

Victoria Real Estate Market Performance Insights  
Q4 2020



CHRISTIE'S  
INTERNATIONAL REAL ESTATE



Fergus Kyne PREC\*, B.Ed.  
REALTOR®

Dirk VanderWal  
REALTOR®

## introduction

Happy New Year to our many new and returning **Q Report** subscribers. Thank you for reading. We appreciate your time with us, and although this edition is a little longer than usual, we always aim to give you a concise yet in-depth report. Let's see what *actually* happened in Victoria's Real Estate in the final quarter of the unexpected year we all had.

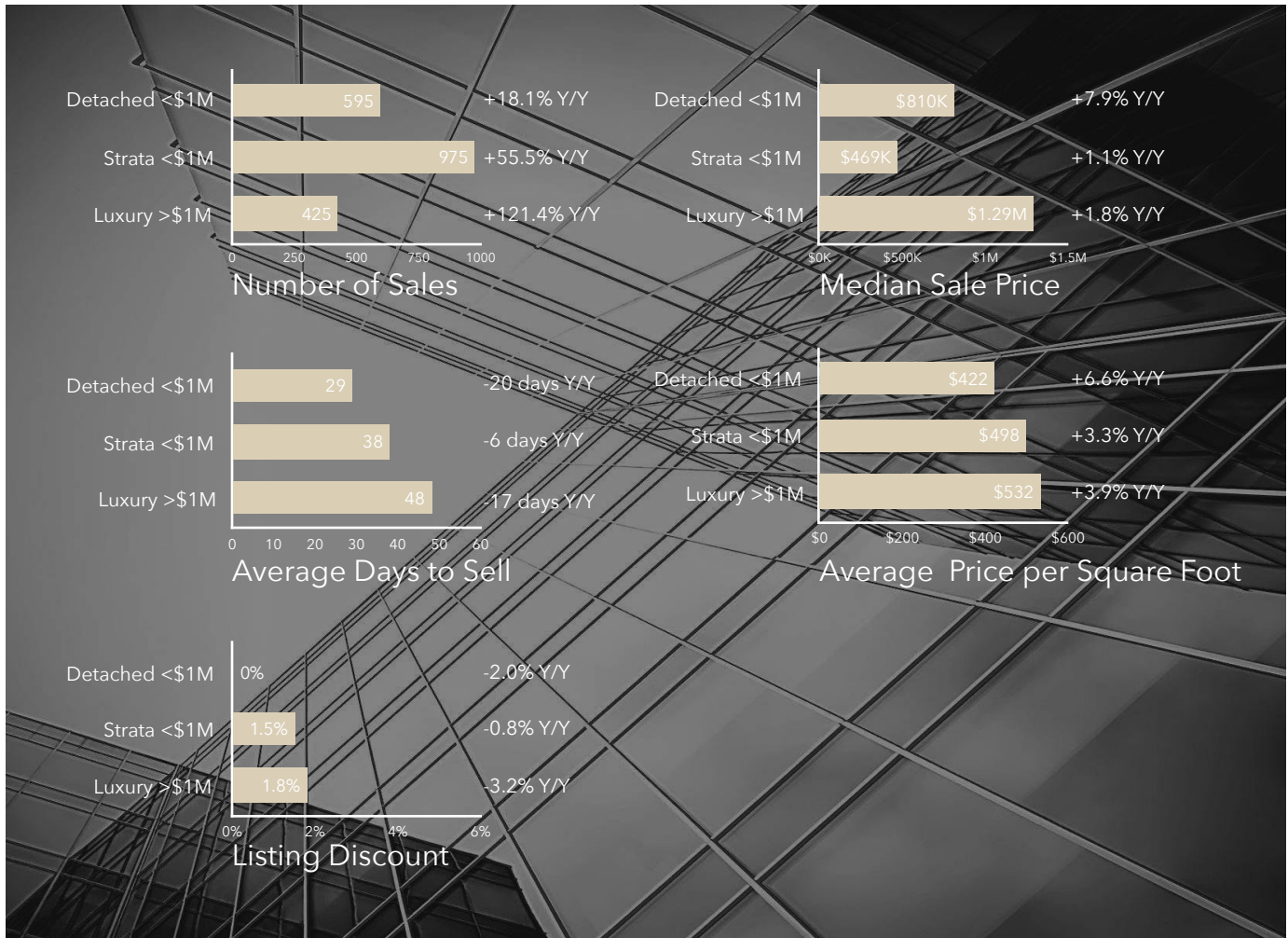
If you find our publication valuable, please help us continue to grow our subscriber base by sharing **The Q Report** with those you know. Join our Facebook community, follow us on Instagram and Twitter, share to your page, or post a link to [victoriaqreport.com](http://victoriaqreport.com) on your favourite online forum when you see that hand go up about real estate. And, don't hesitate to reach out to us personally with your questions, topic ideas, or of course, for a **Q Report** insider's consultation on your own real estate needs.

– Dirk & Fergus

## list of terms

<i>Assessed Value</i>	BC Assessment's value for taxation based on property characteristics and classification
<i>B-20 Stress Test</i>	A federally mandated requirement for lenders to ensure borrowers are protected from 'rate shock' by requiring borrowers to qualify for financing at a higher rate than the actual rate on the mortgage
<i>Detached</i>	Single-family detached dwelling
<i>Listing Discount</i>	The difference between original list price and final sale price, expressed as a percentage
<i>Luxury &gt;\$1M</i>	'Luxury' properties, comprised of detached and attached dwellings trading over \$1M
<i>MOI</i>	Months of Inventory; the amount of time (in months) it would take to exhaust the current number of available listings at the current pace of sales. Also known as absorption rate
<i>PPSF</i>	Price Per Square Foot
<i>Strata</i>	Attached dwellings such as condominiums and townhouses
<i>Y/Y</i>	Year over year; comparing the current quarter to the same quarter last year unless otherwise noted.

