

Charlottetown Home Prices Continue Double-digit Growth in the Third Quarter

Price gains driven by steady population growth and low inventory

CHARLOTTETOWN, October 16, 2018 – According to the Royal LePage House Price Survey¹ released today, the aggregate price of a home in Charlottetown saw double digit gains in the third quarter of 2018, rising 10.1 per cent year-over-year to \$292,632.

When broken out by housing type, the median price of a two-storey home saw a significant increase in the third quarter, appreciating 10.8 per cent year-over-year to \$314,181. During the same period, the median price of a bungalow increased 11.2 per cent year-over-year to \$242,870.

“Strong immigration into Prince Edward Island is fueling a seller’s market in Charlottetown,” said Rudy Chong, owner and manager, Royal LePage Prince Edward Realty. “The rising population, increasing demand and low inventory are driving prices higher, even though activity has been slower compared to the same period of last year’s hot market.”

“Despite the notable price increases this year, Charlottetown is still one of the most affordable markets in the country,” added Chong. “First time home buyers need to be prepared to move quickly, as homes below the \$300,000 price are frequently attracting multiple offers. There are more options in the upper-end market this year due to higher inventory levels.”

In the fourth quarter, price growth is expected to moderate slightly as the province has made changes to immigration rules that may have an impact on demand for homes, especially those in the upper-end market.

Nationally, year-over-year home prices made modest gains in many regions across Canada in the third quarter of 2018. The Royal LePage National House Price Composite², compiled from proprietary property data in 63 of the nation’s largest real estate markets, showed that the price of a home in Canada increased 2.2 per cent year-over-year to \$625,499 in the third quarter. When broken out by housing type, the median price of a two-storey home rose 1.4 per cent year-over-year to \$736,337, while the median price of a bungalow climbed 1.5 per cent to \$519,886. Condominiums continued to see the highest rate of appreciation nationally when compared to the detached segment, rising 6.7 per cent year-over-year to \$441,240.

Looking ahead, Royal LePage is projecting a further uptick in home price appreciation in the fourth quarter, forecasting a 1.5 per cent increase in the aggregate price of a home in Canada over the next three months.

“Positive economic fundamentals, supported by a new agreement on trade, should bolster consumer confidence across Canada and stoke demand in the nation’s real estate market,” said

¹ 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.

² Beginning in the first quarter of 2018, seven real estate markets were added to the Royal LePage National House Price Composite. The new regions are smaller markets in Ontario, Alberta, Quebec and British Columbia. Due to the relative size of the markets, any change to the Royal LePage National House Price Composite is expected to be within 0.15 per cent.

Phil Soper, president and CEO, Royal LePage. “Dangerously overheated regions have cooled considerably this year, while home prices have remained remarkably resilient. This is the soft landing that policy makers were hoping for.”

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 63 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 close to 18,000 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.

For further information, please contact:

Nick de Pass

Kaiser Lachance Communications

647.216.5897

nick.depass@kaiserlachance.com