

Charlottetown Home Prices See Strong Appreciation in the Fourth Quarter

Increased demand by newcomers and provincial support for first-time buyers fuel price growth at the end of 2018

CHARLOTTETOWN, January 11, 2019 – According to the Royal LePage House Price Survey¹ released today, the aggregate price of a home in Charlottetown saw a strong increase in the fourth quarter of 2018, rising 7.1 per cent year-over-year to \$295,085.

When broken out by housing type, the median price of a two-storey home saw a significant increase in the fourth quarter, appreciating 8.3 per cent year-over-year to \$317,576. During the same period, the median price of a bungalow increased 8.5 per cent year-over-year to \$247,086.

“The fourth quarter saw a continuation of strong year-of-year growth, reflective of a consistent flow of demand from both international and Canadian homebuyers coming to the region,” said Rudy Chong, owner and manager, Royal LePage Prince Edward Realty. “The recently launched Down Payment Assistance Program, which is part of the Housing Action Plan by the Government of Prince Edward Island to support first-time buyers, has also been supportive of healthy sales activity levels, while maintaining the province’s status as one of the most affordable housing markets in the country.

“Looking ahead, we expect a very active spring in 2019, with attractive options in both entry-level and higher-priced property categories,” added Chong.

Nationally, year-over-year home prices made healthy gains in many regions across Canada in the fourth quarter of 2018. The Royal LePage National House Price Composite, 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 4.0 per cent year-over-year to \$631,223 in the fourth quarter of 2018. When broken out by housing type, the median price of a two-storey home rose 3.9 per cent year-over-year to \$745,007, while the median price of a bungalow climbed 1.5 per cent to \$516,950. Condominiums continued to see the highest rate of appreciation nationally when compared to the detached segment, rising 7.2 per cent year-over-year to \$447,915.

“The invisible hand that guides our complex economy hit the real estate reset button in 2018 and that is a good thing,” said Phil Soper, president and CEO, Royal LePage. “Major market home price inflation through much of the decade had led to dangerous overheating in our most populous regions. Government regulatory intervention and rising interest rates, when combined

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.



with property price overshooting, triggered the correctional cycle we find ourselves working through today.”

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