per cent next year and nearly six per cent in 2020. This follows average growth of near 15 per cent in both 2017 and 2018. The strongest dollar-volume declines next year are forecast in the Lower Mainland-Southwest at near 15 per cent followed by near ten per cent declines in the Thompson-Okanagan and Kootenay. Further downside is forecast in 2020 before a pick up in 2021. Growth in population and the economy will reverse the policy led decline.

Real residential investment, which includes housing construction and acquisition activity, is forecast to edge up one per cent this year following a flat 2017. However, the downdraft from slower housing starts and residential construction contributes to a six per cent dip in 2019 and another 2.4 per cent drop in 2020 before turning higher. Acquisition costs, which includes activity related to land development, transactions and other items are flat. Housing will be drag on B.C.'s broader economic growth profile.

Rental Market

B.C.'s rental market has remained tight for the past four years. Household formations driven by demographic change and population growth, strength in the labour markets, and rapid appreciation of home values has lifted rental demand and created difficulties for households looking for accommodations. More recent credit constraints are also keeping renters out of homeownership for longer.

While not universal across the province, 2018 marked another year of rock bottom vacancy rates and soaring monthly rents. Provincially, the average vacancy rate for apartment units was little changed at 1.4 per cent this year, up from 1.3 per cent in 2017. This was the fourth year in a row that the vacancy rate fell below 1.5 per cent. The average rate since 1990 was 2.4 per cent, and 2.2 per cent since 2000. A sustained period of low vacancy rates has unsurprisingly propelled rent growth. Same-sample apartment rent growth jumped to 6.3 per cent over the past year, well outpacing both consumer price inflation and wage growth. This followed a 5.8 per cent increase in 2017.

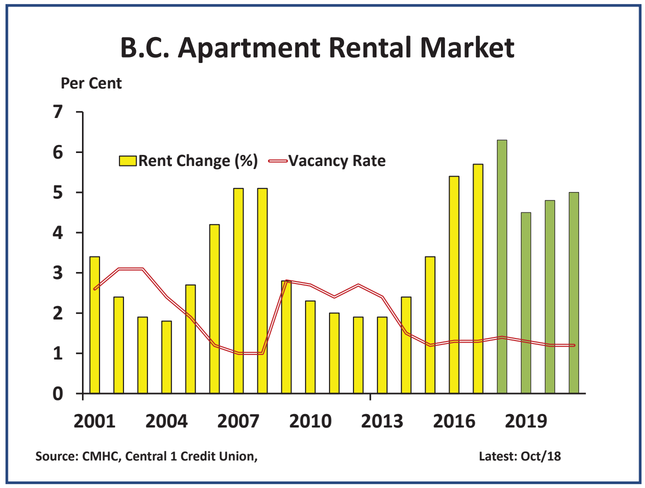
The vacancy rate in Vancouver CMA edged up to 1.0 per cent from 0.9 per cent in 2017. An increase in supply contributed to an increase in vacancy rates in Kelowna from 0.2 per cent to 1.9 per cent, Victoria from 0.7 per cent to 1.2 per cent, and Abbotsford -Mission from 0.2 per cent to 1.0 per cent. Smaller market highlights included microscopic rates in most municipalities on Vancouver Island, including 0.4 per cent in Campbell River, 0.2 per cent in Parksville. In contrast, the lingering impacts of the commodity downturn had Fort St. John at 16.7 per cent and Dawson Creek at 9.0 per cent. Northern B.C. vacancy rates generally exceed rates in southern markets.

Privately owned condominium apartments showed vacancy rates of about 0.3 per cent in Victoria and Vancouver, and 0.6 per cent in Kelowna. The decline of condominium rental stock in 2018 could reflect the impact of provincial and municipal policies as owners reacted to the implementation of the Empty Homes Tax, the prospective speculation tax and regulations against home-sharing. Lower expectations for capital appreciation was led to sales of rental investments.

Tight markets posted strong rent growth, with Vancouver CMA rents up 6.2 per cent, while Kelowna, Victoria and Abbotsford-Mission rents rose 8.1 per cent, 7.5 per cent, and 7.9 per cent. accelerated rent growth was also observed in Kamloops (6.0 per cent) and Nanaimo (6.7 per cent), with northern markets showing more modest growth. The government's allowable rent increase was set at 4.0 per cent in 2018, suggesting significantly higher turnover rents for new tenants relative to existing tenants.

