

For Immediate Release

Local Residential Real Estate Market Activity Curbed by High Interest Rates

KELOWNA, B.C. – October 5th, 2023. Residential real estate market sales dipped in September as high interest rates continued to stifle market activity, reports the Association of Interior REALTORS® (the Association).

A total of 977 residential unit sales were recorded across the Association region in September marking a significant dip from the previous month's 1,265 units sold and representing a 13.3% decrease in sales compared to September 2022.

New residential listings increased 14.6% compared to September 2022 with 2,384 new listings recorded. The total number of active listings saw a healthy increase of 16.7% of total inventory compared to September last year with 7,865 recorded across the Association region. The highest percentage increase in active listings continues to be dominated in the South Okanagan with a total increase of 35.3% compared to the same month last year.

"Typically the fall market starts to pick up momentum in September, however sales activity for the month suggests that the weight of high interest rates continues to bog down both buyers and sellers," says the Association of Interior REALTORS® President Chelsea Mann, adding that "many buyers and sellers have seemingly hit the brakes on their real estate efforts and have taken a wait-and-see approach hoping for the cost of borrowing to lighten."

"The market slowdown does not however mean that there aren't still deals being made. Homes that are priced appropriately to reflect current market conditions are still being sold at an even pace," says Mann.

The benchmark price for single-family homes in the South Okanagan, North Okanagan and Shuswap/Revelstoke regions all saw slight decreases in year-over-year comparisons, while the Central Okanagan region saw an increase of 3% in single-family homes, coming in at \$1,006,300. The townhome and condominium housing categories saw decreases across all regions compared to September 2022.

The average number of days to sell a home, always a good barometer to watch, increased to 71 days compared to the previous month's 63 days. It's important to note that the average of days on market is for the entire Okanagan region and that the indicator will vary depending on home type and sub-region.

Given the high stakes on such a significant financial transaction, home sellers and buyers can benefit from the knowledge and skills of a practiced REALTOR®. Contact your local REALTOR® to find out more about the real estate market and how they can help you achieve your real estate goals.

The Association of Interior REALTORS® is a member-based professional organization serving approximately 2,600 REALTORS® who live and work in communities across the interior of British Columbia including the Okanagan Valley, Kamloops and Kootenay regions, as well as the South Peace River region.

The Association of Interior REALTORS® was formed on January 1, 2021 through the amalgamation of the Okanagan Mainline Real Estate Board and the South Okanagan Real Estate Board. The Association has since also amalgamated with the Kamloops & District Real Estate Association and the Kootenay Association of REALTORS®

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About HPI

The MLS® Home Price Index (HPI) is the most advanced and accurate tool to gauge home price levels and trends by using benchmark pricing rather than median or average. It consists of software tools configured to provide time-related indices on residential markets of participating real estate boards in Canada.

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