# 1 market overview



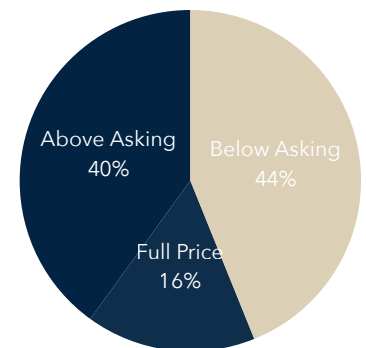
## Introduction

The key word heading into Q4 was 'momentum,' as sales activity from our record-shattering Q3 continued right toward the end of 2020. By every metric, we tracked another unprecedented quarter, even as Islanders met with a steep increase in COVID cases and a ratcheting up of public health measures aimed at keeping those numbers in check. Consumer demand has remained extremely strong, fuelled by record low interest rates. As we closed out the year, this massive momentum has been forced to slow by the friction of scarce inventory, with available listings reaching a 25-year low as of New Year's Eve. You'll find much more on our outlook for 2021 in our real estate forecast feature starting on page 10 of this edition, but first, read on, as we look back at the end to a truly extraordinary year by examining the biggest trends in our Market Overview.

## Detached <\$1M

Even casual market watchers could tell you that in the midst of the coronavirus pandemic, detached homes were the most sought after property of 2020, and this trend didn't lose any steam in Q4. Our metrics harken back to what we saw last quarter: significantly higher than usual transaction volume, and Y/Y median price increases of just under 8% (last quarter was just over 8%). Average market time was down by more than 40%, even at a time of year that typically sees sales take a little longer to happen.

The big headline for this segment was one we touched on in both Q2 and Q3: listing discount. The average listing discount dropped to zero for Q4. In fact, on a monthly basis, December's listing discount was -0.1%, meaning that the average sale price was higher than the average list price, with an incredible 56% of Q4's sales occurring at full price or higher. This is the direct result of demand outstripping supply, as a feeding frenzy of sales caused the number of detached homes available to drop by nearly two thirds between summer and winter, leaving months of inventory (MOI) for Q4 at only 1.4, and putting some consumers in a pinch.

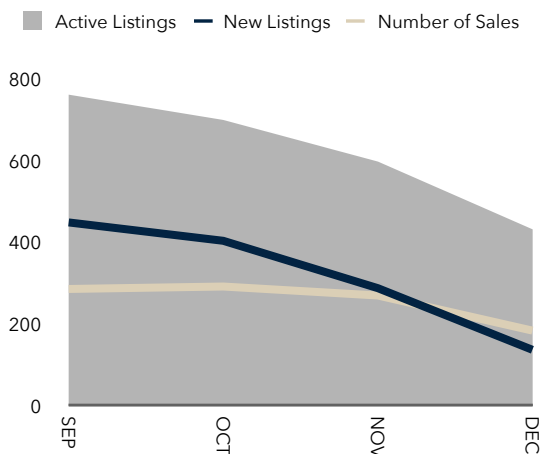


## Strata <\$1M

Condos and townhouses posted incredible numbers of sales this quarter, as we saw eager first-time buyers availing themselves of the opportunity to enter the market with greater purchasing power. According to the VREB Market Survey's breakdown of buyers, first-timers have made up the largest percentage of purchasers this past year, by a wide margin.

As a result of this buying bonanza, the excess condo inventory which we told you about throughout our Q2 and Q3 reports has been all but sopped up. The pent-up supply has been exhausted as well, and new listings flagged in Q4.

In this chart, we see the steep decline in available units over the course of Q4, culminating in the number of sales outpacing new listings as of year end.

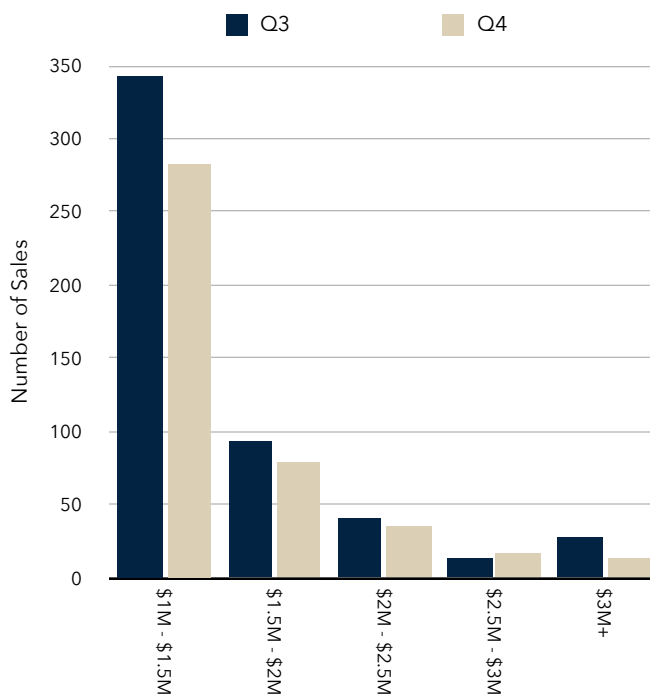


Townhomes are following the same trajectory, with double demand from both first-time and move-up buyers. This is reflected in the respective MOI counts for condos and townhouses in Q4, with condos averaging 2.6 MOI, and townhouses just 1.6. In spite of this, condo pricing remained relatively flat at year end, though short supply may place more pressure on prices going ahead.

