

## **VANCOUVER HOUSE PRICES SHOW STEADY GROWTH IN SECOND QUARTER**

*Much sought-after detached homes show strong year-over-year growth*

**VANCOUVER, July 9, 2014** - The Royal LePage House Price Survey and Market Survey Forecast released today showed year-over-year price increases across all housing types surveyed in Vancouver.

The average price for single-family homes showed strong price growth in the second quarter, with detached bungalows increasing 5.2 per cent year-over-year to \$1,107,290 and standard two-storey homes increasing 4.6 per cent to \$1,204,011. Meanwhile, standard condominium average prices were largely flat, increasing by 0.3 per cent year-over-year to \$491,984.

“Prices in Vancouver are up overall because increased buying activity, due to continued low interest rates and a pent up demand leftover from a fairly slow start to 2014,” said Bill Binnie, broker and owner of Royal LePage North Shore. “Sales are up this quarter due to more demand than we’ve seen in at least the past three years.”

“Detached homes have increased in price by about four to five percent, largely due to a diminishing supply of homes because of land assemblies for new strata projects and sky train projects and a strong continuing demand,” said Chris Simmons, broker and owner of Royal LePage Westside. “Condos are also up in price, appreciating approximately one per cent over last year. There is still strong demand for condos, but the supply is continuously growing, leading to a slower increase in price appreciation.”

According to Simmons, housing inventory in Vancouver is currently below the 10-year average. “While there has been a steady supply of new housing being built over the last few years, the supply of listings has not increased markedly,” he said.

Looking ahead, Royal LePage forecasts that home prices in Vancouver will rise by approximately 7.1 per cent in the remainder of 2014. “The real estate environment is very stable right now, so the future of house prices depends a lot on interest rates. If the rates remain the same as they are currently, we can expect to see slow but steady price appreciation for the rest of the year,” added Binnie.

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.

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