

## Home Prices in St. John's Remain Flat in the Third Quarter

*Job uncertainty among government employees creating pause in housing demand*

**ST. JOHN'S, October 12, 2017** – According to the Royal LePage House Price Survey<sup>1</sup> released today, St. John's home prices remained relatively flat in the third quarter of 2017, with the aggregate price of a home decreasing modestly by 0.8 per cent year-over-year to \$326,410.

When broken out by housing type, the median price of a standard two-storey home and bungalow decreased 2.3 per cent and 1.6 per cent year-over-year to \$357,983 and \$301,409, respectively.

“Uncertainty among provincial government employees is creating a pause in demand while they remain in union negotiations. Until this is resolved, and potential buyers can determine their budgets, many will wait on the sidelines,” said Glenn Larkin, REALTOR®, Royal LePage Professionals 2000. “While unions settling may increase housing sales in the fourth quarter, we do expect prices to remain flat for the rest of the year.”

Larkin noted that the market varied significantly depending on price level. Homes priced between \$350,000 and \$500,000 had less inventory than homes priced over \$500,000 resulting in a balanced market for that range. Potential buyers shopping for homes over \$500,000 had more selection resulting in more ability to negotiate.

Nationally, the Royal LePage National House Price Composite, compiled from proprietary property data in 53 of the nation's largest real estate markets, showed that the price of a home in Canada increased 13.3 per cent year-over-year to \$628,411 in the third quarter. When broken out by housing type, the median price of a standard two-storey home rose 13.9 per cent year-over-year to \$748,049, and the median price of a bungalow grew 9.5 per cent to \$525,781. During the same period, the median price of a condominium rose 15.2 per cent to \$413,670.

Meanwhile, on a quarter-over-quarter basis, home prices in Canada's five most populated housing markets are rising at a similar, healthy pace – the first time this has occurred in six years.

“For now, the Toronto and Vancouver housing markets have returned to earth,” said Phil Soper, President and CEO, Royal LePage. “After a period of unsustainable price inflation and sharp market corrections, we are seeing low single digit appreciation in each. Calgary has shaken off the oil-bust blues and Montreal appears to be at the beginning of a new era of economic prosperity. Rounding out the ‘big five,’ the Ottawa market is behaving like it usually does - a picture of healthy market growth.”

“Uneven regional economic growth has plagued Canada for much of the past decade, a challenge most evident in the nation's housing markets,” continued Soper. “For the first time since 2011,

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<sup>1</sup> Aggregate prices are calculated using a weighted average of the median values of all housing types collected. Data is provided by RPS Real Property Solutions.

we are seeing real estate in all five of our largest cities appreciate at a manageable, healthy clip. Canadian housing is enjoying a Goldilocks moment – not too hot, and not too cold.”

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

The Royal LePage House Price Survey provides information on the three most common types of housing in Canada, in 53 of the nation’s largest real estate markets. Housing values in the House Price Survey are based on the Royal LePage National House Price Composite, produced quarterly through the use of company data in addition to data and analytics from its sister company, RPS Real Property Solutions, the trusted source for residential real estate intelligence and analytics in Canada. Commentary on housing and forecast values are provided by Royal LePage residential real estate experts, based on their opinions and market knowledge.

### **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 17,000 real estate professionals in more than 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.

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