

Victoria Home Prices Flat; Condo Gains Offset Weakness in Bungalows

Changing buyer preferences drive significant increase in condo sales

VICTORIA, July 10, 2019– The Royal LePage House Price Survey¹ released today showed the aggregate price of a home in Victoria unchanged year-over-year at \$748,106 in the second quarter of 2019.

When broken out by housing type, condos showed the most growth in Victoria, with a strong increase of 6.4 per cent year-over-year to a median price of \$478,747. Standard two-storeys remained relatively flat, with an increase of 0.4 per cent year-over-year to a median price of \$853,844. Meanwhile, bungalow prices fell 1.7 per cent year-over-year to a median price of \$746,256.

“Condo sales are driving the housing market in Victoria, reflecting the needs of millennials looking to enter the housing market and an aging population looking to downsize to properties that fit their lifestyle,” said Neil Bosdet, sales representative with Royal LePage Coast Capital Realty. “The federal and provincial tax programs continue to impact first-time home buyers and foreign buyers, but the region remains a desirable place for Canadians to purchase a home for their retirement.”

Bosdet predicted a stability in unit sales over the next quarter.

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.”

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.

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.

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