

WINNIPEG HOME PRICES RISE FOR MOST HOUSING TYPES IN SECOND QUARTER OF 2014

First-time homebuyers looking to condominiums to enter real estate market

WINNIPEG, July 9, 2014 – The Royal LePage House Price Survey and Market Survey Forecast released today showed year-over-year price appreciation across most housing types surveyed in Winnipeg.

Detached bungalow prices rose by 2.0 per cent year-over-year to an average of \$311,015, while standard condominiums saw a strong price increase rising 5.3 per cent to an average price of \$209,023. The standard two-storey was the only housing type to buck this upward trend as the price decreased by 2.4 per cent to an average of \$336,241.

“The second quarter was a strong one and our year-to-date numbers mirror historical averages,” said Rick Preston, broker and owner, Royal LePage Dynamic. “There has been a higher than usual demand for condominiums, which sit at a very attractive price point for first-time homebuyers.”

Preston suggested that a property’s amenities and condition are playing a heavy influence on whether a home sells or not, particularly with inventory currently up over this time last year. “Nice properties are being fought over and move quickly. If the property is less pristine, it is taking a bit longer to sell,” added Preston.

Looking ahead to the remainder of 2014, Royal LePage forecasts that home prices in Winnipeg will rise by approximately 2.8 per cent. Preston believes that the increase in price reported to date will remain constant for the rest of the year. While the long winter and late spring have affected the number of properties sold year-to-date, Preston believes that they are back on track to where they should be due, in large part, to a very active market in May.

“Real estate remains a good bet for Winnipeggers. Properties in the city are still very affordable compared to other big cities in Canada,” concluded Preston.

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.

For more information visit: www.royallepage.ca.

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