## Luxury >\$1M

For the second quarter in a row, sales volume over \$1M was up by more than double on a year-over-year basis, with demand pushing the average listing discount down below 2%, and driving prices up from the year previous. In our last edition, we delved into the forces moving the higher end of our market – locals finding their once-average homes pushed up just over the \$1M mark by interest-rate-fed demand, with the strange bedfellows of returning expats and cashed-out mainland investors looking for a lifestyle upgrade and safe haven in real estate, away from the roller coaster that 2020 has been for the Dow Jones.

In our Q3 report, we posed a question, wondering whether \$2M is poised to become the 'new \$1M' in our marketplace, with so many homes now selling for over \$1M. We saw many of the same trends examined in that piece play out again in Q4, and it remained the case that more than twice as many sales occurred between \$1M-\$1.5M than all other price brackets above \$1.5M combined. We remain confident that a \$2M home definitely needs to be something impressive, and our work in luxury sales this year served to reinforce the importance of helping sellers meet buyers' level of expectation in order to achieve a high value sale.



## Summary

While we entered Q4 with a heavy foot on the gas, it seems the engine may have flooded in the end. Inventory conditions will improve somewhat toward spring, but will continue to influence the market. Fortunately, while these numbers might seem intimidating, there's an equity lift coming, and if you don't want to miss out, now is the time to get your plan together – financing, deposit, timing, location – and we have made a limited number of complimentary, COVID-friendly 'virtual' consultations available to book in Q1 to help set you up for success, whatever your end goal. Email [info@victoriareport.com](mailto:info@victoriareport.com) to find out more.

## Your Questions Answered: Property Assessments

We received a question from *Q Report* reader David C., asking if we would explain the relationship between assessments and asking/selling price. Since January always comes with BC Assessment sending out their annual notices to homeowners, it was great timing, and a question that regularly comes up as we work with our clients.

One of the first things to note about your property assessment is the date: July 1st... of last year. As such, assessments are already 'out of date' when they are issued, and this proves especially problematic when there are rapid shifts in home values as we have seen in the past year.

Even in less dynamic times, it's important to point out that the purpose of the assessment is to provide municipalities with an approximation of each property's value last year for taxation purposes, not to provide an accurate, up-to-date market valuation to homeowners. As such, each assessment is an algorithmically generated number, based on the property's basic characteristics and area sale price data supplied by the Land Title office's database, which determines the amount by which a given area sees assessments go up or down. Because sale prices rose in many regions in 2020, the majority of homeowners saw their assessments increase.

**BC ASSESSMENT**

**IMPORTANT INFORMATION FOR PROPERTY IDENTIFICATION**  
Area: 01 - Capital  
Jurisdiction: 308 - District of Saanich (SD61)  
Roll: 51-9500-059  
Bulk Mail: BMC1234  
School District: 61 - Saanich  
Neighbourhood: 03 - Wilkeson Interurban  
Confidential Pin: 0123

**PROPERTY ASSESSMENT NOTICE**

**Property Location & Description**  
Location:  
1234 Anywhere Street  
LOT 5, PLAN V194888, SECTION 98, LAKE LAKE DISTRICT  
PID: 012-345-678

**2017 Assessment - represents your property value as of July 1, 2016**

	VALUE	CLASS
LAND	112,000	
BUILDINGS	200,000	
2017 ASSESSED VALUE	\$312,000	RESIDENTIAL
TAXABLE VALUE	\$312,000	

**YOUR PROPERTY VALUE HISTORY**

Year	% Change	Assessed Value
2017	+16%	\$312,000
2016	-9%	\$268,000
2015	+8%	\$295,000
2014	+7%	\$273,000
2013	-5%	\$256,000

**IMPORTANT DATES**  
July 1, 2016  
Assessed value is estimated for most types of properties as of this date.

An increase in your BC Assessment does not necessarily mean an increase in your property tax bill. The rate of taxation in dollars per assessed value ('mill rate') is determined by the municipal budget each year. If the city's fiscal needs haven't increased from last year, but your assessment has, you'll likely see a reduction in the mill rate, resulting in a similar net amount of taxes due.

As REALTORS®, we often look at BC Assessment data when evaluating properties, but in a fashion where we are interpreting the data for trends, rather than taking a single assessment at face value. For instance, if we examined six recent sales of similar homes in the same neighbourhood and found that all six of them had sold for 7-8% more than their respective assessments that year, that would offer a valuable clue when assessing a subject property, and may be weighted against other pricing metrics as a step in determining an *asking* price. Ultimately, the *sale* price of a given property is determined by market forces: what price a willing buyer and willing seller are willing to exchange the property for, against the backdrop of available supply and demand.

