



Royal LePage: Halifax home prices up double digits during third quarter

Strong demand from Ontario buyers including those able to work remotely given COVID-19

HALIFAX, October 14, 2020 – The aggregate price of a home in Halifax increased 11.3 per cent year-over-year to \$358,078 in the third quarter, according to the Royal LePage House Price Survey¹ released today.

“Low inventory is fueling home prices. In some neighbourhoods we have very few listings and in other areas, there are none,” said Matt Honsberger, broker and owner, Royal LePage Atlantic. “Recently, we have seen a modest improvement in inventory that should provide some relief but many potential sellers are not listing because they don’t want to become buyers in Halifax’s hot market.”

The median price of a standard two-storey home increased 12.8 per cent year-over-year to \$383,438. The median price of a bungalow increased 8.1 per cent year-over-year to \$297,140, while the median price of a condominium saw an increase of 4.6 per cent year-over-year to \$318,049.

Honsberger added that while most buyers are local, the region continues to see strong demand from buyers relocating from Ontario and Alberta.

“Most of the demand from outside the province is from Ontario buyers with a connection to the region. The prevalence of COVID-19 has been lower than other Canadian cities and Halifax is a great city in which to live and work,” said Honsberger. “Some buyers are retirees, but most buyers have secured jobs in the region or they will work remotely.”

Royal LePage is forecasting that the aggregate price of a home in Halifax to increase 12.0 per cent in the fourth quarter of 2020 compared to the same quarter last year.

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.

Nationally, the aggregate price of a home in Canada increased 8.6 per cent year-over-year to \$692,964 in the third quarter, as high demand and low inventory continued to fuel a seller's market.

“Typical consumption patterns have been disrupted in 2020 as the pandemic has driven the household savings rate to levels not seen in decades,” said Phil Soper, president and CEO of Royal LePage. “Most Canadians have sharply reduced spending on discretionary goods and services involving a great deal of human interaction, and with mortgage rates at record lows, many have refocused on housing investments, be it renovations to accommodate work-from-home needs, a recreational property or a new property better suited for the times.”

The Royal LePage National House Price Composite is compiled from proprietary property data in 64 of the nation's largest real estate markets. When broken out by housing type, the median price of a standard two-storey home rose 10.0 per cent year-over-year to \$819,906, while the median price of a bungalow increased 7.0 per cent to \$570,701. The median price of a condominium increased 5.3 per cent year-over-year to \$510,365. Price data, which includes both resale and new build, is provided by Royal LePage's sister company RPS Real Property Solutions, a leading Canadian real estate valuation company.

Royal LePage expects current regional price levels to be maintained for the remainder of the year. While the national aggregate home price rose 8.6 per cent year-over-year in the third quarter of 2020, Royal LePage is forecasting that the national aggregate home price will increase 7.0 per cent year-over-year to \$693,000 in the fourth quarter of 2020. The decrease between Q3 2020 gains (8.6%) and the Q4 2020 forecast (7.0%) reflects a higher national home price in Q4 2019 (\$647,310) compared to Q3 2019 (\$637,884).

“Home price gains realized this quarter are forecast to be sustained through December,” said Soper. “While the pace of price growth is expected to slow considerably in the final weeks of this most unusual year, it is highly unlikely we will see housing values back up.”

Royal LePage Home Price Data and Forecasts:

- Royal LePage House Price Survey Chart (Canada's largest 64 housing markets): <https://rlp.ca/house-prices-Q3-2020>
- Royal LePage Market Survey Forecast Chart: <https://rlp.ca/2020-forecast-october-2020>

Royal LePage Royalty-Free Media Assets

Royal LePage's [media room](#) contains [royalty-free assets](#), such as images and b-roll, that are free for media use.

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 64 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 Bridgemarq Real Estate Services Inc. company, a TSX-listed corporation trading under the symbol TSX:BRE. For more information, please visit www.royallepage.ca.

For further information, please contact:

Stella Karami

Proof

skarami@getproof.com

(647) 884-9651