

Average resale home price drops \$3,500 in November

Big decreases in Vancouver and Calgary

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[CBC News](#)

The average price for a resale home in Canada's major markets fell by almost \$3,500 last month, as prices tumbled in a couple of the country's most expensive cities.

The average resale home sold for \$298,094 in November, according to figures from the Canadian Real Estate Association (CREA). That's down from the \$301,516 average in October, but is still up 9.4 per cent from a year earlier.

Some of the monthly declines were dramatic. In Greater Vancouver — home of the most expensive housing in Canada — the average price dropped by almost \$29,000 to \$519,294 in November. The number of sales dropped by 21 per cent.

In red-hot Calgary, the average resale home sold for \$360,622 in November, down 3.5 per cent from the \$374,067 recorded in October. But prices are still 36.4 per cent higher than in November 2005.

However, Edmonton continued to show price strength between October and November. The average resale home sold for a record \$282,434, up almost \$6,000 from October, and up 42.5 per cent over the year.

New monthly price records were also set in Victoria, Saskatoon, Sudbury and Saint John, N.B. CREA's resale figures are based on sales through the Multiple Listing Service.

In Toronto, the country's busiest real estate market, the average price slipped \$1,000 to \$355,463.

Market 'becoming more balanced'

"The market is becoming more balanced," CREA chief economist Gregory Klump told CBC News Online. "That's a good thing for the sustainability of the housing market."

Klump said buyers should welcome news that price increases are moderating, but pointed out that, on a year-over-year basis, the increases are still well into double-digit territory in many markets in the West.

Annual price increases are more modest in central Canada. "The contrast between western and central Canadian housing markets is forecast to persist next year," he said.

Klump cautioned against reading too much into the one-month dip in the average home price, saying it frequently fluctuates. He said the overall market has been "pretty stable" since May.

"The resale housing market still has legs," he said.

Increases to moderate in 2007



Realtors expect double-digit price increases in 2007 in many western housing markets.

A 2007 market forecast from Royal LePage Real Estate Services calls for price increases in Western Canada to moderate from the "unsustainable increases" in 2006.

"In a single year, Calgarians moved from enjoying some of the most affordable housing in metropolitan Canada to membership in the 'most costly' club, previously the exclusive domain of Toronto and Vancouver," Royal LePage chief executive Phil Soper said.

Royal LePage expects the average home price in the country to rise by 6.5 per cent in 2007.