

SASKATOON HOUSE PRICES SHOW MODEST GROWTH IN THE FOURTH QUARTER

Strong economy and higher than usual sales volumes contribute to balanced real estate market

SASKATOON, January 9, 2014 – The Royal LePage House Price Survey and Market Survey Forecast released today showed small year-over-year price increases across major housing types surveyed.

There was mild price appreciation in the major categories surveyed, with detached bungalows increasing 1.0 per cent to \$367,250, standard two-storey homes increasing 0.7 per cent to \$379,250 and condominiums increasing 1.3 per cent to \$264,667.

“Most housing types have been stable over the past year, with relatively modest price appreciation across the board,” said Norm Fisher, broker, Royal LePage Saskatoon. “There are lots of options available in Saskatoon to willing buyers, with a steady supply of new builds to complement the resale market. Despite the bump in supply, demand has been strong enough that the increased inventory hasn’t resulted in a buyer’s market but homebuyers certainly have more clout at the negotiating table than they had over the previous two quarters.”

Fisher added that this year has been very good for residential real estate in Saskatoon. After a slow start to the year there has been sustained growth in the number of homes changing hands. 2013 closes as the second strongest year on record for the number of homes sold in Saskatoon. The fourth quarter, which has traditionally been a slower period, has witnessed a higher than usual number of sales.

Royal LePage is forecasting stable prices with perhaps moderate gains in the most popular housing categories for 2014 as the Saskatoon economy continues to grow. “Saskatoon is predicted to have one of the best performing economies in 2014,” stated Fisher. “Employment is quite strong, income growth has been better than most provinces and there is an influx of people into the province. These factors combined with low interest rates and relatively high rents point to our residential real estate market remaining strong through 2014.”

“We may see the same volume of houses being bought and sold as in 2013, but the market here is likely to remain very competitive for sellers,” Fisher concluded.

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.”

-30-

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.royallepage.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