

MONCTON HOUSE PRICES REMAIN RELATIVELY FLAT IN THE FOURTH QUARTER

Excess supply of homes creates a buyer-friendly market in New Brunswick's second largest city

MONCTON, January 9, 2014 – The Royal LePage House Price Survey and Market Survey Forecast released today showed relatively flat price points across the two housing types surveyed in Moncton.

The average price of a standard two-storey home in Moncton increased 2.3 per cent year-over-year to \$141,000, while detached bungalows posted a 0.5 per cent decline over the same period to \$155,200.

“We have seen minimal change in the average price for two-storey homes and bungalows from this time last year,” said Carla Bouchard, broker and owner, Royal LePage Metro. “We are currently in a buyer’s market where would-be buyers are taking their time choosing amongst the large selection of inventory currently available in both housing types.”

Bouchard stated that new home construction and a vibrant rental market are affecting the number of homes trading hands in Moncton, with an approximate five per cent decrease in the number of sales completed in 2013 compared with 2012.

“Looking ahead to 2014, the Moncton market will likely see some small gains in house prices and the number of units sold as the surplus inventory works its way through the system,” added Bouchard. “We saw some renewed activity in December, a positive sign that gives us confidence that 2014 will be a stronger year for Moncton real estate.”

Nationally, in the same quarter, the average price of a home in Canada increased between 1.2 per cent and 3.8 per cent in the fourth quarter.

The survey showed year-over-year average price increases in the fourth quarter of 2013 of 3.6 per cent to \$418,282 for standard two-storey homes and 3.8 per cent to \$380,710 for detached bungalows, while the average price of a standard condominium rose 1.2 per cent to \$246,530. Prices are expected to maintain healthy momentum into 2014, with Royal LePage projecting a

3.7 per cent increase nationally from 2013 and a shift to a seller's market in the first portion of the year in a number of regions.

“A few short months ago, the country's housing market emerged from a year-long correctional cycle of dramatically slowed sales volumes. Later 2013 was marked by a transition to buoyant sales volumes and above average price growth,” said Phil Soper, president and chief executive of Royal LePage. “In the absence of some calamitous event or material increase in mortgage financing costs, we expect this positive momentum to characterize 2014. In fact, we expect a market tipped decidedly in favour of sellers for the first half of the year, after which we project a shift to a more balanced market.”

“We predict continued upward pressure on home prices as we move towards the all-important spring market. In addition to normal demand, housing prices in Canada this year will be influenced by buyers who put off purchase plans in the very soft spring of 2013,” continued Soper. “Talk of a ‘soft landing’ for Canada's real estate market in the new year is misguided. We expect no landing, no slowdown, and no correction in the near-term. Conditions are ripe for as strong a market as we saw in the post-recessionary rebound of the last decade.”

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About the Royal LePage House Price Survey

The Royal LePage House Price Survey is the largest, most comprehensive study of its kind in Canada, with information on seven types of housing in over 250 neighbourhoods from coast to coast. This release references an abbreviated version of the survey which highlights house price trends for the three most common types of housing in Canada in 90 communities across the country. A complete database of past and present surveys is available on the Royal LePage website at www.royalpage.ca. Current figures will be updated following the complete tabulation of the data for the fourth quarter of 2013. A printable version of the fourth quarter 2013 survey will be available online on February 6, 2014. Housing values in the Royal LePage House Price Survey are Royal LePage opinions of fair market value in each location, based on local data and market knowledge provided by Royal LePage residential real estate experts.

About Royal LePage

Serving Canadians since 1913, Royal LePage is the country's leading provider of services to real estate brokerages, with a network of nearly 15,000 real estate professionals in over 600 locations nationwide. Royal LePage is the only Canadian real estate company to have its own charitable foundation, the Royal LePage Shelter Foundation, dedicated to supporting women's and children's shelters and educational programs aimed at ending domestic violence. Royal LePage is a Brookfield Real Estate Services Inc. company, a TSX-listed corporation trading under the symbol TSX:BRE.

For more information, visit www.royallepage.ca.

For further information, please contact:

Gwen McGuire
Kaiser Lachance Communications
647-725-2520 x204
gwen.mcguire@kaiserlachance.com

Tammy Gilmer
Director, Global Communications & Public Relations
Royal LePage Real Estate Services
416-510-5783
tgilmer@royallepage.ca