



Halifax housing market sees double-digit price gains in 2020

Demand expected to continue outpacing supply this spring

HALIFAX, January 15, 2021 – According to the Royal LePage House Price Survey released today, the aggregate¹ price of a home in Halifax increased 17.1 per cent year-over-year to \$377,469 in the fourth quarter of 2020.

During the same period, the median price of a two-storey home increased 17.5 per cent to \$399,282, while the median price of a bungalow increased 19.4 per cent to \$335,744, and the median price of a condominium increased 4.0 per cent to \$301,615.

“Inventory levels have hit historic lows in recent months, putting continued upward pressure on prices,” said Matt Honsberger, broker and owner, Royal LePage Atlantic. “Local buyers are looking for more space, and now, more than usual, they are competing with out-of-province buyers, many of whom are returning to the Maritimes. The option of remote work has altered the landscape of the real estate market.”

Honsberger added that many new construction projects are experiencing delays due to uncertainty surrounding the pandemic, further contributing to the supply shortage.

In December, Royal LePage issued a forecast² projecting that the aggregate price of a home in Halifax will increase 7.5 per cent in the fourth quarter of 2021, compared to the same quarter in 2020.

Nationally, the aggregate price of a home in Canada increased 9.7 per cent year-over-year to \$708,842 in the fourth quarter of 2020, as strong seller’s market conditions continued to shape Canada’s real estate market through the end of the year. The significant year-over-year increase in aggregate price was driven by price gains for larger properties. Sixty-four per cent of all regions surveyed showed year-over-year median price gains of more than 10 per cent for two-storey homes.

The Royal LePage National House Price Composite is compiled from proprietary property data, nationally and in 62 of the nation’s largest real estate markets. When

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 and includes both resale and new build.

² The Royal LePage 2021 Market Survey Forecast can be found at rlp.ca/2021-forecast

broken out by housing type, the median price of a standard two-storey home rose 11.2 per cent year-over-year to \$840,628, while the median price of a bungalow increased 10.0 per cent to \$592,899. The median price of a condominium increased 3.9 per cent year-over-year to \$509,239. 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.

"In April 2020, we issued our pandemic period forecast for Canadian real estate, the principle prediction being that unexpectedly soft spring home prices, historically low interest rates, and years of pent-up demand would trigger a sharp recovery of sales volumes and rising property prices in the second half of the year," said Phil Soper, president and CEO of Royal LePage. "As we close the books on the strangest year in my long career, 'recovery' proved to be an understatement. Looking at fourth quarter results we can state without hyperbole that the health crisis triggered a real estate boom."

Soper added that the surge in sales that characterized the second half of the year is a sign that Canadians feel confident buying and selling properties during the pandemic.

"The real estate industry has shown that buying and selling property can be done safely as much of the search and purchase process can now be done online," he said. "Our real estate agents can help families looking for a home with efficient digital showings. Physical private viewings of a short-listed property should be done in compliance with best practice and public health guidelines. Clients can use their phone or computer to complete the transaction, leveraging today's advanced technologies.

"High levels of unresolved housing demand and low inventory levels will likely characterize the 2021 spring market, putting further upward pressure on housing values, particularly in the detached and larger townhome segments, as families with access to extremely low borrowing costs trade traditionally desirable urban locations for more personal space," he continued.

In December 2020, Royal LePage issued its 2021 forecast stating that the national aggregate price of a home is expected to increase 5.5 per cent year-over-year. To read more about Royal LePage's national and major urban centre forecast, please go to rlp.ca/2021-forecast.

Royal LePage Home Price Data:

Royal LePage House Price Survey Chart: rlp.ca/house-prices-Q4-2020

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About the Royal LePage House Price Survey

The Royal LePage House Price Survey provides information on the three most common types of housing, nationally and in 62 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.

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