

## CHARLOTTETOWN HOME PRICES SEE MODEST GROWTH IN SECOND QUARTER

*High inventory levels in all housing categories keep prices in check*

**CHARLOTTETOWN, July 9, 2014** – The Royal LePage House Price Survey and Market Survey Forecast released today showed little change in year-over-year prices for all housing types surveyed in Charlottetown.

The average price of a detached bungalow in Charlottetown rose slightly year-over-year, inching up 1.2 per cent to \$175,000. Standard condominiums also experienced a modest increase, rising 1.6 per cent to \$130,000. Standard two-storey home average prices were flat, remaining at \$205,000.

“A decrease in activity has kept prices fairly level across all housing types,” said Ken Peters, President of Royal LePage Peters and Lank Realty Inc. “The amount of inventory available is high and demand has not picked up to meet the increased supply on the market. When put together these two factors have created a buyers’ market in Charlottetown.”

According to Peters, there was a small increase in unit sales for condominiums, which can be attributed to the addition of a number of new developments to the housing supply.

Peters forecast softer home prices for the remainder of 2014. “With the current strong inventory levels, buyers will have their pick of homes and won’t be pressured into paying higher prices. The pent-up demand that we had anticipated after our rough winter has also been slow to materialize, although we’re still optimistic for the summer and fall season,” commented Peters.

Nationally, with the harsh winter now a fading memory, the average price of a home in Canada increased between 3.9 and 5.2 per cent in the second quarter of 2014. According to Royal LePage, price increases were posted across housing types, with detached bungalows seeing the highest year-over-year gains, rising 5.2 per cent to an average price of \$406,454. Meanwhile, standard two-storey homes rose 5.1 per cent year-over-year to \$440,972, while standard condominiums posted gains of 3.9 per cent to \$258,501.

"Chronic supply shortages are driving price spikes in Canada's major cities, masking otherwise moderate home price appreciation nationally," said Phil Soper, president and chief executive of Royal LePage. "While a widening affordability gap in Canada's largest urban centres is characterizing the national market Canadians read about daily, year-over-year house price increases in most regions of the country are presently tracking below the historical average."

Looking ahead at the remainder of 2014, Royal LePage is projecting that the national average house price will increase at 5.1% per cent for the full-year.

"Compared to other major forecasts, our year-beginning national outlook predicted a higher level of 2014 average price appreciation, yet supply constraints in a handful of our largest cities necessitate a revision upwards," noted Soper. "Looking ahead to 2015, we expect house prices to track more closely to the rate of general economic growth. That is, we see price increases in Canada's largest cities moderating, just as our smaller city markets should see a lift."

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### **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.royallepage.ca](http://www.royallepage.ca). Current figures will be updated following the complete tabulation of the data for the second quarter of 2014. A printable version of the second quarter 2014 survey will be available online on August 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 over 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).

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