Rental stock expansion has been unable to put much of a dent in the purpose-built rental vacancy rates and rent growth. While annual rental starts and completions more than doubled since 2012, growth in the purpose-built rental stock has been mild. Part of the gain reflects an increase in social housing, though a large portion reflects secondary basement units in houses classified as apartment rental. The latter is a less stable form of rental tenure over the long-term despite the positive supply trendProvincially, the rental universe expanded by the strongest one-year gain on record at about 2,400 units or 1.3 per cent in 2018. While this was higher than the norm—reflecting the pick up in new development—net growth has been roughly 10,600 units since 2010 or six per cent growth, which is easily absorbed by increased demand. Population growth since 2010 sits at roughly 9.5 per cent and growth in the number of households sits slightly lower at nine per cent. Roughly 60 per cent of B.C.'s rental apartment stock was constructed in the 1960s and 1970s.

Renters will continue to experience stressful conditions. The rental market is currently undersupplied and requires a substantial uplift in new supply from a combination of private purpose-built rental, government sponsored housing, condominium rental space and secondary suites. Growth is needed to facilitate current and future demand. However, incentives to build new purpose-built rentals has eroded with recent changes to limit allowable rent increases to inflation rather than inflation plus two per cent. Proposals to tie rent control to units rather than tenancies could further curtail supply and reinvestment. Headline average rent growth should ease as more renters are incentivized to stay in existing rentals, which decreases rental market turnover. New renters and renters who move will face a steeper premium as growth in rental stock slows. Apartment vacancy rates are forecast to trend range-bound at 1.3 per cent and ease to 1.2 per cent in 2020 and 2021. Supply additions will be insufficient to materially lift vacancy rates. Headline rent growth will climb by less than five per cent but owes largely to artificial policy constraints rather than slowing of market demand. Recent measures may slow growth in the pace of purpose-built rental construction and re-investment in existing units—intensifying vacancy rates and rent growth pressure in the future.



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Housing Forecast Table

		2016	2017	2018	2019	2020	2021
Residential Transactions	All Units	125,367	117,836	93,465	99,490	101,610	103,005
	% change	12.2	-6.0	-20.7	6.4	2.1	1.4
	Resale Component	105,928	98,594	81,465	81,990	85,110	87,005
	% change	15.1	-6.9	-17.4	0.6	3.8	2.2
	New Component	19,439	19,242	12,000	17,500	16,500	16,000
	% change	-1.2	-1.0	-37.6	45.8	-5.7	-3.0
Median Price	All Units	457,900	500,000	535,000	522,000	521,000	530,000
	% change	7.7	9.2	7.0	-2.4	-0.2	1.7
	Resale Component	464,000	500,000	530,000	520,000	520,000	530,000
	% change	8.4	7.8	6.0	-1.9	0.0	1.9
	New Component	434,900	496,900	550,000	538,000	533,000	530,000
	% change	3.8	14.3	10.7	-2.2	-0.9	-0.6
MLS® Activity	Sales	112,211	103,758	79,000	81,000	85,000	87,000
	% change	9.5	-7.5	-23.9	2.5	4.9	2.4
	Listings	156,434	149,757	147,000	153,000	155,000	152,000
	% change	2.9	-4.3	-1.8	4.1	1.3	-1.9
	Average Price	691,120	709,601	710,000	700,000	690,000	695,000
	% change	8.6	2.7	0.1	-1.4	-1.4	0.7
Housing Starts, Units (000s)	Total	41.8	43.5	39.5	32.2	32.5	34.7
	% change	33.1	3.9	-9.2	-18.5	0.9	6.8
	Single-Detached	12.3	12.4	11.2	10.2	10.0	10.6
	% change	20.9	0.8	-9.7	-8.9	-2.0	6.0
	Multi-family	29.6	31.1	28.3	22.0	22.5	24.1
	% change	38.8	5.2	-9.0	-22.3	2.3	7.1
Apartment Vacancy Rate	% change	1.3	1.3	1.4	1.3	1.2	1.2
Average Rent Increase	% change	5.5	5.8	6.3	4.5	4.8	5

