

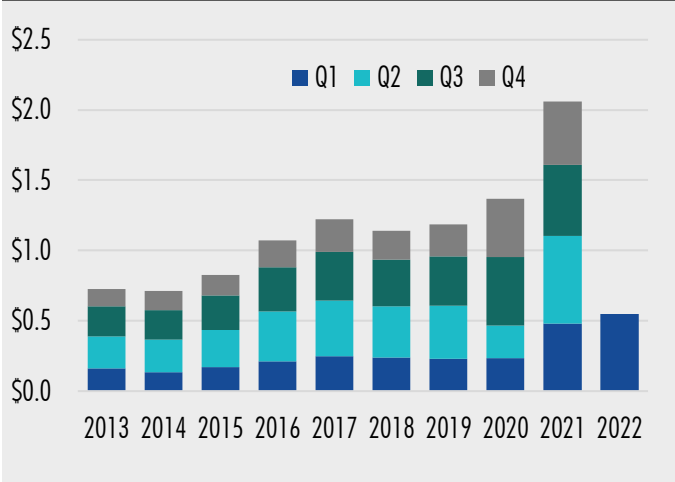


**Q1 2022**

# **KAMLOOPS & DISTRICT MARKET OVERVIEW**

**APRIL 2022**

**FIGURE 1: RESIDENTIAL SALES VOLUME  
KAMLOOPS & DISTRICT- \$ Millions**

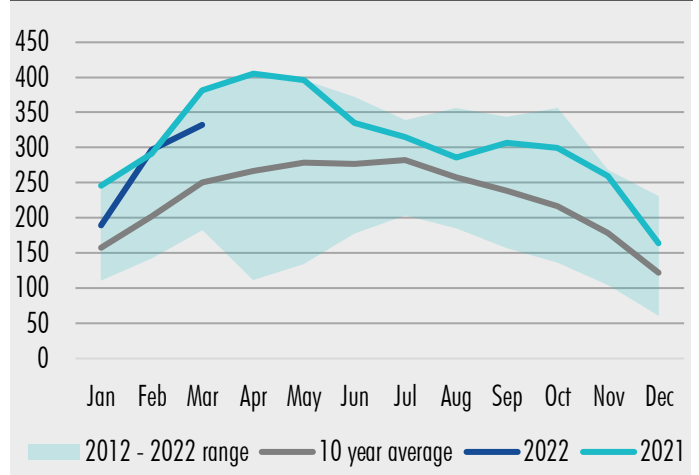


Source: ASSOCIATION OF INTERIOR REALTORS®, Q1 2022

Momentum in the Kamloops and District residential real estate market continues to propel forward. Sales remain strong albeit at a more sustainable pace. Throughout the region, The Association of Interior REALTORS® recorded 818 residential sales worth \$548.0 million in the first quarter of 2022. The overall number of transactions has declined 10.9% compared to the Q1, 2021. The slide in sales reflects last year's record demand rather than any weakness in 2022.

The local market continues to experience a housing shortage as supply has not been able to keep up with demand. In the first 3 months of 2022, 1,152 new listings hit the market. This represents an 11.0% increase compared to the same period in 2021. Working from home and the need to self-isolate was particularly hard on those living in apartment buildings. This caused available apartment listings to rise faster relative to any other property type, however, apartments have historically represented less than 10% of the new listings at any given time.