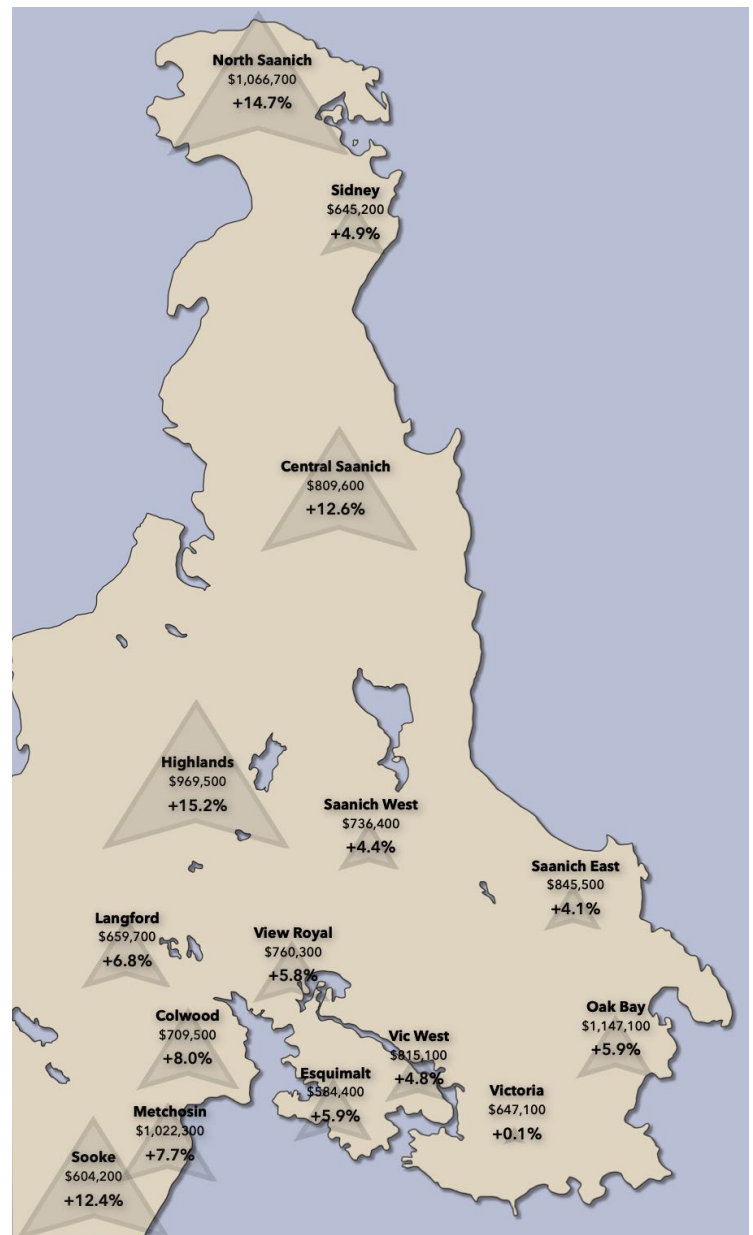
Still have questions about your assessment? For a hands-on look at how your 2021 BC Assessment value correlates to your home's current market value, please drop us an email with the heading 'Assessments' to [info@victoriaqreport.com](mailto:info@victoriaqreport.com).

## 2 home price index® trends

### Introduction

Each edition of *The Q Report*, we analyze price movements around the region using the MLS® Home Price Index® (HPI®). The HPI® is particularly well adapted to this, since by design, it is less sensitive to the swings of averages and medians that get pulled up and down by the properties sold in a given period, by tracking the indexed values of a number of different types of statistically modelled homes over time, which are based on the characteristics of actual homes in each given area, continuously updated with the latest MLS® sales figures. Looking at the HPI® composite benchmark values at the end of each quarter gives us a chance to go a level deeper in trends analysis, from observing our real estate market as a whole, to understanding how different geographical sub-markets are moving relative to one another.

Coming to the close of 2020, the HPI® composite index was up in every single district in the CRD from one year prior. We have tracked the composite index for several years because it yields consistent data, but the sometimes disparate performance of condos, townhomes, and detached homes unquestionably showed up in the composite values as we evaluated the HPI® data for this edition.



### Suburban Success and Rural Rising

The big trend to notice is the startling price growth in greater Victoria's suburban and rural communities. This is more than just an echo from the last few editions of *The Q Report*; we are presenting empirical evidence of buyer preference trending toward outlying areas, just as we have heard reported from other markets around the continent. The end of 2020 saw massive, often double-digit Y/Y index price gains in Sooke, Metchosin, Highlands, and North and Central Saanich. For the first time ever, Sooke's composite benchmark price broke the \$600K mark, and Metchosin edged over the \$1M mark, with

Highlands just behind. Incidentally, BC Assessment reported that properties in Metchosin saw the largest increases to their 2021 assessed values at 10% on average. We see the value of those large lots outside the core increasing dramatically at present, but wonder if the trend will outlive the virus.

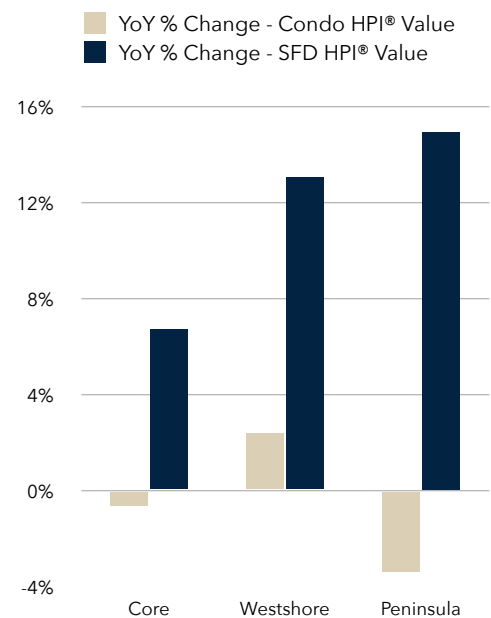
### It's all in the mix

As we mentioned above, one of the challenges in using the composite index is accounting for the property mix in each district. We regularly discuss property mix in this section, but it is an acute point in the current batch of figures. Victoria and Oak Bay, which often trend close to one another, were apart this time around. The HPI® index value for single family homes was up in both districts, and the difference between their relative increases was very small. However, when accounting for the mix of property types in the combined composite value, Victoria's much larger stock of condominiums, which trended down lower than the few in Oak Bay, netted Victoria a virtual zero. With far more detached homes, Oak Bay saw an overall composite value increase of 5.9%.

