

## Home Price Appreciation Slows in Kelowna During the Third Quarter of 2018

*New regulations and uncertainty slow sales activity*

**KELOWNA, October 16, 2018** – According to the Royal LePage House Price Survey<sup>1</sup> and Market Survey Forecast released today, the aggregate home price in Kelowna rose 3.7 per cent year-over-year to \$640,864 in the third quarter of 2018.

When broken out by housing type, the median price of a two-storey home increased by 1.7 per cent year-over-year to \$719,870. In contrast, the price of a bungalow and condominium rose 6.1 percent and 6.3 percent, to \$657,661 and \$404,575, respectively.

“The housing market slowed slightly in the third quarter from the record years of 2016 and 2017, as buyers wait for clarity amidst political uncertainty and new regulations,” said Francis Braam, managing broker and owner, Royal LePage Kelowna. “We’re moving towards a balanced market in the region, as sales activity decline from record highs and inventory rises from the extremely low levels of the past couple of years.”

Braam added that August wildfires in the province and confusion about the new transparency rules from the Office of the Superintendent of Real Estate also contributed to reduced activity in the third quarter. However, demand for real estate will be supported as buyers continue to migrate from the Lower Mainland and Kelowna’s technology industry grows.

Over the next three months, allowing for seasonal adjustments, sales activity in Kelowna is expected to remain relatively unchanged, with prices remaining strong.

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 Composite<sup>2</sup>, 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

---

<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.

<sup>2</sup> 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](mailto:nick.depass@kaiserlachance.com)