

November 2017



PRINCE EDWARD COUNTY

REAL ESTATE MARKET REPORT

CHRISTIE'S
INTERNATIONAL REAL ESTATE

According to the statistics published by the Quinte & District Association of REALTORS® (“the Quinte Board”), the fall performance of the real estate market in Prince Edward County (“the County”) continues its moderating and balancing trend, following several paces behind the experience of its neighbouring urban markets. In other words, and in general terms, inventory is going up and sales are declining, but in the face of all that, and unlike the Greater Toronto Area, properties continue to sell at a swifter pace than a year previous, and average sale prices continue to exceed those recorded last year, though at a somewhat smaller percentage. As indicated in earlier reports, properties in the County continue to be in demand, but with the increase in the number of available listings, and slowing pace in neighbouring markets, the sense of urgency has left buyers who apparently feel that they have more choice, can take more time to consider their options, and wait for the right property to come along instead of pouncing on the first property that crosses their path.

According to the Enhanced Statistics Statistical Query Report published by the Quinte Board for the wards that make up the County, 41 properties sold in November, three fewer than in October consistent with seasonal trends, and 18 fewer than the year previous, marking almost a 31% decline. Year to date sales are down only 6% given the very active market experienced earlier in the year, with 609 sales being recorded thus far compared to 651 at this time last year.

There was only one more new listing in November 2017 than one year ago when 66 properties came onto the market. Year to date, the County still trails last year’s numbers marginally with 1158 new listings compared to 1186 by this time in 2016. Where the difference is felt, however is in active listings. At month’s end, the Quinte Board reported 300 listings as being available for sale which is 24% more than last year when only 242 were available.

Despite that however, those properties that come onto the market for sale continue to be bought up at a faster pace than last year, continuing a trend that has been established over the last several months in the County. Specifically, properties recorded as sold were only on the market 74 days on average, 4% less time than last year when the average days on market was listed as being 77.

In addition, and as stated, prices just keep going up in the County. The average sale price of properties sold in the month of November came in at \$317,461, 7% higher than the same month last year when the average sale price was calculated to be \$297,735, a clear indication that demand for property in the County remains strong and that the area continues to benefit from its accessible price point, consistent with the stronger performance of more affordable properties across markets generally, most particularly condominium apartments, in urban centres.

Indeed, as we approach the end of the year and look forward to 2018, affordability will likely be an increasingly influential factor in the performance of the real estate market, particularly as the average Canadian household debt to income ratio sets new records, and is potentially exacerbated by the threat of higher interest rates and ever tightening lending rules imposed by both the government and financial institutions. Rising rates, however, are due in large to the recent strong performance of many of the Canadian economic indicators including job growth and a positive trajectory for the GDP generally, all of which also contribute to inflationary pressures. While instability and uncertainty in the political and economic climate south of the border as well as globally continue to be complicating factors for real estate market forecasting, the economic fundamentals are generally strong and in place for ongoing stability and sustainability in the County real estate market for the end of the year and looking forward to the next.

PREPARED BY:
RICHARD STEWART VICE PRESIDENT & LEGAL COUNSEL