

CUMBERLAND SHOWING THE BIGGEST INCREASE IN HOUSING CONSTRUCTION



BUILDING LINKS

CLARICE COTY

Building Links has recently tabulated the year to date construction statistics for the Comox Valley and Campbell River areas for 2017. Construction values in all areas total \$217 million, up by \$11 million from 2016 to 2017. Single-family home construction is also up slightly in Comox, Courtenay and Campbell River (6 per cent to 13 per cent) with Cumberland showing the biggest increase of 120 per cent and the CVRD coming in with an increase of 19 per cent. Secondary suite and carriage home construction have increased significantly by 159 per cent from 2016 to 2017.

Moving forward into 2018, we expect to see continued high prices for residential housing due to lack of supply of zoned land and lots. In the Comox Valley, the average sale price of a single family lot hovered around \$240,000 and in Campbell River, the average sale price of a lot was \$150,000.

To purchase a lot in the Campbell River area is \$90,000 less expensive than in the Comox Valley. In the Comox Valley, 889 single family homes were sold in 2017 and the average price was \$491,428, an increase of 19 per cent in the past 12 months. In the Comox Valley, 613 single family homes were sold in 2017 and the average price was

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\$407,174, an increase of 18 per cent in the past 12 months. (Information courtesy of **Kutyn Appraisals**)

What can we expect on Vancouver Island, moving forward into 2018? Higher prices in all areas of the residential sector. Victoria's increase in prices for residential housing is affecting most markets on Vancouver Island. According to a report from the **Canadian Housing and Mortgage Corporation Metro**, published in January, 2017,

Victoria had historically high housing starts for 2017. Multi-family structures accounted for the majority of housing starts, with elevated rental market starts pushing the total starts to its highest level since 1976. December of 2017 reflected this trend, with a 70 per cent increase in multi-family starts compared to the previous year. Metro Victoria's housing market showed strong price growth and overheating throughout the year, giving builders and developers strong incentive to break ground on new projects.

Clarice Coty is the editor of Building Links. Contact: clarice@buildinglinks.ca or find Building Links on Facebook at www.facebook.com/BuildingLinks