**FIGURE 2: NUMBER OF RESIDENTIAL  
SALES KAMLOOPS & DISTRICT**



Source: ASSOCIATION OF INTERIOR REALTORS®, Q1 2022

**FIGURE 3: QUARTERLY NEW HOMES  
QUICK STATS**



**818 Residential sales in Q1 2022**  
10.9% decrease vs Q1 2021



**\$548.0 Million transacted in Q1 2022**  
14.6% increase vs Q1 2021



**1,152 New listings in Q1 2022**  
11.0% increase vs Q1 2021



**929 Active residential listings as of March 2022**  
82.9% increase vs March 2021

Source: ASSOCIATION OF INTERIOR REALTORS®, Q1 2022



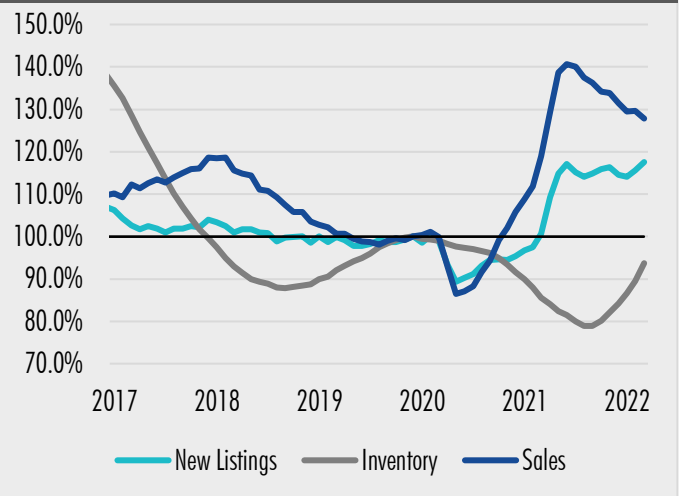
As the spring arrived, the market experienced an uptick in listings. It is encouraging to see the number of active single-family listings rising to the highest level seen since August 2019, with 611 homes for sale in March of 2022. During the same month, there were 929 active residential listings throughout the Kamloops market. This represents an 82.9% increase compared to the same period in 2021. Regardless, active listings continue to be well below the 10-year average and below pre-pandemic levels.

The new housing market is unlikely to provide any meaningful supply relief in the short-term. Builders' biggest challenge is the compression of profit margins as construction costs have escalated. Many builders chose to withhold inventory until later stages of construction which provides more cost certainty. Additionally, supply chain disruptions have impacted construction timelines. Even the most efficient builders, who provide minimal customization, have not been spared with delays. According to CMHC, the average length of construction for a single-family home in Kamloops throughout 2021 was 10.3 months, yet it is not uncommon that the wait for possession of a new home to be longer than a year. These issues are likely to persist as supply chains have not recovered and many more months are likely to transpire before the chaos subsides.

The pandemic has accelerated demand for real estate in the Kamloops and District market, brought by a shift in demographics. Locals make the largest share of buyers in the region, yet households from the lower mainland and Vancouver Island account for 37.0% of the sales in the first quarter of 2022. As Vancouver real estate prices have soared, households are selling their properties for top dollars and buying larger properties in the Kamloops region with either all cash offers or smaller mortgages.

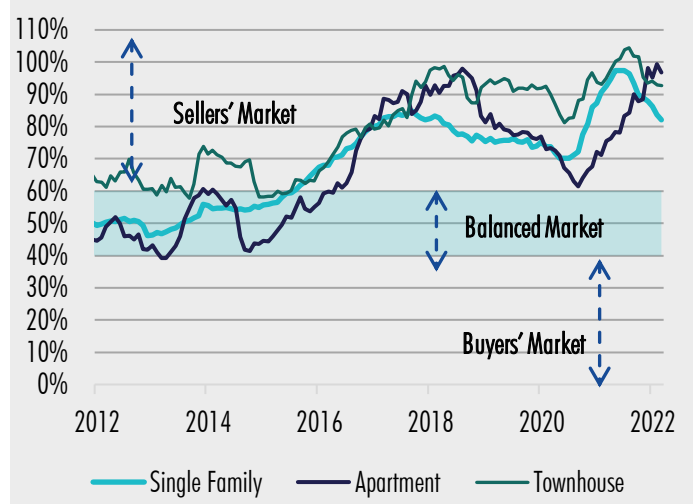
Multiple offers remain common, however, the number of offers per property has declined. The number of unconditional offers which waived inspections have diminished. Some eager buyers have put forward offers with prices well above asking. The strength of demand has pushed the region into an undeniably extended seller's market. It is not uncommon for sellers to fish for the highest bidder, pushing the boundaries on listing prices as much as possible. The unbalance pushed the 12-month average sales-to-new-listings ratio above 83% for single-family across the region in 2021.

