

## Fredericton Home Prices See Healthy Increase in the Fourth Quarter of 2018

*Record low inventory and increased demand puts upward pressure on house prices*

**FREDERICTON, January 11, 2019** – According to the Royal LePage House Price Survey<sup>1</sup> released today, the aggregate price of a home in Fredericton saw a healthy increase in the fourth quarter of 2018, rising 4.9 per cent year-over-year to \$255,353.

When broken out by housing type, the median price of a two-storey home saw strong appreciation, increasing 6.2 per cent year-over-year to \$297,694. During the same period, the median price of a bungalow increased 1.8 per cent year-over-year to \$222,232.

“During the fourth quarter of 2018, we noticed an increased number of multiple-offers for two-storey homes sparked largely from newcomers to the region,” said Lincoln Thompson, broker and owner, Royal LePage Gardiner Realty. “Not only did we see a lift in prices for this housing segment, the demand contributed to inventory levels reaching their lowest point in ten years.”

“Retirees continue to be attracted to the lifestyle Fredericton offers,” added Thompson. “We’ve seen an increase in the number of Canadians from major cities, particularly in Ontario, coming to the Maritimes to purchase more affordable housing after selling their properties in their hometowns. This strategy gives them the opportunity to keep some money in the bank and maximize their retirement lifestyle.”

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

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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.



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

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