

For Immediate Release

## **Local Residential Real Estate Market Dampened by Interest Rates**

**KELOWNA, B.C. – November 3<sup>rd</sup>, 2023.** Residential real estate market sales are below average for October as high interest rates continue to dampen market activity, reports the Association of Interior REALTORS® (the Association).

A total of 977 residential unit sales were recorded across the Association region in October marking a slight increase over September's 977 units sold and representing a modest 1.8% decrease in sales compared to October 2022.

New residential listings increased 8.6% compared to October 2022 with 1,971 new listings recorded. The total number of active listings saw an increase of 17.1% of total inventory compared to October last year with 7,399 recorded across the Association region. The highest percentage increase in active listings continues to be in the South Okanagan with a total increase of 37.7% and followed closely behind in the North Okanagan with a 26.6% increase in active listings compared to the same month last year.

"While we typically do see market activity ease up as the weather cools, the high cost of borrowing seems to be propelling a speedier seasonal slowdown than usual," says the Association of Interior REALTORS® President Chelsea Mann, adding that "buyers and sellers are left waiting in the wings despite high demand with the hope of seeing some interest rate relief on the horizon."

"The impact of qualifying for mortgages seems particularly impeding to rate-sensitive buyers as they struggle to secure financing. It is more important now than ever that buyers get pre-approved ahead of their house hunting efforts to ensure their expectations can align with their needs," says Mann.

The benchmark price for single-family homes in the Central Okanagan, North Okanagan and Shuswap/Revelstoke regions all saw slight increases in year-over-year comparisons, while the South Okanagan region saw a marginal decrease of 0.5% in single-family homes, coming in at \$741,800. Benchmark price in the townhome housing category saw decreases in the Central and South Okanagan, while the North Okanagan and Shuswap regions saw increases compared to October 2022. In the condominium housing category, all regions, with the exception of the South Okanagan, saw increases in the benchmark price for October 2023 compared to the same month last year.

The average number of days to sell a home, always a good barometer to watch, increased to 73 days compared to the previous month's 71 days. It's important to note that the average number 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**

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