

Saint John real estate market sees explosive start to 2017

SARAH SEELEY & MICHAEL ROBINSON Telegraph-Journal

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Steve Weaver Crawford, left, and his wife Alex Weaver Crawford are two of Saint John's new homeowners. They moved into their house on Horsfield Street in June and are in the process of renovating the heritage home.

Sarah Seeley/Telegraph-Journal

SAINT JOHN • Alex Weaver Crawford and her husband Steve arrived in Saint John last year looking for a place to buy a house.

The couple were interested in developing a property in the heritage district. Weaver Crawford said she wanted to use her architecture background to renovate an older home. Last June, they moved from Guatemala into a heritage house on Horsfield Street.

"I think there's an abundance of properties that are available to purchase," she said. "It's affordable to buy the house but you have to pay attention to how much money you are putting into the house."

She and her husband quickly fell in love with the city.

"We really felt like we were missing the community connection and the feeling when we were in Saint John was one of being accepted into a small community and we really loved that so we thought we'd give it a shot."

The Weaver Crawfords were one of many new homeowners in the Port City.

The Saint John real estate market enjoyed an explosive start to 2017 with 136 properties sold in January, a 55 per cent increase from the same month last year.

The value of sales also rose from approximately \$13.7 million in January 2016 to \$21 million, according to data logged by the Saint John Real Estate Board's Multiple Listing Service and obtained by the Telegraph-Journal.

Nancy Tissington, the executive director of Uptown Saint John Inc., said she is happy with the numbers, adding she has noticed properties being purchased in the uptown area.

"We believe that densification in our core supports our businesses, so having people living in the uptown is going to support the small business owners," she said. "The densification of having residents in the uptown is always in everyone's best interest to see that growth go up."

While Saint John saw a boom in the real estate market, the province's capital city saw a slight decrease.

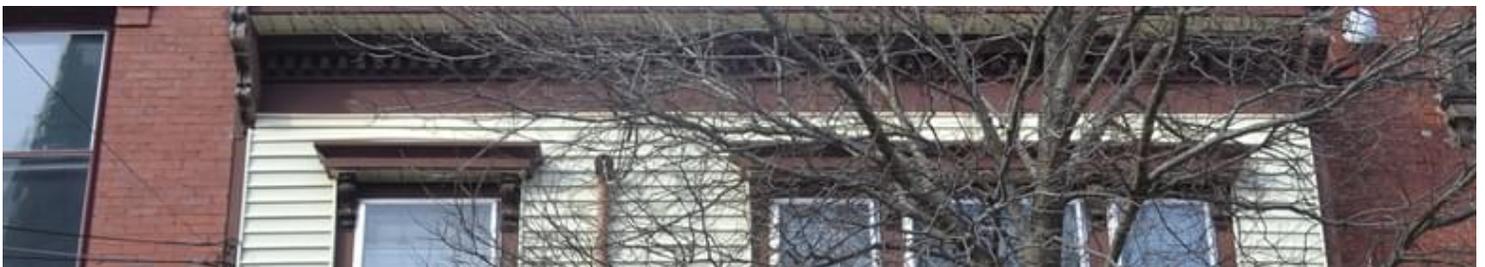
There were 107 units sold in Fredericton during January, which is four less than the total number sold in January 2016.

The value of sale in the province's capital was \$15.7 million in January, which is down 5.4 per cent from last January's numbers, according to Real Estate Board of the Fredericton Area's Multiple Listing Service.

Sharon Watts, the executive officer for the Real Estate Board of the Fredericton Area, said the weather had a significant impact on the number of homes sold.

"Us receiving 100 centimetres of snow last week didn't really help as far as showings."

The residential average price in Fredericton was \$174,058 in January 2017, rising 5.1 per cent from January 2016.





Steve Weaver Crawford and his wife, Alex, recently bought a heritage home on Horsfield Street. Saint John is seeing an explosion in the real estate market in 2017 with 136 properties sold in January.

Sarah Seeley/Telegraph-Journal

"It's definitely good for our vendors that the sale price is going up," Watts said.

"We have a lot inventory on the market so it's a good buyer's market right now."

Bob McVicar, a realtor with Sutton Group, said the bump in Saint John real estate is good news, and it arrives in the wake of "five years of pain and misery."

"From 2010 to 2015 - we [Saint John] saw, month after month, a decline in the number of properties sold and in the value of people's real estate and investments."

During that time frame, supply outpaced demand as less units were sold while the number of homes for sale increased, he explained. Now, a tighter sense of balance has finally been restored between the two.

"To draw some simple conclusions, there are more people buying, less people selling and prices have stabilized," he said. "Already, we are seeing, on occasion, multiple offers on some properties."

McVicar, who moved to Saint John from Toronto in the early '90s, attributed the new sense of balance in the housing market to recent gains in the local economy.

"There is some original organic growth in a wide variety of sectors growing in Saint John, I can think specifically of pulp and paper, information communication technology sector and lots of folks have startups now too," he said.

Tissington said the city's walkability and close proximity of amenities are two selling points for people moving to Saint John.

"People are coming in and they're not just looking, they're purchasing, which is exciting," she said. "It's absolutely a positive sign."

She said the migration of residents to the urban core is a growing trend in Canada.

"There seems to be an urban revitalization across Canada. This is not unique for Saint John."

January's numbers also help dispel the myth that houses don't sell during the dead of winter, McVicar said. Further, prospective home owners are no longer those solely constrained within New Brunswick either.

"We have people calling from Vancouver and Toronto area, a resurgence of that activity that Saint John had lost from 2010 to 2015," he said. "Outside investors are back."

Looking ahead to February's results, McVicar predicts another "double-digit increase" in sales although the exact figure remains to be seen with four days of the month remaining.

Weaver Crawford said her brother, Adam, is interested in moving to the city. He lives in the UK.

"He's really thinking about it," she said. "I think we'll have a new resident sooner than later."

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COLIN SEELEY • 4 months ago

while one should take it anyway they can get it - I submit that the very mild weather in late fall through to mid feb 2017 had a lot to do with it. Buyers do not care to be tramping through snow when considering weather to buy or not. Recall we had little or no snow all of Jan

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Raymond Bungay • 4 months ago

I wonder what the drivers are this resurgence. I am happy that it is happening as home sales is a key indicator that an economy in a region is turning the corner and business should follow, industry and retail.

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January's big year-over-year increase in sales does, in part, reflect a quiet January last year, but the market decrease five years ago was really reflective of a spike in real estate in 2008-2009 resulting from promised energy-sector projects that failed to come to fruition. Saint John has always been a stable market, not subject to the peaks and troughs of other Canadian markets; the five years from 2010-2015 were nearly identical in the number of sales and in average prices.

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