



Highlights

- Home sales in B.C. decreased in April and prices remained unchanged
- B.C. housing starts declined in April
- B.C. manufacturing sales fell below last March's level
- Both non-residential and residential sectors saw reductions in building permit issuances in March

B.C. home sales recede in April

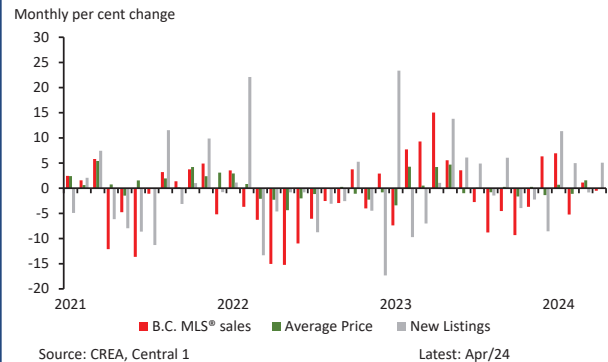
Eloho Ennah, Economic Analyst

Housing market performance remained subdued in April as home sales slipped. Seasonally adjusted MLS® home sales in B.C. came in at 5,818 units, 0.5 per cent lower than the prior month. This also marked a 12.3 per cent decrease from the same period last year, signaling a lackluster start to the second quarter of the year. In addition, home prices in the province remained stable during the month.

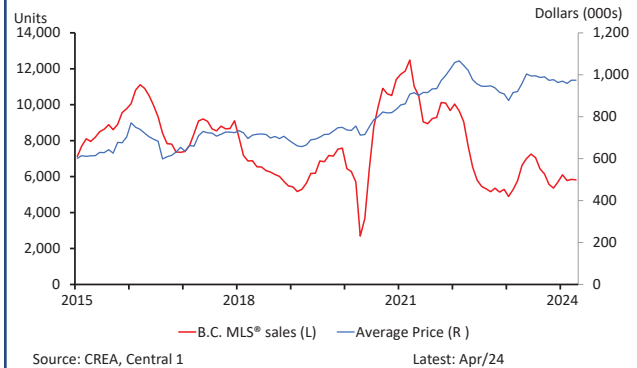
MLS® home purchases varied across the provinces' real estate boards. The Greater Vancouver area saw an increase of 5.1 per cent, ahead of the 2.0 per cent gain in March. In Chilliwack, sales increased by nearly 3.0 per cent, while in South Okanagan, they saw a slight uptick of 1.0 per cent. Kamloops reported a 4.9 per cent gain in monthly sales numbers. Other regions posted declines during the month. The Fraser Valley experienced an 8.1 per cent reduction in sales, while Vancouver Island experienced the most significant dip, down 9.4 per cent following two months of lifted sales numbers. The Kootenay also saw sales decline by 1.7 per cent while sales in the Okanagan Mainline moved down by 0.5 per cent.

Home prices remained flat in April, resting at \$974,008. Average prices in B.C. have remained relatively stable in recent months, hovering at elevated levels within a narrow range. This month's figure was down 8.7 per cent from an all-time high in February 2022. Within the regions, Greater Vancouver home values have remained range bound, with April's number being 0.9 per cent lower than the prior month. Home prices in the

Home sales recede, prices flat while new listings rise



B.C. home sales decline slightly, prices unchanged



Fraser Valley region saw home prices decline by 0.7 per cent, with Chilliwack specifically seeing a 1.1 per cent decline. In the Okanagan-Mainline, home prices fell 1.0 per cent during the month. On the other hand, prices increased in South Okanagan (10.7 per cent), Kootenay (5.4 per cent) and Kamloops (8.0 per cent).

Seasonally adjusted benchmark prices, which take into account home attributes and product composition unlike average prices, continued their descent in April. Lower Mainland benchmark prices, encompassing Greater Vancouver and the Fraser Valley, fell by 0.3 per cent, with a similar decrease observed in the Okanagan Valley. Vancouver Island benchmark prices were relatively unchanged.

