

**For Immediate Release**

## **Local Residential Market Sales Sees Slower Than Usual Start to Year**

**KELOWNA, B.C. – February 6<sup>th</sup>, 2023.** Residential real estate sales started the year off with nearly half as many sales activity compared to the same month the year prior, reports the Association of Interior REALTORS® (the Association).

A total of 552 residential unit sales were recorded across the Association region in January representing a 48.6% decrease in sales compared to the bustling market of January 2022.

“This dampening in sales activity is not unexpected given current market conditions. Specifically, the cost of borrowing has risen over the course of the year and weighs heavily on homebuyers’ plans,” says the Association of Interior REALTORS® President Lyndi Cruickshank, adding that “demand is still strong, but high interest rates will likely continue to make for a slow first quarter in real estate activity.”

New residential listings saw a slight uptick of 7.1% within the region compared to January 2022 with 1,430 new listings recorded. Overall inventory saw a healthy increase of 99.8% with 6,208 units currently on the market at the close of January.

“Despite an increase in inventory, there is still a lack of affordable housing which is compounded by the high interest rates,” notes Cruickshank, adding “we are seeing buyers and sellers holding off on their real estate intentions as their money just doesn’t get them as far as what it used to.”

The benchmark price for single-family homes in the Central Okanagan, North Okanagan, South Okanagan and Shuswap/Revelstoke regions all saw some modifications in year-over-year comparisons, with a mix of increases and decreases depending on the various home types. The benchmark price for single-family homes saw decreases across all areas compared to January 2022, with the highest percentage decrease in the Central Okanagan; down 7.9%, coming in at \$976,800.

The average number of days to sell a home, always a good barometer to watch, increased to 86 days compared to last month’s 75 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® 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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