

## St. John's Housing Market Stabilizes as Consumer Confidence Returns

*Economic expansion in the region attracts buyers from rural areas*

**St. John's, July 10, 2019**– The aggregate price of a home in St. John's decreased 7.2 per cent year-over-year to \$316,187, according to the Royal LePage House Price Survey<sup>1</sup> released today.

When divided by housing type, the median price of a two-storey home in the area decreased 8.3 per cent year-over-year to \$351,558. Meanwhile, the median price of a bungalow decreased 6.1 per cent year-over-year to \$288,966.

“There have been significant price declines from last year, but we are starting to see signs of a bottom towards the end of the quarter,” said Glenn Larkin, salesperson with Royal LePage Vision. “We are witnessing a revitalization of buyer confidence, partially credited to the newly-opened St. John's Costco – the largest in Canada. We predict the summer will bring a balanced market as buyers continue to move into the area.

Larkin added that there is an excellent selection of homes above the \$400,000 price range offering significant value for home buyers, while the entry-level property market is modestly more competitive.

“Homeownership continues to be relatively attainable for first-time home buyers in St. John's. Low interest rates and the province's first-time home buyer's program are valuable economic solutions that support buyers, especially Millennials who could be feeling pressure from the region's transitioning economic landscape, added Larkin.

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 1.1 per cent year-over-year to \$621,696 in the second quarter of 2019. When broken out by housing type, the median price of a two-storey home rose 1.0 per cent year-over-year to \$727,165, while the median price of a bungalow dipped 0.4 per cent year-over-year to \$516,048. Condominiums remained the fastest growing housing type on a national basis, with its median price rising 3.8 per cent year-over-year to \$452,451.

“We now have evidence of a sustained market recovery in the nation's largest market, and signs of a price floor in other regions hit hard by the eighteen month-old housing correction,” said Phil Soper, president and CEO, Royal LePage. “Only in the West do we see a significant number of home buyers remaining on the sidelines, depressing sales volumes and causing prices to sag. Buoyed by supportive economic conditions, many stubborn homeowners in B.C. and Alberta remain unwilling to let their precious real estate go for less than what they perceive as fair value, which has gone a long way to protecting existing home values.”

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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.

Royal LePage expects national home prices to see a modest uptick by the end of the year, rising 0.4 per cent compared to the end of 2018.

### **About the Royal LePage House Price Survey**

The Royal LePage House Price Survey provides information on the three most common types of housing in Canada, in 63 of the nation's largest real estate markets. Housing values in the Royal LePage House Price Survey are based on the Royal LePage Canadian Real Estate Market Composite, produced quarterly through the use of company data in addition to data and analytics from its sister company, RPS Real Property Solutions, the trusted source for residential real estate intelligence and analytics in Canada. Commentary on housing and forecast values are provided by Royal LePage residential real estate experts, based on their opinions and market knowledge.

### **About Royal LePage**

Serving Canadians since 1913, Royal LePage is the country's leading provider of services to real estate brokerages, with a network of over 18,000 real estate professionals in over 600 locations nationwide. Royal LePage is the only Canadian real estate company to have its own charitable foundation, the Royal LePage Shelter Foundation, dedicated to supporting women's and children's shelters and educational programs aimed at ending domestic violence. Royal LePage is a Brookfield Real Estate Services Inc. company, a TSX-listed corporation trading under the symbol TSX:BRE. For more information, please visit [www.royallepage.ca](http://www.royallepage.ca).

### **For further information, please contact:**

Angela Pinzon  
Kaiser Lachance Communications  
647.295.0517  
[angela.pinzon@kaiserlachance.com](mailto:angela.pinzon@kaiserlachance.com)