

# Entry-level housing prices on the rise, condos gain most

By **Rory MacLean**  
of **The StarPhoenix**

Condominiums are becoming the most attractive entry-level home purchase in Saskatoon, says a house price survey released Wednesday.

Standard condos, selling for an average of \$232,833 during the second quarter of this year, led the pack in year-over-year price gains over all other options on the market.

These showed the strongest gains because they are the most affordable option, said Norm Fisher, real estate specialist with Royal LePage in Saskatoon.

"First-time buyers are trying to get into the market before interest rates go up," he said.

Buyers looking to purchase at that price, with a \$10,000 downpayment, would require an income of just under \$50,000 per year to finance it — even less over a longer-term mortgage.

"In that price range you're going to have a good selection of condos," he said.

Those looking to purchase a house in that range have fewer options in the city, he says.

"You're not going to find a lot in the east side for \$230,000," he said. "Maybe a small bungalow."

Sales of detached bungalows are up six per cent over last year, selling for an average of \$331,250, followed by standard two storey homes, up about five per cent at an average of \$355,000.

A glut of higher-end homes, which Fisher classifies as properties priced at more than \$500,000, is leading to a buyers' market in that area.

"What we mean by buyers' market is that buyers have a lot of selection," he said.

Those selling in this market "may have to wait a lot longer to find their right buyer," or be prepared to adjust their price, he says.

Sales have remained strong in this sector as prices have stabilized.

Forty-four homes were sold for prices more than \$500,000 in the second quarter, compared to 31 last year.

The overall market, however, is softening, says Fisher.

"We are seeing the cooling off that was predicted by most economists coming in the first quarter of this year," he said.

"I think we're up against some really tough months."

The number of new listings seems to have peaked, so sellers will likely have renewed leverage by the end of the year, he says.

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