

OAKVILLE HOME PRICES CONTINUE GROWTH IN THE SECOND QUARTER OF 2014

Limited supply responsible for pushing up standard two-storey and standard condominium prices

OAKVILLE, July 9, 2014 – The Royal LePage House Price Survey and Market Survey Forecast released today showed significant growth in year-over-year home price figures for most housing types surveyed in Oakville.

Standard two-story homes and standard condominiums saw notable growth in the second quarter, with average prices increasing 13.6 per cent to \$585,000 and 8.6 per cent to \$315,000, respectively. Detached bungalows saw relatively flat growth as prices increased 2.0 per cent to \$500,000.

“We are currently in the midst of a seller’s market,” said Laurie Panchyshyn, Area Manager and Broker, Royal LePage Real Estate Services. “Inventory is insufficient to satisfy the current demand, which has resulted in higher prices and multiple offer situations on every two or three properties.”

According to Panchyshyn, the prices for detached homes in Oakville crowd many buyers out of the market. “One of the consequences of the recent increase in average prices is that it is difficult for many first time buyers to afford a home in this area,” she said.

Looking forward, Panchyshyn expects the jump in house prices to level off and believes that unit sales will be virtually identical to where they were in 2013.

“We have already seen a healthy jump in house prices this year, and I do not currently see any economic factors that will push the price lower,” explained Panchyshyn. “I expect 2014 to be a good year – interest rates remain excellent, and we should not see any employment factors influencing the Oakville market.”

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. 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.

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For further information, please contact:

Ray McIlroy
Kaiser Lachance Communications
647-725-2520 x215
Ray.McIlroy@kaiserlachance.com

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