

## FREDERICTON HOUSE PRICES DROP IN FOURTH QUARTER

*Surge in supply and slowing economy continue to impact the market*

**FREDERICTON, January 9, 2014** – The Royal LePage House Price Survey and Market Survey Forecast released today showed a modest decline in year-over-year house prices for properties in Fredericton.

Detached bungalows decreased 1.0 per cent year-over-year to \$203,000, standard two-storey homes decreased 2.3 per cent to \$215,000, and standard condominiums slid 4.4 per cent to \$151,000.

“House prices have been gradually decreasing in the last year due to an overall slump in the local economy,” said Lincoln Thompson, broker/owner, Royal LePage Gardiner Realty. “The condo sector has been affected more than other housing types because there are some new developments in the area, creating an oversupply in this category.”

Thompson suggested that Fredericton is currently a buyer’s market with the inventory for bungalow and two-storey homes increasing 26 and 30 per cent, respectively. “There are pockets of opportunity in the market right now but sellers need to take the extra time preparing and staging homes for sale,” he added.

Looking at 2014 Thompson expects that Fredericton will continue to be a smart route for buyers looking for value as prices should decrease modestly without a change in the local economy.

Nationally, in the same quarter, the average price of a home in Canada increased between 1.2 per cent and 3.8 per cent in the fourth quarter.

The survey showed year-over-year average price increases in the fourth quarter of 2013 of 3.6 per cent to \$418,282 for standard two-storey homes and 3.8 per cent to \$380,710 for detached bungalows, while the average price of a standard condominium rose 1.2 per cent to \$246,530.

Prices are expected to maintain healthy momentum into 2014, with Royal LePage projecting a 3.7 per cent increase nationally from 2013 and a shift to a seller's market in the first portion of the year in a number of regions.

“A few short months ago, the country's housing market emerged from a year-long correctional cycle of dramatically slowed sales volumes. Later 2013 was marked by a transition to buoyant sales volumes and above average price growth,” said Phil Soper, president and chief executive of Royal LePage. “In the absence of some calamitous event or material increase in mortgage financing costs, we expect this positive momentum to characterize 2014. In fact, we expect a market tipped decidedly in favour of sellers for the first half of the year, after which we project a shift to a more balanced market.”

“We predict continued upward pressure on home prices as we move towards the all-important spring market. In addition to normal demand, housing prices in Canada this year will be influenced by buyers who put off purchase plans in the very soft spring of 2013,” continued Soper. “Talk of a ‘soft landing’ for Canada's real estate market in the new year is misguided. We expect no landing, no slowdown, and no correction in the near-term. Conditions are ripe for as strong a market as we saw in the post-recessionary rebound of the last decade.”

-30-

### **About the Royal LePage House Price Survey**

The Royal LePage House Price Survey is the largest, most comprehensive study of its kind in Canada, with information on seven types of housing in over 250 neighbourhoods from coast to coast. This release references an abbreviated version of the survey which highlights house price trends for the three most common types of housing in Canada in 90 communities across the country. A complete database of past and present surveys is available on the Royal LePage website at [www.royalpage.ca](http://www.royalpage.ca). Current figures will be updated following the complete tabulation of the data for the fourth quarter of 2013. A printable version of the fourth quarter 2013 survey will be available online on February 6, 2014. Housing values in the Royal LePage House Price Survey are Royal LePage opinions of fair market value in each location, based on local data and market knowledge provided by Royal LePage residential real estate experts.

## **About Royal LePage**

Serving Canadians since 1913, Royal LePage is the country's leading provider of services to real estate brokerages, with a network of nearly 15,000 real estate professionals in over 600 locations nationwide. Royal LePage is the only Canadian real estate company to have its own charitable foundation, the Royal LePage Shelter Foundation, dedicated to supporting women's and children's shelters and educational programs aimed at ending domestic violence. Royal LePage is a Brookfield Real Estate Services Inc. company, a TSX-listed corporation trading under the symbol TSX:BRE.

For more information, visit [www.royallepage.ca](http://www.royallepage.ca).

### ***For further information, please contact:***

Gwen McGuire  
Kaiser Lachance Communications  
647-725-2520 x204  
[gwen.mcguire@kaiserlachance.com](mailto:gwen.mcguire@kaiserlachance.com)

Tammy Gilmer  
Director, Global Communications & Public Relations  
Royal LePage Real Estate Services  
416-510-5783  
[tgilmer@royallepage.ca](mailto:tgilmer@royallepage.ca)