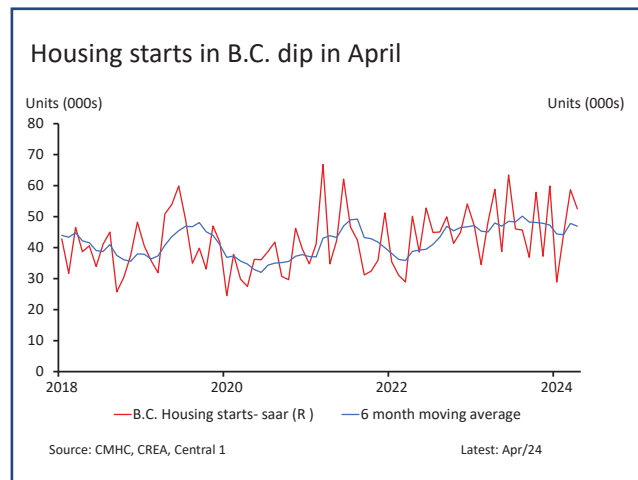
Residential new listings in B.C. rose by 5.1 per cent in April, while market conditions moved further away from balance as the sales-to-new listings ratio edged down from 44.7 per cent in March to 42.3 per cent in April.

This suggests that buyers had more say in the negotiating process. While potential buyers remain eager for interest rate cuts, we expect soft sales to persist into the third quarter of the year, after which potential rate cuts may trigger more remarkable changes in sales activity.

Multifamily homes led the monthly decline in housing starts

Alan Chow, Business Economist

B.C. saw fewer urban housing starts in April, yet construction activity remained robust. This suggests pro-housing policies in the province may be starting to yield positive results. In April 2024 housing starts in B.C. decreased to 52,532 on a seasonally adjusted annualized basis. In comparison to the previous month, this reflects a decrease of 10.4 per cent, but it remains notably higher than the average of the last six months, which was around 46,900. In April, multifamily starts in B.C. declined 11.8 per cent to a rate of 48,609 units, while there was a modest increase of 10.5 per cent increase in single family starts to 3,923 units. Nationally, housing starts remained virtually unchanged.



Among the seven metro areas listed in B.C., five reported lower housing starts in April. Vancouver saw a decline of 17.1 per cent to an annual rate of 34,585 while Kelowna saw 51.2 per cent fewer housing starts in April, down to an annual rate of 2,331. Kamloops, Abbotsford-Mission, and Chilliwack also saw fewer housing starts in April. Victoria experienced a 10.7 per cent increase in housing start in April compared to March, marking the fourth consecutive month of growth. Nanaimo also reported more housing starts with a seasonally adjusted annual rate of 4,598.

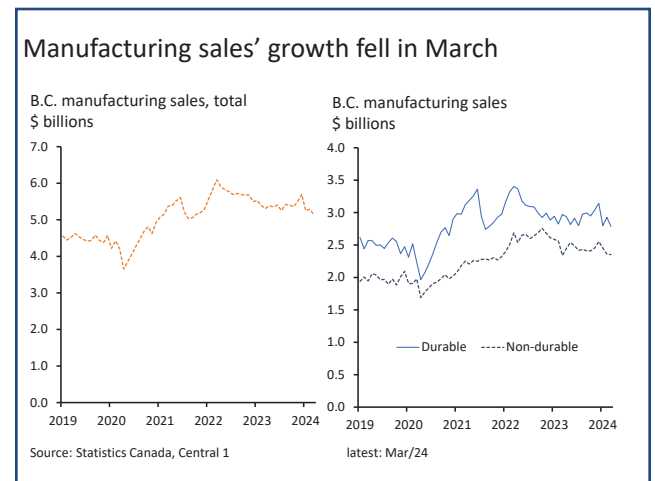
In a year-to-date comparison, the number of starts in B.C., when unadjusted, has decreased by 2 per cent, dropping from 15,551 in 2023 to 15,230 in 2024. The number of single-family starts decreased, with 1,240 units started as April 2024 compared to 1,690 units

last April 2023, representing a 27 per cent decline. Additionally, multifamily unit construction starts increased slightly, up from 13,861 units as of April 2023 to 13,990 units as of April 2024, representing a 1.0 per cent increase.

