

CONDO SALES REPORT 2022

YEAR-TO-DATE*



**WINNIPEG REGIONAL
REAL ESTATE BOARD**
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*Statistics are from the Winnipeg Regional Real Estate Board MLS® System and represent condo sales and transaction data collected between January 1 and March 31, 2022.

CONDO REAL ESTATE BLOG

We are coming off a spectacular year in 2021 where condo sales skyrocketed 39% from 1,847 in 2020 to 2,572 in 2021. This is a clear indication of preferences shifting with first-time buyers in particular finding condos a more affordable housing option which they can manage. Even with the supercharged demand for condos in 2021 the annual average sales price only went up a modest 2% to \$244,957.

Where are we now in 2022 after completing three months of MLS® activity? If you were to ask how condo sales did in January or February the answer would be we're still on a breakneck pace from 2021 as we've eked out slim gains on very strong condo sales to kick off 2022.

March is a different story with condo sales activity decreasing 21% as there were 228 sales compared to 288 in March 2021. Mind you, the 288 sales is only 5 short of the all-time highest condo sales month on record set in May 2021. When you compare March 2022 sales to 2020 and 2019, sales are up 71% and 64% respectively.

One clear difference which is having a dampening effect on all MLS® sales this year, not just condos, is lack of listings compared to last year. For condominiums in March the active listings at month end or existing listing supply is down 41%. There are only 328 listings going into April versus 558 in 2021. New listings entered in March were 21% fewer than last year so even with a conversion level of listings to

sales of 73%, almost identical to 2021, you are not going to be able to generate as many sales.

As a result of the drop in March sales activity compared to the same month last year, the first quarter results show a decrease of 9% in sales activity from 2021 with 528 sales. You must bear in mind previous years leading up to 2021 were all well off the 500-threshold level for the first three months. Up until 2021, sales never reached the 400-threshold and many were far lower with some not even above 300 sales.

Other MLS® property type sales are not keeping up with last year's record activity either and it is interesting to see condo sales in the first quarter represent 17% of total MLS® sales. This is as high as it has ever been and perhaps is a new trend to watch in the future. Will it come at the expense of single-family homes which formerly had total MLS® market share well over 70% and now is sitting at 64% for first quarter 2022 MLS® sales activity? Only time will tell.

You might say it is a new era for condominium sales and with rising interest rates impacting more expensive property to a greater extent. The more favorable affordability of condos will continue to be a significant factor heading into the second quarter and for the balance of 2022. Demand will continue to be strong and this was evident in the first quarter with sales going for above list price at 25% compared to 13% in 2021. In March nearly one in three condo sales sold for above list price. Where it was just 14% in March 2021.

Lack of listings will limit sales unless we see more of them entering the MLS® in the next few months. It is reasonable to expect this to happen as it is going into the busiest time of year. However there is a lot of catching up to do when your existing inventory is well off last year's.

One reason to help motivate potential condo sellers this spring to list their property is the fact condo prices have been rising since the end of 2021. For the month of March and for the first quarter the average sales price was \$260,000. This works out to a 6.2% increase from the 2021 average sales price of \$244,957.

We are seeing more instances of multiple offer situations as has been the case in single-family homes the last few years may also lead some owners to sell their condo this year.

Speaking of sales, something worth noting is that the downtown is outselling Osborne Village for the first three months with 53 sales compared to 42 sales. I do not recall ever seeing this before. Other strong selling condo areas so far this year are Linden Woods at 34 sales and Transcona at 31 sales. All of the listings entered in this Transcona MLS® area in 2022 have been sold along with two additional listings from 2021.

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