

## DETACHED HOMES IN OTTAWA SHOW MODEST GROWTH IN THE FOURTH QUARTER

*Condo prices see a small decrease as inventory levels surge*

**OTTAWA, January 9, 2014**—Ottawa saw modest growth in year-over-year fourth quarter prices for standard two-storey homes and detached bungalows while seeing a slight decrease in standard condominium prices according to the Royal LePage House Price Survey and Market Survey Forecast released today.

The average price for standard two-storey homes increased 2.2 per cent year-over-year to \$397,667 detached bungalows increased 2.4 per cent to \$395,167. Condominium prices dropped 1.2 per cent over the same period to \$260,500.

“Ottawa saw relatively little change this quarter with only modest movement in all three housing types included in our survey,” said John Rogan, broker/manager, Royal LePage Performance Realty. “Ottawa continues to be a balanced market, thanks in large part to the combination of move-up buyers, steady migration into the city and the availability of great mortgage rates.”

According to Rogan the condo market saw a small dip in prices when compared to this time last year due to an influx of new builds coming onto the market. “We have a small supply overflow in the Ottawa condo market with an approximate 20 per cent increase in inventory this year, but there is sufficient demand for these new units. We expect they will work their way through the system in 2014.”

Royal LePage forecasts a modest 1.6 per cent price appreciation in the Ottawa housing market for 2014.

Rogan stated that the “well-oiled machine” of Ottawa residential real estate should remain balanced barring any momentous market event. “While affordable interest rates and positive net migration to the region will support the market, a potential public service freeze could be a threat to watch for in the year ahead,” he added.

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.”

### **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](http://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](http://www.royallepage.ca).

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