**FIGURE 4: KAMLOOPS & DISTRICT SALES VS INVENTORY 2019=100.0%**



Source: ASSOCIATION OF INTERIOR REALTORS®, Q1 2022

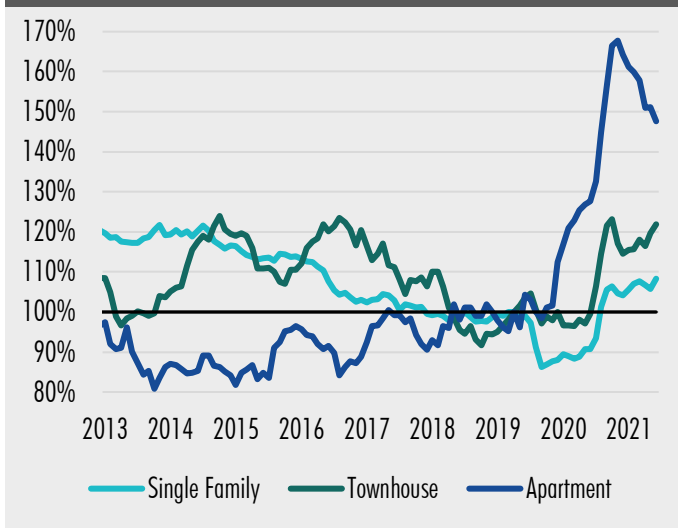
**FIGURE 5: SALES TO NEW LISTINGS RATIO – 12 Month Moving Average**



Source: ASSOCIATION OF INTERIOR REALTORS®, Q1 2022



**FIGURE 6: NEW LISTINGS INDEX**  
2021 = 100.0%

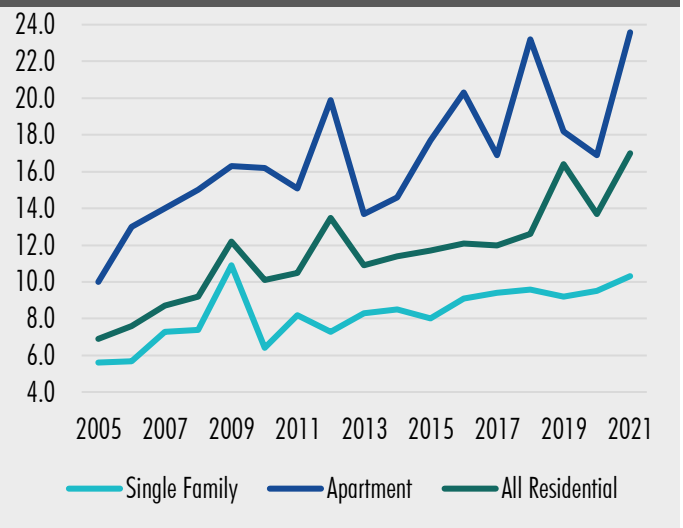


Source: ASSOCIATION OF INTERIOR REALTORS®, Q1 2022

Increased competition combined with a lack of available product is putting upward pressure on prices and quickly eroding affordability. Benchmark prices across the Kamloops and District area reached all-time highs in March of 2022. The composite aggregate price for the region was \$638,900 and single-family home prices reached \$711,100. This represents 30.5% and 31.5% increases compared to March 2021 levels. Buyers are feeling the pressure from rising prices. Households with no equity, mainly first-time buyers, are finding it difficult to purchase a home, with many feeling that the market is running away from them.

Housing is a major theme in the recent 2022 federal budget with 29 new housing related measures announced. This includes supply-boosting initiatives, speculation curbing measures, and new support for buyers. Additionally, the BC government has introduced legislation that will allow for a cooling off period following the purchase of a home. Whether these proposed actions will support affordability is yet to be seen as many of these measures will take some time to implement.