To put this visually, we included the chart at right, which shows the Y/Y HPI® change for condos compared to detached homes around the Core, Westshore, and Peninsula

### Summary

We continue to find our interest in the breadth of information we can use and interpret in the HPI® rewarded. Our experience and expertise in making the most of this valuable tool allow us to apply accurate price trend insights to a particular neighbourhood, property type, and timeframe. If you'd like to find out how HPI® data analysis can be put to work for your situation, drop us a quick line at [info@victoriaqreport.com](mailto:info@victoriaqreport.com) with the word "HPI" in the subject line, and we'll get right back to you.



### 3 strata matters: depreciation reports

For every homeowner, there are many financial considerations, not just in the process of purchasing – down payment, closing costs, financing, and so forth – but over the period of ownership as well.

Unless your home is new, it will need ongoing maintenance, ranging from light bulbs to water heaters. Consider your patio, your roof, your heating system or even your water drainage. These are key items that need attention and looking after on an ongoing basis. As a single-family home owner, you are responsible for maintenance, or the prospect of selling for less. It's as simple as that.

That is why, for many people, strata ownership is preferred. In a strata, owners collectively contribute to the costs of maintaining the building,



grounds, elevators, recreational facilities like pools and hot tubs, parking, landscaping, exteriors as well as all the other costs that any real property requires. You're not cutting the grass, cleaning gutters or even rebuilding your deck; it's taken care of and you pay for that service.

Basically, as a strata owner, you accept the premise that the collective you are a part of will manage and arrange for the building's needs. Monthly strata fees are calculated and paid based upon the percentage of ownership of your personal square footage or unit entitlement. So great, everything is taken care of for you right?

Not so fast. What metrics will you as an owner use to ensure that the money you are paying is being responsibly used to maintain, repair and safeguard your investment – particularly if you're considering selling at some point? A great place to start is with the regular written communication of your strata, which is required by law to provide certain practical and financial safeguards. But the best place to look is at the relationship between your strata's depreciation report (DR) and the strata's meeting minutes. We'll explain the DR in a moment, but first consider the following to establish context.

No buyer should ever purchase in a strata without a thorough understanding of the health of that strata, both in financial terms and the condition of the building and shared assets. You've no doubt heard of the essential work a licensed building inspector provides to a person buying a home. With a strata, you're unlikely to have an inspection of the entire building for which you will bear proportional partial responsibility toward the whole. Hence, you'll need to

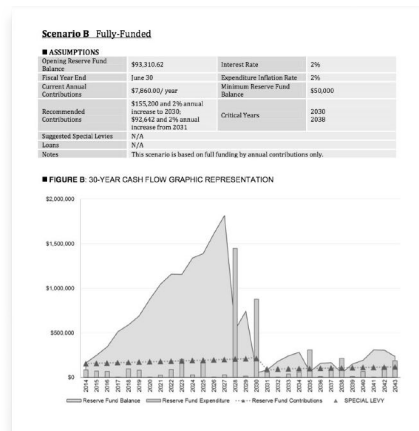
be able to feel secure that your investment will be a wise one. But how is that done?

According to Morrison Hershfield Engineering:

*"As provided by the BC Strata Property Act, a DR is prepared to estimate the repair or replacement cost and the expected life of major common elements. The Strata Property Act requires Strata corporations to prepare a DR, [which] includes a physical component inventory and evaluation of property that the strata are responsible to maintain or repair. It provides a summary of repairs and maintenance work for common expenses that usually occur 'less often than once a year or that do not usually occur.' Finally, DRs include financial forecasting which provide contribution scenarios that are a realistic assessment of the funds required for the purposes of undertaking major repairs to or replacement of the major common element building components."*

These are very detailed documents and require a time commitment to be understood in their entirety. The progress your strata is making with respect to the recommendations called for in the DR can be evaluated by reading and examining the minutes of meetings held by your strata. As specially trained residential real estate advisors, we are experts in the marketing, sales and purchases of strata for sellers and buyers, and experienced in reviewing strata documents.

If you are an owner in a strata, or a prospective buyer, we can provide you with an evaluation of your current strata's relative compliance with the recommendations and funding requirements suggested by the DR. Our assessment will allow you to determine an ideal ownership/investment or resale window, or whether a given strata makes sense to purchase in, based upon your projected ownership timeline. To learn more or schedule your confidential consultation, reach us today at [info@victoriaqreport.com](mailto:info@victoriaqreport.com).



## 4 2021 real estate forecast

### **2020: The Year that Was**

You may recall CMHC's forecast during the depths of the first round of lockdowns, in May, which predicted an historic recession in 2020, a decline in housing sales volume of 19% to 29%, and average MLS® price drops of 9% to 18%, with a slow, gradual recovery beginning in mid-2021.

But as we all know now, the market took a different turn. Once the cloud of uncertainty which we all felt at the time of CMHC's dire predictions began to lift, along with restrictions, things quickly heated up. Now, at year end, we see home prices have increased appreciably, though as we outlined in this edition's Market Overview and our quarterly analysis of the MLS® Home Price Index® (see pages 3-4 and 6-7), price appreciation was not uniform across the market.

With so many under orders to isolate at home, and newfound value in our concept of 'home' (as our homes have also become our offices, classrooms, gyms, and cafés), in retrospect, it's shouldn't be a surprise that those conditions led to a wave of households looking for a little more space, and, as *The Q Report* has illustrated, buyers were willing to trade central locations for more living space outside of the core. This trend, along with the rapid deflation of the short-term vacation rental market earlier in the year, saw the softer performance we assessed in condos through most of the last three quarters.