Sources: Landcor, CMHC, CREA, Central 1 Credit Union

Annual Residential Resale Transactions

	2016	2017	2018	2019	2020	2021
Vancouver Island/Coast	19,290	18,057	15,300	15,750	16,500	16,300
% change	29.3	-6.4	-15.3	2.9	4.8	-1.2
Lower Mainland/Southwest	64,489	57,646	44,500	44,000	46,000	48,000
% change	11.5	-10.6	-22.8	-1.1	4.5	4.3
Thompson/Okanagan	14,845	14,570	13,000	13,500	13,800	13,900
% change	23.1	-1.9	-10.8	3.8	2.2	0.7
Kootenay	3,195	3,665	3,850	3,800	3,750	3,700
% change	18.6	14.7	5.0	-1.3	-1.3	-1.3
Cariboo	2,555	2,843	2,750	2,800	2,820	2,800
% change	6.3	11.3	-3.3	1.8	0.7	-0.7
North Coast	628	660	800	850	890	880
% change	-11.8	5.1	21.2	6.3	4.7	-1.1
Nechako	409	483	475	480	460	475
% change	-20.3	18.1	-1.7	1.1	-4.2	3.3
Northeast	517	664	790	810	890	950
% change	-43.3	28.4	19.0	2.5	9.9	6.7
Province	105,928	98,594	81,465	81,990	85,110	87,005
% change	15.1	-6.9	-17.4	0.6	3.8	2.2

Sources: Landcor, Central 1 Credit Union

Residential Resale Transactions by Select Census Metropolitan Area/ Census Aggomeration

	2016	2017	2018	2019	2020	2021
Vancouver CMA	53,266	47,571	36,500	36,200	37,700	39,300
% change	7.1	-10.7	-23.3	-0.8	4.1	4.2
Abbotsford-Mission CMA	4,769	4,236	3,500	3,300	3,300	3,500
% change	44.4	-11.2	-17.4	-5.7	0.0	6.1
Victoria CMA	8,331	7,340	6,100	6,300	6,500	6,400
% change	32.9	-11.9	-16.9	3.3	3.2	-1.5
Kelowna CMA	6,056	5,414	4,700	4,800	5,000	5,050
% change	21.8	-10.6	-13.2	2.1	4.2	1.0
Chilliwack CA	3,389	3,333	2,700	2,600	2,600	2,650
% change	51.2	-1.7	-19.0	-3.7	0.0	1.9
Nanaimo CA	2,888	2,810	2,550	2,700	2,750	2,750
% change	23.8	-2.7	-9.3	5.9	1.9	0.0
Vernon CA	1,763	1,782	1,550	1,530	1,600	1,650
% change	38.7	1.1	-13.0	-1.3	4.6	3.1
Kamloops CA	2,316	2,493	2,300	2,500	2,500	2,600
% change	20.6	7.6	-7.7	8.7	0.0	4.0
Prince George CA	1,472	1,657	1,600	1,620	1,630	1,650
% change	0.5	12.6	-3.4	1.2	0.6	1.2
Fort St. John CA	255	304	375	390	430	460
% change	-49.1	19.2	23.4	4.0	10.3	7.0
Cranbrook CA	473	462	510	520	520	525
% change	8.7	-2.3	10.4	2.0	0.0	1.0

Sources: Landcor, Central 1 Credit Union

Median Annual Residential Price

	2016	2017	2018	2019	2020	2021
Vancouver Island/Coast	384,000	420,000	455,000	465,000	470,000	478,000
% change	9.7	9.4	8.3	2.2	1.1	1.7
Lower Mainland/Southwest	600,000	640,000	675,000	651,000	648,000	653,000
% change	11.1	6.7	5.5	-3.6	-0.5	0.8
Thompson/Okanagan	355,000	380,000	401,000	400,000	408,000	415,000
% change	6.3	7.0	5.5	-0.2	2.0	1.7
Kootenay	244,000	259,000	269,000	279,000	283,000	288,000
% change	1.7	6.1	3.9	3.7	1.4	1.8
Cariboo	227,000	239,000	253,000	258,000	265,000	275,000
% change	2.3	5.3	5.9	2.0	2.7	3.8
North Coast	240,000	240,500	245,000	260,000	275,000	287,000
% change	0.0	0.2	1.9	6.1	5.8	4.4
Nechako	189,000	210,000	219,000	227,000	232,000	239,000
% change	3.8	11.1	4.3	3.7	2.2	3.0
Northeast	270,000	285,000	271,000	280,000	290,000	305,000
% change	-10.0	5.6	-4.9	3.3	3.6	5.2
Province	464,000	500,000	530,000	520,000	519,000	523,000
% change	8.4	7.8	6.0	-1.9	-0.2	0.8

