

Regina Home Prices Expected to Dip Modestly in 2019 Spring Market as Region's Real Estate Market Stabilizes

Competition with new builds results in price softening for resale house market

REGINA, April 4, 2019 – According to the Royal LePage House Price Survey¹ released today, Regina's aggregate home price declined in the first quarter of 2019, decreasing 1.8 per cent year-over-year to \$323,891.

Broken out by housing type, the median price of a condominium increased 6.4 per cent year-over-year, rising to \$239,306 while the median price of a two-storey home decreased 4.2 per cent to \$384,262. During the same quarter, the median price of a bungalow decreased by 0.9 per cent year-over-year to \$299,436.

“The dip in two-storey home prices was largely due to competition with a large volume of new build inventory,” said Mike Duggleby, managing partner, Royal LePage Regina Realty. “As new build inventory is absorbed, we expect a lift in both sales and prices of resale listings.”

He added that Regina's aggregate price should remain mostly flat as unit sales rise marginally in this buyer's market.

“The Regina economy continues to recover; the population remains stable and the promise of new business in the area is encouraging,” said Duggleby.

On a quarter-over-quarter basis, the aggregate price of a home in Regina is expected to decrease modestly by 1.2 per cent, the equivalent of \$3,863, to \$320,028 in the second quarter.

Duggleby emphasized that activity in the early months of the year was relatively brisk and the region is an affordable place to live.

“Markets run on consumer confidence; most people are optimistic right now,” said Duggleby.

Nationally, year-over-year home prices showed moderate gains in many regions across Canada in the first quarter of 2019. 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 just 2.7 per cent year-over-year to \$621,575 in the first quarter of 2019, well below the long-term norm of approximately 5 per cent. When broken out by housing

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.



type, the median price of a two-storey home rose 2.6 per cent year-over-year to \$729,553, while the median price of a bungalow rose 1.1 per cent year-over-year to \$513,497. Condominiums remained the fastest growing housing type on a national basis, rising 5.4 per cent year-over-year to \$447,260.

“We are expecting this to be a sluggish year overall in Canada’s residential real estate market, with the hangover from the 2018 market correction and weaker economic growth acting as a drag on home price appreciation, balanced by lower for longer interest rates,” said Phil Soper, president and CEO, Royal LePage. “There is a silver lining here. This slowdown gives buyers, and first-time buyers in particular, an opportunity to buy real estate in our country’s largest cities.”

For further information, please contact:

Angela Pinzon
Kaiser Lachance Communications
647.295.0517
angela.pinzon@kaiserlachance.com