One thing we have been actively watching for through Q3-Q4 has been the appearance of distressed sellers, as the bulk of credit deferral programs introduced in the spring had been set to expire after six months. With listing inventory continuing to plunge deeper and deeper below seasonal averages throughout Q4, it's safe to say that this emergent trend has not materialized, largely precipitated by the federal government's decision to extend the availability of direct financial support by another year.

### **2021: Trends to Watch**

With humans' hard-wired need to be around other humans, we will see a return to shared spaces for work, socializing, and recreation as the world carefully begins to reopen over the coming 18 months. Beyond our witness of the pent-up demand for real estate, we can only imagine the number of other sectors that will see an abundance of business once health authorities give us the green light – travel, retail, dining, entertainment, and many others. You many not have considered this fact, but the Spanish Flu was widely credited as having given rise to the 'roaring '20s' a century ago, and we believe it's likely that the economic and psychological recovery from this pandemic will lead to a new period of growth and prosperity. The roaring '20s, 2.0.

Back in the spring, nobody would have predicted that Victorians would be receiving the first COVID-19 vaccines before the end of the year. Economists expect the vaccine to help spur job growth. Consumer confidence, stoked by the foreseeable return to more 'normal' life, combined with this year's delayed market activity, will carry momentum forward into this new year's housing market.

We don't know how long macroeconomic fundamentals will continue to support such a piping hot housing market, but in the near term at least, our overall outlook from *The Q Report* offices is pretty rosy.

### Seasonality

While we know public health officials will continue to manage case counts through targeted restrictions, we believe that this year will see a return to the more typical seasonality of the market. If you're a new reader, we looked at our market's well-worn seasonal trends – and how they were bucked by the pandemic – in our [Q3 Report](#).

### Low Inventory

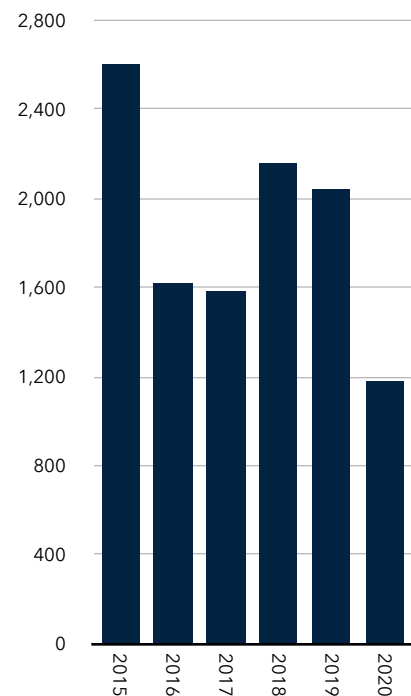
The average number of active listings on VREB's MLS® at year end over the preceding five years was 70% higher than at the end of December 2020. As we pointed out in the Market Overview on page 2, last year ended at a 25-year low.

Although demand remains steady, we foresee low inventory restricting the number of sales in 2021. This will contribute to low market times, more sales at or above asking, and continued upward pressure on pricing, particularly for detached homes and townhouses, where buyer interest continues to be strongest.

### Buyers and Sellers

*Move-up buyers:* One of the big trends we saw in 2020 will carry on in 2021: move-up buyers will continue to be a primary market mover, as many look for more space for things like home offices, home gyms, yards, and gardens. The trend of older Millennials moving to suburban areas will continue, as it was underway before the pandemic. Unfortunately, in the near term move-up buyers will have a compounding effect on our market's low inventory, as they tend to delay listing their property for sale until they first have a purchase contract in place on their new home when moving in a tight market.

*Out-of-towners:* Vancouver's market surged back in 2020, other provinces have still been fighting escalating coronavirus cases, and investment markets



continue to yo-yo based on political rattlings. For these and other reasons we have outlined before, we expect to see continued demand on the Island from out-of-town buyers seeking real estate here. In the last edition of *The Q Report*, we talked about how out-of-town buyers don't put up a local property for sale in exchange for the one purchased, unlike move-up buyers, which can exacerbate undersupply, which we experienced keenly in 2016.

*First-timers:* With many younger Millennials now entering their 30s and 'household formation' years, attractive rates and entry-level condo pricing make conditions favourable to enter the market for the first time. Thresholds for some of the programs available to first-time buyers have been tweaked to account for markets like ours, and we expect to see more first-timers taking the plunge in the year ahead.

*Sellers:* Properties of all types and price points continue to sell around the region, and sellers can expect reasonably short listing periods and low listing discounts. But even in a tight seller's market, a successful sale for a seemingly price still requires correct pricing and superlative marketing. Our feature article 'The 5% Difference' from [Q3 2019](#) covers why it's important to work with professionals who intimately understand the mechanics of the market in your area when considering your list price. Email us at [info@victoriareport.com](mailto:info@victoriareport.com) for more on this.

*Builders:* New housing starts are one of the more effective means of alleviating housing supply issues. Unfortunately, industry forecasts are calling for the downward trend that has been occurring for several years to continue in 2021. Looking around, it's easy to see that the majority of construction is happening further from the core, which has been fuelling suburban HPI® growth, but the number of new dwellings being brought to market is far short of the demand for new homes. Moreover, we continue to see a lack of 'missing middle' housing such as townhomes being constructed throughout the region, particularly in the core.