B.C. manufacturing sales fell in March

Ivy Ruan, Economic Analyst

Manufacturing sales in B.C. fell by 2.8 per cent to \$5.14 billion in March, following a rebound in February. Non-durable goods industries experienced a modest decrease of 0.3 per cent in monthly sales, while durable goods industries contributed to the overall decline with a 4.8 per cent decrease in monthly sales. Total manufacturing sales in the province have been trending down since late 2023. On a year-over-year basis, B.C. manufacturing sales were 4.2 per cent lower than last March, while they also decreased by 5.4 per cent on a year-to-date basis.



Within the durable goods industries, monthly decreases were seen across most categories, except machinery manufacturing, which saw an increase of 3.6 per cent, and miscellaneous manufacturing, which saw an increase of 4.1 per cent. Following last month's increase in manufacturing sales, wood product manufacturing in B.C. reported an 8.1 per cent decrease in sales in March. The category has seen a downtrend since November 2023. Non-metallic mineral product manufacturing experienced the largest proportional decrease in sales at 17.4 per cent, while primary metal product manufacturing also had a 5.0 per cent decrease during the same period. Yearly, durable goods reported 6.3 per cent fewer sales, and non-durable goods industries in B.C. also posted 1.5 per cent lower manufacturing sales.

Within the Vancouver metro area, manufacturing sales fell by 4.1 per cent in the month of March, with durable goods industries down 4.4 per cent and non-durable goods industries down 3.8 per cent.

B.C. construction industry sees falling permit values in March

Eloho Ennah, Economic Analyst

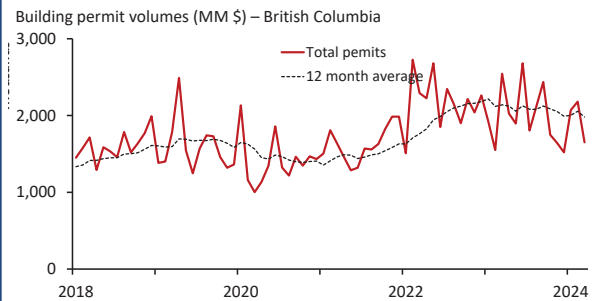
B.C. building permits plunged in March following two monthly increases. Total building permit values fell 24.3 per cent to \$1.7 billion, countering the 5.3 per cent gain in February. The decrease was due to lower permits issued in both the residential and non-residential sectors, with construction intentions declining by 12.2 percent and 45.8 percent, respectively. Year-over-year, total permit values fell by 35.1 per cent.

However, the total value of building permits in the first quarter of 2024 reached \$5.9 billion, a 20.1 per cent increase from a weak fourth quarter to lead national gains. This was due to higher commercial and industrial non-residential permits issued in the province. That said, the twelve-month moving average of permits in the province has continued to decline despite elevated housing starts, largely due to the current interest rate environment disincentivizing construction investment.

Residential building permits in B.C. declined to \$1.2 billion during the month as multi-family dwelling permits decreased for the second month, down by 16.4 per cent. However, single dwelling residential permits posted a 7.0 per cent gain in March, adding to the prior 3.7 per cent increase in February.

Non-residential permit values plummeted in March to \$424.2 million, as all but one subcategory posted declines during the month. After the huge gain in February, industrial permit values dipped 91.6 per cent, while commercial permits also fell by 42.1 per

B.C. building intentions decline in March



Source: Statistics Canada, Central 1

latest: Mar/24

cent. However, government permits issuances rose by nearly four times the value of the prior month.

B.C.'s census metropolitan areas posted mixed results in March. Vancouver experienced a 22.7 per cent decrease in monthly permit values, coupled with a steep 44.9 per cent decline compared to the same period last year. In Abbotsford-Mission, permits dropped by 61.7 per cent following significant gains seen in February. Kelowna also saw permit values decline by 29.1 per cent during the month. In contrast, permit values were up in Victoria (15.2 per cent), Nanaimo (13.8 per cent), Chilliwack (7.3 per cent) and Kamloops (2.4 per cent).

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