

West properties outpacing rest

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House prices have risen from coast to coast, but activity in the West -- especially Calgary -- has far outpaced the rest of the country, according to a report released Wednesday by Royal LePage.

Driven by soaring demand and limited inventory, house prices in Calgary surged more than 50 per cent from a year ago during the second quarter, pacing double-digit percentage increases in the national average cost of a home.



HOUSE PRICES	
Second quarter average	
Detached bungalow	
	2006 \$2005 \$
Canada	282,237 252,695
Hallifax	182,000 162,667
Charlottetown	145,000 138,000
Moncton	133,000 116,000
Saskatoon	143,500 135,200
St. John's	143,667 141,000
Atlantic	149,433 138,573
Montreal	211,160 202,857
Ottawa	280,203 272,381
Toronto	373,504 356,500
Winnipeg	188,567 158,912
Vancouver	187,017 166,117

CREDIT: Canadian Press
(See hard copy for graphic)

The report predicted the national average house price will rise 9.2 per cent for the full year to \$272,237, boosted by frantic oil-powered increases in Alberta. It also pointed out the major housing markets in B.C. have experienced double-digit increases in average price in the second quarter, year-over-year.

In Victoria, that growth was steady and more moderate, compared with the flurry of activity in 2005, due to an increase in inventory that provided buyers with a greater selection and helped balance the market.

"At this time last year, Victoria was recording the highest rate of price appreciation of any Canadian city," said Judy Gage, president of Royal LePage Coast Capital Realty. "This year, we are beginning to see the move toward a balanced market, which will lead to more sustainable conditions. Even at this more reasonable pace, Victoria's market will continue to be strong."

During an interview, Gage said the increase from the first quarter to the second quarter was very small, as most of the growth took place earlier in the year.

"The market is definitely slowing down," she said, adding that she welcomes the news. "I think we will probably see a six-to-eight per cent increase year-over-year at the end of 12 months. And that is very sustainable. That's a very healthy market. We're not going to see the 20-to-30 per cent we saw the year before."

In Victoria, standard two-storey properties increased by 11.4 per cent year-over-year during the second quarter to \$402,000. The average price of a standard condominium in the city increased by 14.5 per cent, year-over-year, to \$229,000. Detached bungalows increased by 11.5 per cent to \$368,000, year-over-year.

All neighborhoods in Victoria remain in demand and are seeing strong levels of activity. Some areas, such as Oak Bay and Fairfield, are especially attractive to buyers and properties sell very quickly, if priced right. A Century 21 report also released Wednesday said the hot summer housing market provides buyers with great opportunities.

"At this time of year, when the market traditionally pauses as vacations begin and the backyard barbecue season hits its stride, buyers will find they have an opportunity to take a little time to find their dream home," said Don Lawby, president of Century 21.

Lawby said he is confident the Canadian economy is creating the jobs and instilling the consumer confidence that will keep markets in all regions strong and growing, with the strongest being Alberta and B.C.