### **Interest rates**

The Bank of Canada has signalled that they will keep their prime rate low to encourage economic recovery, which we expect to remain unmoved by the end of 2021. The BC Real Estate Association (BCREA) Q4 mortgage rate forecast doesn't see 5-year fixed rates for mortgages moving back up from their current levels until well into 2021.

### **Sales volume**

With 2020 having already posted 15% more sales than last year, 2021 is unlikely to repeat the feat of double-digit Y/Y growth. Moreover, we expect low listing inventory to restrict the overall number of sales from significantly

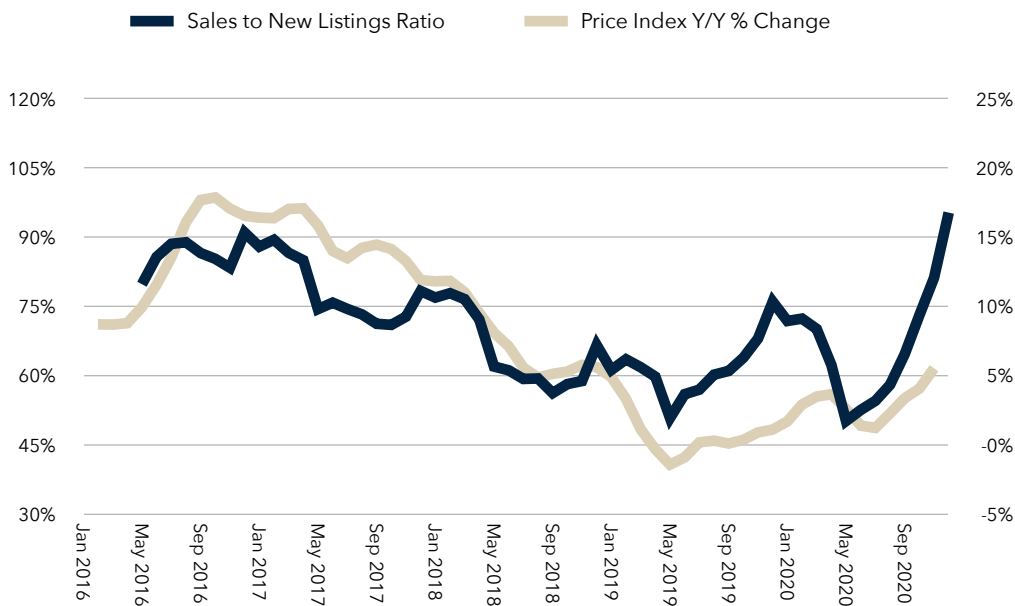
exceeding this year's count, but we do expect to see total sales volume up by a further 3-5%.

### Home Prices

As with sales volume, we do not expect pricing to run away by another 9%+ like it did last year, however, looking at the current landscape, it's not hard to see average and median prices will be up another 5-7%. If this comes to pass, Victoria stands to join the seven-figure club, with the projected average price of a single-family detached home in the CRD topping \$1M by year end.

Our own industry economists at BCREA are calling for 2.5% average price growth for Victoria by the end of 2021, however we could easily see that happening by the time the spring market begins to wane, ending the year at more than double that conservative estimate.

As our projections have noted, low listing inventory has factored heavily in our forecasts. This following chart, tracking the Y/Y change to Victoria's Home Price Index alongside monthly sales-to-new-listings ratio, points toward further price inflation in the near term.



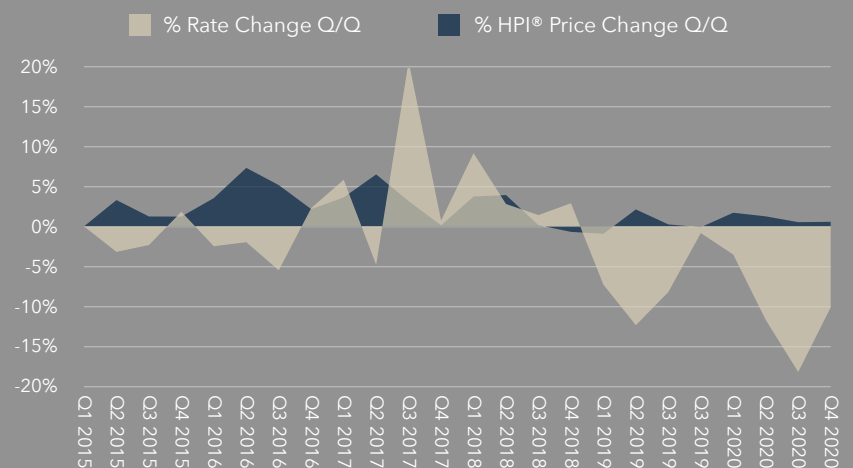
## Summary

As we embark on another dynamic year in the real estate market, the outlook is bright, but if there's one thing we've learned to accept in 2020, it's a healthy degree of uncertainty. Stick with *The Q Report* to stay up to date on these and other emerging trends.

If you want to enjoy the lift we see coming, don't wait to meet with us and get your plan together to participate in the market this year: financing, deposit, timing, location. Your market experts at *The Q Report* are ready to help you fulfill your real estate goals, and we're just a quick click away – [info@victoriaqreport.com](mailto:info@victoriaqreport.com).

## Rates vs. Prices

This chart plots quarterly changes to five-year discounted mortgage rates and MLS® HPI® Composite values for the VREB market area over the past five years.



It seems rational to think that low or declining rates, by improving purchasing power, would stimulate the housing market, and the opposite would hold true as well, and, looking at this chart, more often than not, rate changes and price changes do tend to mirror one another to some extent. Early 2015 into 2016 saw a gradual easing of interest rates, and as rates dropped, prices increased. The inverse trend occurred more recently in 2019-20, with deeply sliding interest rates, mirrored by a more tempered rise in benchmark price.