**FIGURE 7: AVERAGE MONTHS OF CONSTRUCTION BY DWELLING TYPE**

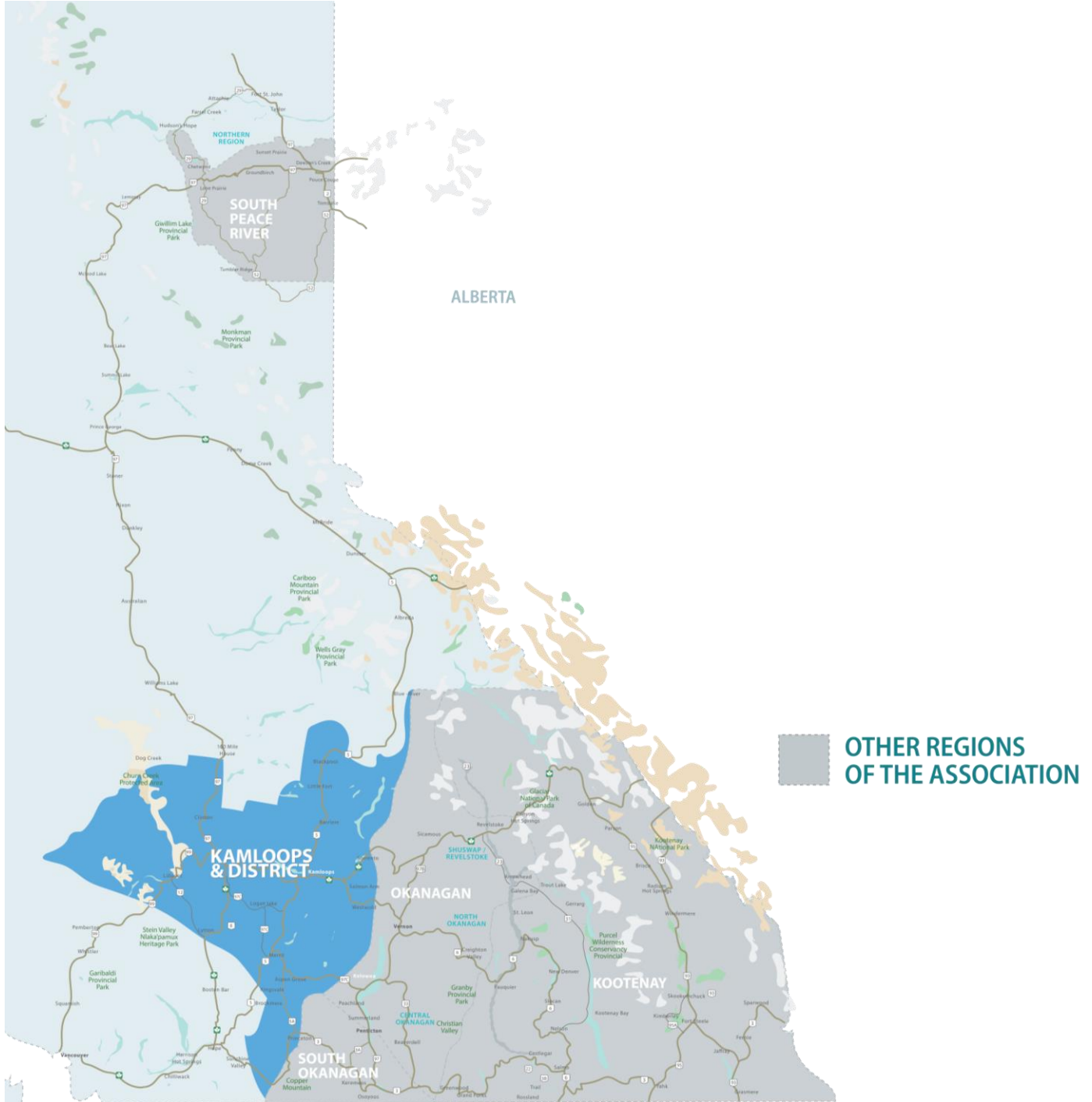


Source: CMHC STARTS AND COMPLETIONS SURVEY, Q1 2022

On April 13, 2022, The Bank of Canada increased its benchmark interest rates by an outsized 50 basis points in an effort to control increasing runaway inflation. This is the largest single increase since May of 2000. Several Economists expect further rate increases over the summer as the Central Bank Governor stated the desire to get back to a neutral policy rate between 2% and 3%. A recent research report from BCREA points out that historically increases in interest rates are followed by a decrease in the number of home sales and a flattening of prices. However, the Kamloops and District region is currently experiencing near record-low numbers of active listings. It is unlikely to see any significant price declines from rising interest rates.

Going forward, Kamloops housing market fundamentals are expected to continue on solid footing. Sales are likely to pick up over the next few months as buyers are more active during the summer season. Some regions could experience a downtrend in activity driven by a lack of inventory. Buyer fatigue and affordability concerns are also starting to weigh in on the demand. Strong activity and low availability will continue to create upward pressure on prices.

