

For immediate release

High Mortgage Rates Will Weigh on Housing Activity Through 2023 *BCREA 2022 Third Quarter Housing Forecast Update*

Vancouver, BC – September 8, 2022. The British Columbia Real Estate Association (BCREA) released its 2022 Third Quarter Housing Forecast Update today.

Multiple Listing Service® (MLS®) residential sales in BC are forecast to decline 34.4 per cent from a record high 2021 to 81,900 units this year. In 2023, MLS® residential sales are forecast to fall an additional 5 per cent to 77,790 units.

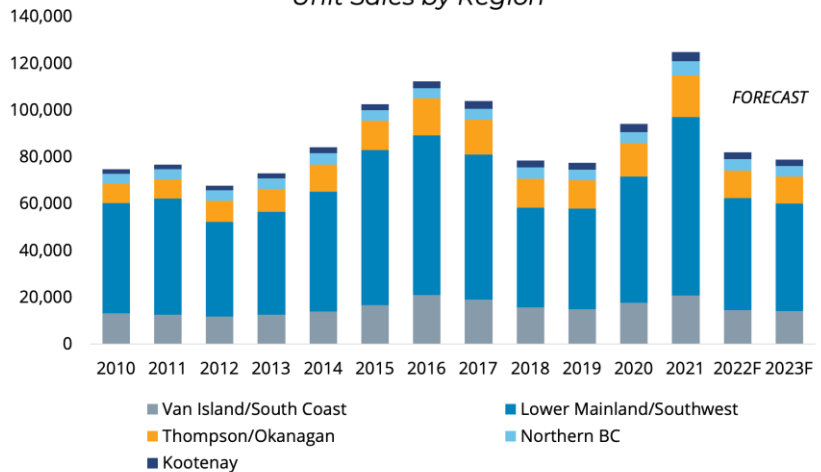
“Mortgage rates have risen at a much faster rate and to a higher level than previously anticipated,” said BCREA Chief Economist Brendon Ogmundson. “Faced with a dramatic shift in the cost of borrowing, housing market activity is likely to fall well below normal over the next year.”

Weaker sales and rising inventory mean that some regions, largely in more expensive markets, have tipped into buyers’ market territory. Consequently, average MLS® home prices have come down from peak levels.

MLS® Residential Sales

British Columbia

Unit Sales by Region



Source: BCREA Economics

While the housing market is currently feeling the weight of higher interest rates, the downturn is unlikely to be long-lived as BC’s strong population growth combined with extremely favourable demographics means there will be no shortage of demand for housing in the province.

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

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Housing Forecast Update Table – Q3 2022



Board Area	Unit Sales			Average MLS® Price (\$)		
	2021	2022F	2023F	2021	2022F	2023F
Victoria	9,514 18.0%	6,500 -31.7%	6,400 -1.5%	906,404 16.5%	992,300 9.5%	970,000 -2.2%
Vancouver Island	10,730 18.5%	7,500 -30.1%	7,300 -2.7%	664,149 25.1%	768,500 15.7%	750,000 -2.4%
Powell River Sunshine Coast	431 3.6%	400 -7.2%	390 -2.5%	519,928 23.6%	682,300 31.2%	675,000 -1.1%
Greater Vancouver	44,884 42.0%	30,000 -33.2%	28,500 -5.0%	1,188,693 11.5%	1,225,000 3.1%	1,190,000 -2.9%
Fraser Valley	26,546 40.7%	15,500 -41.6%	14,000 -9.7%	1,013,855 22.7%	1,030,000 1.6%	990,000 -3.9%
Chilliwack and District	4,799 37.3%	2,500 -47.9%	2,400 -4.0%	728,146 26.2%	789,200 8.4%	750,000 -5.0%
Interior:						
Okanagan*	14,202 25.0%	9,100 -35.9%	9,000 -1.1%	701,416 19.6%	775,000 10.5%	750,000 -3.2%
Kamloops and District	3,746 23.1%	2,700 -27.9%	2,500 -7.4%	559,595 22.0%	652,000 16.5%	650,000 -0.3%
Kootenay	3,992 14.7%	3,000 -24.8%	2,800 -6.7%	450,466 17.3%	515,000 14.3%	510,000 -1.0%
South Peace River**	538 62.0%	600 11.5%	500 -16.7%	284,524 10.2%	290,000 1.9%	280,000 -3.4%
BC Northern	5,495 28.6%	4,100 -25.4%	4,000 -2.4%	384,661 15.5%	411,500 7.0%	405,000 -1.6%
BC Total	124,877 32.8%	81,900 -34.4%	77,790 -5.0%	927,779 18.7%	969,400 4.5%	939,500 -3.1%

*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 ten real estate boards, BCREA provides continuing professional education, advocacy, economic research and standard forms to help REALTORS® provide value for their clients.

To demonstrate the profession's commitment to improving Quality of Life in BC communities, BCREA supports policies that help ensure economic vitality, provide housing opportunities, preserve the environment, protect property owners and build better communities with good schools and safe neighbourhoods.

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.