Sources: Landcor, Central 1 Credit Union

Median Resale Residential Price by Select Census Metropolitan Area/ Census Aggomeration

	2016	2017	2018	2019	2020	2021
Vancouver CMA	670,000	698,000	717,000	696,000	694,000	699,000
% change	14.5	4.2	2.7	-2.9	-0.3	0.7
Abbotsford-Mission CMA	465,000	511,500	560,000	540,000	535,000	535,000
% change	23.2	10.0	9.5	-3.6	-0.9	0.0
Victoria CMA	508,500	556,000	590,000	588,000	593,000	595,000
% change	7.1	9.3	6.1	-0.3	0.9	0.3
Kelowna CMA	432,500	480,000	520,000	515,000	523,000	529,000
% change	9.5	11.0	8.3	-1.0	1.6	1.1
Chilliwack CA	369,900	427,000	475,000	483,000	480,000	482,000
% change	18.9	15.4	11.2	1.7	-0.6	0.4
Nanaimo CA	344,000	395,000	425,000	430,000	435,000	442,000
% change	9.0	14.8	7.6	1.2	1.2	1.6
Vernon CA	355,000	372,450	383,000	380,000	388,000	393,000
% change	10.9	4.9	2.8	-0.8	2.1	1.3
Kamloops CA	337,750	362,400	380,000	378,000	383,000	389,000
% change	1.9	7.3	4.9	-0.5	1.3	1.6
Prince George CA	253,600	265,000	287,000	290,000	299,000	308,000
% change	4.8	4.5	8.3	1.0	3.1	3.0
Fort St. John CA	335,000	339,000	325,000	335,000	350,000	368,000
% change	-4.8	1.2	-4.1	3.1	4.5	5.1
Cranbrook CA	250,000	271,000	290,000	300,000	303,000	307,000
% change	0.0	8.4	7.0	3.4	1.0	1.3

Sources: Landcor, Central 1 Credit Union

Residential Investment: British Columbia

	2016	2017	2018	2019	2020	2021
Real Residential Investment ($2007 Millions)	25,455.0	25,413.0	25,602.9	24,054.3	23,474.9	24,537.6
% Change	15.0	-0.2	0.7	-6.0	-2.4	4.5
Total New Dwellings	13,964.8	13,818.1	13,999.1	12,315.2	11,500.7	12,061.2
% Change	24.9	-1.1	1.3	-12.0	-6.6	4.9
Renovations	8,133.5	8,049.6	8,213.5	8,406.7	8,611.0	9,076.3
% Change	-0.6	-1.0	2.0	2.4	2.4	5.4
Total Acquisition Costs	3,023.0	3,194.2	3,043.2	2,992.2	3,024.7	3,056.3
% Change	19.2	5.7	-4.7	-1.7	1.1	1.0
Other Residential Construction	333.7	351.0	347.0	340.1	338.5	343.9
% Change	45.2	5.2	-1.1	-2.0	-0.5	1.6
Housing Starts (000s)	41.8	43.5	39.5	32.2	32.5	34.7
% Change	33.1	3.9	-9.1	-18.4	0.8	6.8
Single Detached Housing Starts (000s)	12.3	12.4	11.2	10.2	10	10.6
% Change	20.9	0.8	-9.5	-8.8	-2.4	6.1
Multi-Family Housing Starts (000s)	29.6	31.1	28.3	22	22.5	24.1
% Change	38.8	5.2	-8.9	-22.3	2.3	7.1

Sources: Statistics Canada, CMHC, Central 1 Credit Union

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