

TORONTO HOUSING MARKET POSTS STRONG PRICE APPRECIATION IN FIRST QUARTER OF 2014

Upward pressure on prices continues as multiple-offers reach new heights

TORONTO, April 8, 2014 – The Royal LePage House Price Survey released today showed robust year-over-year price appreciation in the first quarter for standard two-storey homes and detached bungalows with both rising 6.8 per cent to \$716,698 and 4.1 per cent to \$589,250 respectively. Standard condominiums posted a more modest increase of 1.5 per cent to an average price of \$364,979.

“Homes in the detached category are flying off the shelf in the densely urban regions of Toronto,” said Gino Romanese, Senior Vice President, Royal LePage. “Insufficient inventory to match the high demand for centrally located homes – especially for the quintessential two-storey family home – has led to the upward pressure on prices in the last quarter.”

In addition to scarce inventory, demographic factors are also at play in the current market dynamic, with a noticeable influx of members of the Echo Generation looking to buy their first detached home.

“Multiple-offers are nothing new in recent history when it comes to quality family homes in this city, and the last quarter was no exception,” added Romanese. “However, with the weather now taking a turn for the better, we are starting to see more listings roll in, with a more fulsome surge of inventory expected after the Easter weekend, which should be most welcome news for buyers.”

The condominium segment continues to hold its own despite the negative pundits, but according to Romanese specific price trends and activity levels vary at a neighbourhood level. “The real estate landscape in Toronto continues to be the tale of 100 markets with visible variances from neighbourhood to neighbourhood.”

Nationally, most regions showed healthy year-over-year price growth, with the average price of a home in Canada rising between 2.5 per cent and 5.4 per cent. In the first quarter, the average price of a two-storey home increased 5.4 per cent to \$428,943, while detached bungalows rose 4.4 per cent year-over-year to \$380,765. Standard condominiums posted slightly lower gains of 2.5 per cent to \$252,174.

"With the slightest trace of a weather recovery in most parts of the country, we are now finally seeing the arrival of housing inventory. This, combined with pent-up demand following a particularly long and harsh winter is setting the stage for an exceptionally robust spring 2014 market," said Phil Soper, President, Royal LePage. "This is good news for buyers, as the price spikes we have seen in a number of cities will be alleviated by this additional supply."

"With a number of supportive economic factors in place, the country's healthy real estate market continues to display its strength," added Soper. "The federal government is heading towards a balanced budget for the first time in over six years, while all signs point to a continued low interest rate environment. Moreover, the strengthening global economy and a weaker Canadian dollar are fueling demand for Canadian exports and reducing dependence on the household sector to sustain our economic success."

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 first quarter of 2014. A printable version of the first quarter 2014 survey will be available online on May 8, 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 over 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