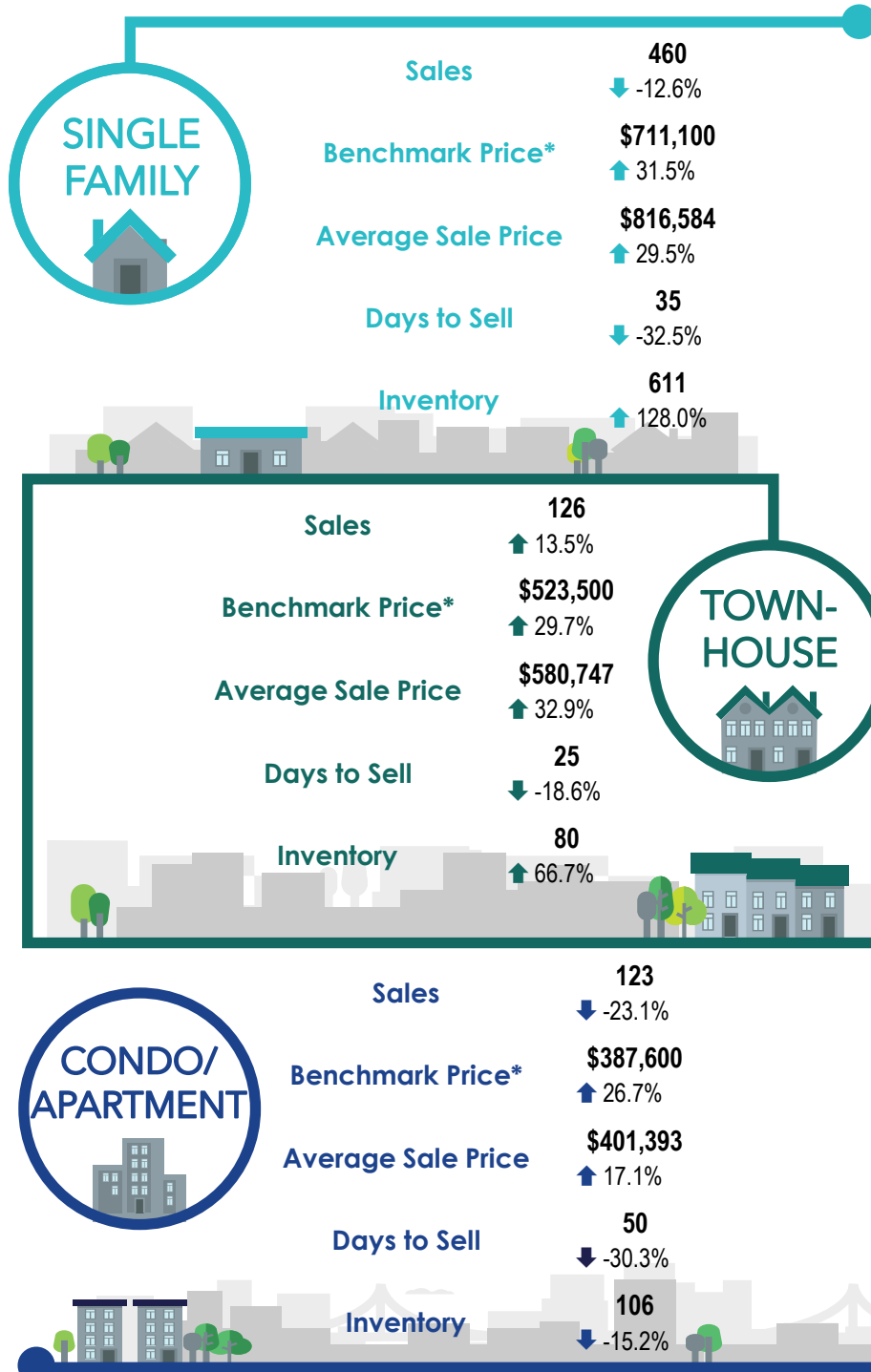




This map is for informational purposes. It does not represent an on-the-ground survey and represents only the approximate relative location of property boundaries.



