

## Home Prices in St. John's See Decline in the First Quarter of 2019

*Housing demand remains steady despite affected consumer confidence*

**ST. JOHN'S, April 4, 2019** – According to the Royal LePage House Price Survey<sup>1</sup> released today, the aggregate home price in St. John's decreased 5.6 per cent year-over-year, to \$324,955 in the first quarter of 2019.

When broken out by housing type, the median price of a two-story home in St. John's decreased 6.2 per cent year-over-year to \$369,424. Meanwhile, the median price of a bungalow decreased 4.9 per cent year-over-year to \$290,791.

“A relatively mild winter positively impacted the real estate dynamics in St. John's, where homebuyers at the entry-level were able to navigate through a balanced market,” said Glenn Larkin, sales representative, Royal LePage Professionals 2000. “However, families looking for properties priced above the \$400,000 range will find a buyer's market with good selection and less competition.”

“Despite changes in the employment landscape, caused by businesses in the city closing late in 2018 that significantly affected consumer confidence, the spring is bringing a renewed outlook where first-time homebuyers will find a steady real estate market,” said Larkin.

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 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,

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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.



and first-time buyers in particular, an opportunity to buy real estate in our country's largest cities.”

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