

Kelowna Posts Home Price Gains in the Fourth Quarter

B.C. government policies continue to impact regional real estate market

KELOWNA, January 11, 2019 – According to the Royal LePage House Price Survey¹ released today, the aggregate home price in Kelowna rose 3.6 per cent year-over-year to \$650,438 in the fourth quarter of 2018.

When broken out by housing type, the median price of a two-storey home increased 2.5 per cent year-over-year to \$736,442, while the price of a bungalow increased 3.3 per cent to \$653,259. The median price of a condominium rose significantly by 10.0 per cent, increasing to \$421,512.

“The housing market is showing signs of stabilizing from the impacts of government regulations aimed at cooling the market,” said Francis Braam, managing broker and owner, Royal LePage Kelowna. “In the fourth quarter, the market in Kelowna remained balanced, reflecting increased demand from young families and millennials looking to find a home for good value.”

Braam also added that the majority of buyers in Kelowna are locals, with a small proportion of buyers from outside of Canada.

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

For further information, please contact:

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.



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