**KAMLOOPS AND DISTRICT REGION**



\* Percentage represents change compared to the same period last year

\*\* Inventory as of March 2022



**Q1 2022 Statistics**

Location	SINGLE FAMILY		TOWNHOUSE		APARTMENT	
	Sales	Benchmark Price	Sales	Benchmark Price	Sales	Benchmark Price
Aberdeen	37 ↓ -5.1%	\$937,700 ↑ 26.9%	14 ↓ -12.5%	\$628,300 ↑ 21.9%	4 ↓ -42.9%	\$424,800 ↑ 33.3%
Ashcroft	6 ↓ -33.3%	\$406,200 ↑ 31.4%	0 ↓ -100.0%		1 ↓ -66.7%	
Barnhartvale	15 ↑ 36.4%	\$848,300 ↑ 33.3%				
Barriere	12 0.0%	\$638,300 ↑ 33.9%				
Batchelor Heights	22 ↑ 37.5%	\$963,900 ↑ 27.1%	5 ↑ 25.0%	\$583,500 ↑ 32.0%		
Brocklehurst	42 ↓ -6.7%	\$694,200 ↑ 32.0%	5 ↓ -64.3%	\$396,600 ↑ 31.8%	9 ↓ -10.0%	\$270,800 ↑ 26.1%
Cache Creek	6 ↑ 20.0%	\$413,600 ↑ 31.0%				
Campbell Creek/Deloro	4 ↓ -60.0%	\$830,400 ↑ 26.1%	8			
Chase	8 ↓ -33.3%	\$528,800 ↑ 33.2%	1		1 0.0%	
Cherry Creek/Savona	6 ↓ -50.0%	\$718,500 ↑ 37.5%				
Clearwater	5 ↓ -79.2%	\$386,400 ↑ 30.0%			0 ↓ -100.0%	
Clinton	6 ↑ 50.0%	\$338,900 ↑ 35.1%				
Dallas	12 0.0%	\$815,200 ↑ 32.1%	2		2	\$386,300 ↑ 28.6%
Dufferin/Southgate	10 ↑ 100.0%	\$830,700 ↑ 27.5%	3 0.0%	\$644,300 ↑ 22.0%	1 ↓ -66.7%	\$520,700 ↑ 28.2%
Heffley	4 ↓ -50.0%	\$840,500 ↑ 38.5%				
Lillooet	8 ↓ -33.3%	\$337,100 ↑ 31.9%				
Logan Lake	13 ↑ 8.3%	\$485,200 ↑ 31.8%	1 0.0%		4 ↓ -20.0%	\$161,500 ↑ 31.5%

\* Percentage represents change compared to the same period last year



**Q1 2022 Statistics**

Location	SINGLE FAMILY		TOWNHOUSE		APARTMENT	
	Sales	Benchmark Price	Sales	Benchmark Price	Sales	Benchmark Price
Merritt	30 ↓ -23.1%	\$449,500 ↑ 35.6%	3 ↑ 0.0%	\$406,300 ↑ 36.4%	3 ↓ -50.0%	
North Kamloops	31 0.0%	\$583,200 ↑ 36.4%	1 0.0%		9 ↓ -35.7%	\$285,500 ↑ 27.8%
Pinantan	2 ↑ 100.0%	\$575,800 ↑ 34.3%				
Pineview Valley	9 ↑ 12.5%	\$811,700 ↑ 27.8%	6 ↑ 100.0%	\$579,700 ↑ 30.2%	1 ↓ -83.3%	\$360,000 ↑ 30.9%
Pritchard	5 ↓ -16.7%	\$363,200 ↑ 32.7%				
Rayleigh	7 ↓ -22.2%	\$916,000 ↑ 30.9%				
Sahali	20 ↓ -20.0%	\$868,600 ↑ 28.4%	22 ↓ -24.1%	\$422,800 ↑ 23.2%	23 ↓ -23.3%	\$344,600 ↑ 26.8%
South Kamloops	16 ↓ -42.9%	\$715,100 ↑ 31.5%	10 ↑ 25.0%	\$600,400 ↑ 22.1%	27 0.0%	\$372,300 ↑ 30.7%
South Thompson Valley	16 ↑ 23.1%	\$891,700 ↑ 32.8%				
Sun Peaks	7 ↑ 75.0%	\$822,700 ↑ 30.7%	18 ↑ 200.0%	\$927,900 ↑ 34.3%	32 ↑ 10.3%	\$468,200 ↑ 29.0%
Sun Rivers	14 ↓ -12.5%	\$1,016,000 ↑ 28.1%	8 ↑ 0.0%	\$697,800 ↑ 23.9%	3 ↓ -66.7%	\$358,800 ↑ 30.0%
Valleyview	19 ↑ 35.7%	\$800,900 ↑ 29.2%	6 ↑ 20.0%	\$551,800 ↑ 32.3%	0 ↓ -100.0%	
Westsyde	23 ↓ -11.5%	\$766,100 ↑ 32.3%	7 ↑ 133.3%	\$398,100 ↑ 0.0%	3 ↓ -62.5%	
Juniper Ridge	24 ↑ 60.0%	\$1,017,000 ↑ 28.2%	4 ↑ 300.0%	\$671,300 ↑ 31.9%		

\* Percentage represents change compared to the same period last year





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