Of course, many complex factors influence consumer behaviour, and interest rates are only one driver. When the economy is growing and performing well across sectors, consumer confidence is high, and home sales and prices tend to continue moving upward, even if interest rates are also increasing as they are driven up by forces of inflation and the bond market. This was the case between 2017 and early 2018, when measures such as the B-20 stress test were implemented to cool the market at that time.

Tying this all together for the near term, we expect interest rates will remain low, and continue to stimulate consumer demand, causing continuing price increases in the real estate market.

Further ahead, an eventual return to full economic capacity will be the trigger for rising rates, although this is expected to take longer than the forecast horizon for this report. We have seen that rising rates don't necessarily cool things off on their own, however, if the combination of higher prices plus higher rates tilts the balance of affordability back, we would see that drag on the market down the road.



# opportunities

## sellers

- **It's a Seller's Market:** This may be your chance to hit not just a home run, but a bases-loaded, extra-innings, walk-off grand slam. However, the most successful sellers will beat the crowd if they capitalize on having their home in ten-out-of-ten showing condition, and win on timing, valuation, and presentation. We can help you arrange the essential items, and put our proprietary, custom targeted marketing approach to work to help you secure control of not only price, but also never-to-be-overlooked terms, dates, and conditions.

## buyers

- **Be Prepared:** No matter the property type and price point, this is the time to have your plan in place, and line up financing options, cash on hand for deposit and closing costs, and in the event you face a multiple offer situation, surrounding yourself with a professional team and a winning strategy in advance will pay dividends at crunch time. If you're in need, we can help.
- **First-Time Buyers:** Although all buyers are still required to qualify under the B-20 stress test, the current rate climate means that entry-level condos can be yours to own from \$1,500 per month including taxes and strata fees, with options covering a multitude of areas.
- **Pre-sales:** Across all property types, pre-construction purchases are one of the few options that can secure a new home at present-day prices, without the competition we see in the resale market. With continued price appreciation forecast for the near term, new construction could be the best option for those buyers who don't need to move in the next 90-120 days.

## investors

- **Pre-sale Condos:** As confidence drives housing demand, builders will respond by bringing new developments to the marketplace. Our deep dive on presale price appreciation in the [Q4 2019 Q Report](#) showed an average 10% upside for presale investors who resold one year after completion. Contact us to find out about our database tracking upcoming developments.

*Contact us today for a personalized assessment of what your best opportunities will be in the coming months, tailored to your unique circumstances.*



## summary

This edition closes out a remarkable year of consumer trends in real estate. We enjoyed bringing you our analysis, appreciate your continued readership, and sincerely hope you have found our insights valuable in making some sense of what *actually* happened in 2020.

Thank you for taking the time to reach out to us with your feedback, questions, and business referrals, and for sharing *The Q Report* with other savvy minds.

Our phone lines and email inbox are open, and we have a number of confidential, complimentary virtual consultation opportunities reserved for *Q Report* Insiders like you. If you want a well-informed, data-based approach employed with your largest asset, supported by trust, experience, and proven processes, we would love to talk to you.

Dirk VanderWal & Fergus Kyne  
Office: (250) 385-2033  
[info@victoriareport.com](mailto:info@victoriareport.com)



# notes

## data analysis

*The Q Report's* analysis includes listing and sales data exclusively from the Victoria Real Estate Board's Multiple Listing Service® (MLS®) 'Core', 'Westshore', and 'Peninsula' regions. Data is analyzed for unconditional pending and completed sales that occurred between 2020/10/01 and 2020/12/31 except where specifically noted otherwise.

## data sources

<i>BC Real Estate Association (BCREA)</i>	<a href="http://bcrea.bc.ca">bcrea.bc.ca</a>
<i>Black Press Media</i>	<a href="http://blackpress.ca">blackpress.ca</a>
<i>Canada Housing &amp; Mortgage Corporation (CMHC)</i>	<a href="http://cmhc-schl.gc.ca">cmhc-schl.gc.ca</a>
<i>The Canadian Real Estate Association (CREA)</i>	<a href="http://crea.ca">crea.ca</a>
<i>Capital Daily</i>	<a href="http://capitaldaily.ca">capitaldaily.ca</a>
<i>The Conference Board of Canada</i>	<a href="http://conferenceboard.ca">conferenceboard.ca</a>
<i>CTV News</i>	<a href="http://ctvnews.ca">ctvnews.ca</a>
<i>Forbes Magazine</i>	<a href="http://forbes.com">forbes.com</a>
<i>Morrison Hershfield</i>	<a href="http://morrisonhershfield.com">morrisonhershfield.com</a>
<i>RatesDOTca</i>	<a href="http://rates.ca">rates.ca</a>
<i>Real Estate Council of BC (RECBC)</i>	<a href="http://recbc.ca">recbc.ca</a>
<i>Statistics Canada</i>	<a href="http://statcan.gc.ca">statcan.gc.ca</a>
<i>Times Colonist</i>	<a href="http://timescolonist.com">timescolonist.com</a>
<i>Vancouver Sun</i>	<a href="http://vancouver.sun.com">vancouver.sun.com</a>
<i>Victoria Real Estate Board (VREB)</i>	<a href="http://vreb.org">vreb.org</a>

## research & writing

Fergus Kyne PREC\*, B.Ed., REALTOR®  
Dirk VanderWal, REALTOR®

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*E&OE. Not intended to solicit parties already under contract.*

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