

For immediate release:

Sharply Higher Mortgage Rates Will Slow Housing Activity in BC Through 2023

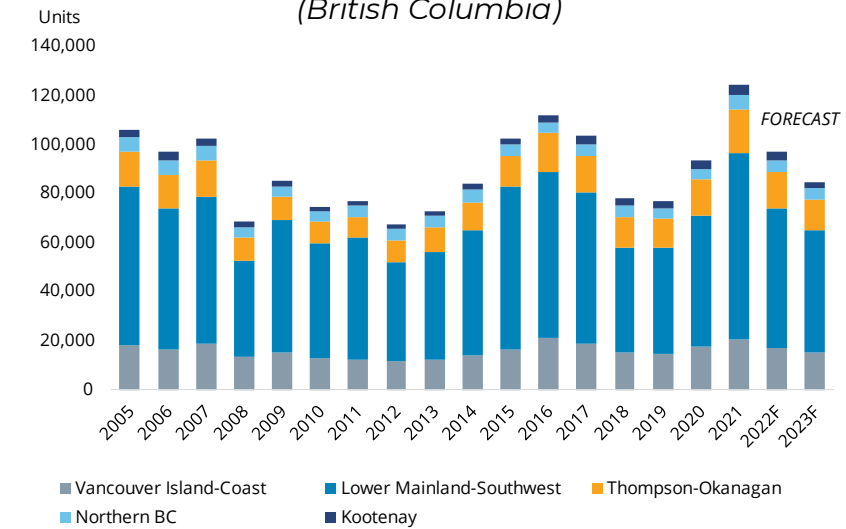
BCREA 2022 Second Quarter Housing Forecast

Vancouver, BC – May 31, 2022. The British Columbia Real Estate Association (BCREA) released its 2022 Second Quarter Housing Forecast today.

Multiple Listing Service® (MLS®) residential sales in the province are forecast to decline 22 per cent from a record high 2021 to 97,240 units this year. In 2023, MLS® residential sales are forecast to fall an additional 12.4 per cent to 85,150 units.

“After a strong first quarter, BC markets are now adjusting to a much different interest rate environment,” said BCREA Chief Economist Brendon Ogmundson. “With mortgage rates surpassing 4 per cent for the first time in over a decade, the housing market over the next two years may have very little resemblance to the housing market of the past year.”

MLS® Home Sales (British Columbia)



Source: BCREA Economics

On the supply side, we have begun to see active listings move off of record lows and re-sale inventories trend back toward balance. However, because inventories reached such low levels over the past year, the journey back to balance may take up to a year or more in some areas. As markets adjust to the new interest rate landscape, we anticipate that prices may be somewhat volatile but will ultimately flatten out through 2023.

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To view the full BCREA Housing Forecast, click [here](#).

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Housing Forecast Update Table – Q2 2022

Board Area	Unit Sales			Average MLS® Price (\$)		
	2021	2022F	2023F	2021	2022F	2023F
Victoria	9,514 18%	7,800 -18%	7,000 -10.3%	906,404 16.5%	1,067,800 17.8%	1,093,200 2.4%
Vancouver Island	10,730 18.5%	8,900 -17.1%	7,900 -11.2%	664,149 25.1%	790,600 19%	804,800 1.8%
Powell River Sunshine Coast	431 3.6%	340 -21.1%	300 -11.8%	519,928 23.6%	598,100 15%	605,000 1.2%
Greater Vancouver	44,884 42%	35,000 -22%	30,000 -14.3%	1,188,693 11.5%	1,280,000 7.7%	1,285,000 0.4%
Fraser Valley	26,546 40.7%	18,500 -30.3%	17,000 -8.1%	1,026,500 24.3%	1,157,700 12.8%	1,163,000 0.5%
Chilliwack and District	4,799 37.3%	3,500 -27.1%	2,900 -17.1%	728,146 26.2%	847,800 16.4%	855,000 0.8%
Interior:						
Okanagan*	14,202 55.1%	11,500 -19%	9,800 -14.8%	701,416 38.5%	849,600 21.1%	863,600 1.6%
Kamloops and District	3,746 23.1%	3,500 -6.6%	2,900 -17.1%	559,595 22%	664,800 18.8%	675,400 1.6%
Kootenay	3,992 14.7%	3,300 -17.3%	2,800 -15.2%	450,466 17.3%	518,100 15%	526,900 1.7%
South Peace River**	538 62%	400 -25.7%	350 -12.5%	284,524 10.2%	286,000 0.5%	288,000 0.7%
BC Northern	5,495 28.6%	4,500 -18.1%	4,200 -6.7%	384,661 15.5%	425,000 10.5%	431,000 1.4%
BC Total	124,880 36%	97,240 -22.1%	85,150 -12.4%	927,558 18.7%	1,034,400 11.5%	1,042,900 0.8%

*NOTES: The Okanagan Mainline Real Estate Board (OMREB) amalgamated with the South Okanagan Real Estate Board (SOREB) on January 1, 2021, to form the Association of Interior REALTORS®. In February 2022, the Association merged with the Kootenay and Kamloops real estate boards.

**The former Northern Lights Board, which was merged with SOREB in 2011, will now be called the South Peach River Region and is part of the new Association of Interior REALTORS®.

The [British Columbia Real Estate Association](#) (BCREA) is the professional association for about 24,000 REALTORS® in BC, focusing on provincial issues that impact real estate. Working with the province's eight real estate boards, BCREA provides continuing professional education, advocacy, economic research and standard forms to help REALTORS® provide value for their clients.

For detailed statistical information, contact your [local real estate board](#). MLS® is a cooperative marketing system used only by Canada's real estate boards to ensure maximum exposure of properties listed for sale.