

## EDMONTON HOUSE PRICES SHOW MIXED RESULTS IN SECOND QUARTER

*Steady real estate market and strong local economy lead to price appreciation for two-storey homes and condominiums*

**EDMONTON, July 9, 2014** - The Royal LePage House Price Survey and Market Survey Forecast released today showed price appreciation for most housing types in Edmonton.

Condominiums showed the strongest gain, with the average price increasing 7.8 per cent year-over-year to \$236,429, while standard two-storey homes posted a steady increase of 3.8 per cent to \$372,112. Detached bungalows were essentially flat, dropping 0.2 per cent year-over-year to \$350,401.

"For the most part, house prices in the Edmonton market have appreciated over this time last year, with the exception being detached bungalows, which were flat," said Tom Shearer, associate broker and branch manager of Royal LePage Noralta Inc. "For the overall market we're ahead of where we were last year – somewhere in the three to five per cent range – depending on the neighbourhood and style of home."

Shearer suggested that homebuyers in Edmonton are price-conscious and that junior executive homes ranging from \$600,000 to \$800,000 have seen slower activity compared to homes in the lower price categories. "The luxury home market was really strong to start the year but has been cooling off in recent weeks," he said.

According to Shearer, the condominium market has been steady and sales have been consistent despite a great selection of properties. The strong price appreciation this quarter can be attributed to the category catching up to the stronger gains recorded for other housing types over the past couple of years.

Looking ahead to 2014, Royal LePage forecasts moderate price appreciation of 4.5 per cent for the Edmonton housing market. "There is a solid and growing middle class based in Edmonton, buoyed by a strong economy and regular migration to the city. This solid foundation should

result in steady year-over-year price appreciation for homes and a consistent number of sales in Edmonton."

Nationally, with the harsh winter now a fading memory, the average price of a home in Canada increased between 3.9 and 5.2 per cent in the second quarter of 2014. According to Royal LePage, price increases were posted across housing types, with detached bungalows seeing the highest year-over-year gains, rising 5.2 per cent to an average price of \$406,454. Meanwhile, standard two-storey homes rose 5.1 per cent year-over-year to \$440,972, while standard condominiums posted gains of 3.9 per cent to \$258,501.

"Chronic supply shortages are driving price spikes in Canada's major cities, masking otherwise moderate home price appreciation nationally," said Phil Soper, president and chief executive of Royal LePage. "While a widening affordability gap in Canada's largest urban centres is characterizing the national market Canadians read about daily, year-over-year house price increases in most regions of the country are presently tracking below the historical average."

Looking ahead at the remainder of 2014, Royal LePage is projecting that the national average house price will increase at 5.1% per cent for the full-year.

"Compared to other major forecasts, our year-beginning national outlook predicted a higher level of 2014 average price appreciation, yet supply constraints in a handful of our largest cities necessitate a revision upwards," noted Soper. "Looking ahead to 2015, we expect house prices to track more closely to the rate of general economic growth. That is, we see price increases in Canada's largest cities moderating, just as our smaller city markets should see a lift."

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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.royallepage.ca](http://www.royallepage.ca). Current figures will be updated following the complete tabulation of the data for the second quarter of 2014. A printable version of the second quarter 2014 survey will be available online on August 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 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](http://www.royallepage.ca).

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