

Will home prices continue to climb?

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For anxious homebuyers who have seen prices climb over the years, they'll be glad to hear that they're expected to moderate, says a [recent Royal LePage House Price Survey](#).

Over the last seven years, housing prices climbed at a fast pace, typically more than five per cent, said Phil Soper, president and chief executive of Royal LePage, in a press release.

"We are now experiencing a natural slowing in the rate of year-over-year price appreciation, with real estate markets moderating in most parts of the country, a transition to what our agents refer to as a 'Goldilocks market,' one that is neither too hot, nor too cold," he added.

"To be clear, we expect home prices to continue to grow in the months ahead, but at a slower rate than we have seen in recent years."

The average price of a home rose between 4.4 to 6.1 per cent during the third quarter of 2014 compared to a year before. The price of a family home became more unaffordable with the average price of a two-storey home climbed to \$441,714, which is a 5.5 per cent increase, and the average price of a condominium climbed to \$257,377, which is a 4.4 per cent gain.

It's expected that there will be fewer listings in cities that have seen a great deal of growth, which will show a slowdown in demand and lead to less supply.

But don't count on prices dropping since growth will continue in some of the country's large real estate markets, just at a slower pace.

Meanwhile, there continue to be warnings that Canada's housing market is expected to experience a slowdown.

The director of wealth management at Richardson GMP says that the nation's real estate market is currently in the midst of a serious housing bubble and he expects that we'll experience a hard landing.

"If we are in a bubble, as I'm convinced we are, then we can't get out with a soft landing," [Hilliard MacBeth told CBC News](#). "We have to have a hard landing, and a hard landing means that we have to go back to the trendline that was in place before the bubble started to appear."

With this landing, house prices are expected to drop by 40 to 50 per cent, he added.

But analysts have also predicted a housing crash or soft landing for years and real estate continues to flourish in Canada, especially in some major city markets. It's expected that 2015 will see a steady housing market thanks to [homebuyers looking to live in downtown cores](#) rather than the suburbs.

Developers are taking on new tactics with [smart homes](#) entering the picture and the potential for higher [wood-frame buildings](#).

If you're shopping for a new home, you might consider buying a [newly built home](#) since there's the potential that the [HST you pay can be claimed back through a rebate](#). [Rebate4U](#) can help you receive the most HST housing rebate that you're eligible for. Our priority is to provide our clients with the most professional and quality service in obtaining rebates for their new and renovated homes. We are proud to offer our clients the most personal and attentive service, and we make sure that all of our clients are 100% satisfied.