

NEWFOUNDLAND & LABRADOR

ST. JOHN'S



BUYER'S MARKET

AVERAGE HOME PRICE

Q1 2019: **\$281,264**
Q1 2018: **\$299,020**

↓ 6%

UNIT SALES

Q1 2019: **364** | **↑ 2.5%**
Q1 2018: **355**

MARKET INSIGHTS

- The economy is showing signs of a rebound in St. John's with recent population, income and employment numbers collectively showing positive growth for the first time since 2014.
- Demand remains strongest in the \$200,000 to \$300,000 range, representing almost half of all sales.
- Millennials are leading the charge in St. John's, despite facing challenges due to the OSFI mortgage stress test. Some first-time homebuyers have postponed their purchase until they have a larger down payment, while others are moving to eliminate debt so that they have better Gross Debt Service Ratios (GDSR), and/or adjusting their expectations and lowering their price point.



HOT 'HOOD

CHURCHILL SQUARE

- St. John's is a buyer's market, but Churchill Square is an outlier, where multiple offers are not out of the norm. Located in close proximity to Memorial University, demand has outpaced supply this year. Well-priced homes are often sold within days, with many being torn down to make room for new custom builds.



PREDICTIONS

- With affordability an on-going concern in St. John's, softer housing values may be the catalyst for an uptick in home-buying activity throughout the remainder of the year.
- The outlook is bright for St. John's and Newfoundland & Labrador as a whole, with Husky's White Rose expansion plan, Vale's capital investment in Voisey Bay, and Scully Mines expected to create close to 1,750 new jobs in the province this year. The recently announced \$1-billion investment in jobs and skills training over the next six years in Newfoundland & Labrador by the Federal Government should also bode well for the province's housing markets.
- Against this backdrop, the number of homes sold in St. John's is forecast to climb by year-end, with prices holding steady at 2018 levels.

RE/MAX 2019 Atlantic Canada Market Report

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*Source: Historical values are sourced from CREA or Local Board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.