

## Prices in Greater Vancouver See Significant Appreciation in First Quarter of 2016

*Low inventory and overwhelming demand leads many market segments to new heights*

**VANCOUVER, April 7, 2016** – The Royal LePage House Survey<sup>1</sup> released today showed double-digit price growth across housing types surveyed in Greater Vancouver. In the first quarter of 2016, the aggregate<sup>2</sup> price of a home rose by 21.6 per cent year-over-year to \$1,044,750.

The median price for bungalows in Greater Vancouver surged 25.7 per cent year-over-year to \$1,116,136, while two-storey homes climbed 23.6 per cent to \$1,418,231. Condominiums also saw strong price growth during the quarter, increasing 9.5 per cent to \$487,300.

The aggregate house price in the Greater Vancouver real estate market experienced significant growth in the first three months of the year, outpacing the rest of the nation by a wide margin. Prices have reached new highs, appreciating at an incredible rate of more than 18.0 per cent in six of the eight regions surveyed. Burnaby, as well as North, West and Central Vancouver all saw a staggering jump in aggregate price, with increases of over 20 per cent year-over-year.

“Prices across Greater Vancouver continued to swell in the first quarter to previously unseen levels,” said Alan Stewart, regional manager, Royal LePage Sussex. “Sales activity remains at an all-time high, with a marked lack of inventory leading many to look at condominium options in order to stay within the city limits. We are also seeing a growing trend of residents leveraging the current high-price environment as a means to retire early, cashing out and moving to the city’s more affordable neighbouring regions.”

### Greater Vancouver Market Summaries

In the first quarter of 2016, the aggregate price of a home in central **Vancouver** rose by 25.7 per cent year-over-year to \$1,271,374. All property types saw significant appreciation, with the median prices of bungalows and two-storey homes increasing by an astounding 32.9 and 30.0 per cent year-over-year, respectively. According to local Royal LePage real estate experts, a prolonged shortage in supply has left the market in a state of imbalance, resulting in a high degree of demand for the limited properties available. This has resulted in the current multiple offer environment with sellers receiving greater returns.

In **West Vancouver**, the aggregate price of a home approached the \$3-million mark this quarter, rising 20.4 per cent to \$2,959,037. While each property type appreciated by roughly 20 per cent, condominiums stood above the rest in price growth, rising by 27.1 per cent year-over-year to \$1,230,183. Demand for this property type surged over the course of the quarter, with many prospective buyers looking to remain within the city limits without having to compete within the region’s vaunted bungalow and two-storey market.

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<sup>1</sup> Powered by Brookfield RPS

<sup>2</sup> Aggregate prices are calculated via a weighted average of the median values of homes in the region surveyed

Looking beyond the downtown core, **North Vancouver** saw a dramatic rise in price appreciation in the first quarter, with an aggregate house price increase of 18.6 per cent year-over-year to \$1,171,083. Bungalows saw the highest jump in median price, climbing 24.3 per cent to \$1,342,726 as a shortage in supply continued to influence demand, creating market characteristics conducive to multiple offers situations.

The aggregate price of a home in **Richmond** appreciated at the highest rate of any aggregate price in the Greater Vancouver region, jumping 26.1 per cent year-over-year to \$914,010. During the first quarter, all three major housing types surveyed saw double-digit price growth, with bungalows and two-storey properties appreciating by 31.2 and 28.8 per cent year-over-year, respectively. A severe lack of inventory brought on by many electing to stay put given current real estate conditions has led prospective buyers to compete against each other in an effort to secure available housing in close proximity to central Vancouver.

In **Burnaby**, during the first quarter the aggregate price of a home rose 18.0 per cent year-over-year to \$866,493, thanks in large part to an overall deficit in supply. The lack of land available for new builds has placed a significant strain on inventory, causing greater competition for the few detached listings on the market. This in turn has led to rapid price appreciation for two-storeys and bungalows, climbing 21.7 and 24.7 per cent respectively year-over-year.

**Coquitlam** home prices have continued to rise, vaulting 18.4 per cent year-over-year to an aggregate price of \$845,291. Like many other regions in Greater Vancouver, sales activity is nearing an all-time high, as many buyers vie for the limited real estate available within the region. As a result, prices continue to spike across the bungalow and two-storey market segments, with median prices rising by 17.9 and 19.8 per cent respectively when compared to the same quarter last year.

Strong demand has also bolstered the seller's market in **Surrey**, with the aggregate price of a home rising 15.4 per cent year-over-year to \$677,221 in the first quarter of 2016. High prices boosted by depressed inventory levels in many surrounding areas have necessitated a move into Surrey for many who are currently priced out of other markets in Greater Vancouver.

Finally, **Langley** saw strong growth in the first quarter of 2016, with its aggregate price jumping 12.9 per cent year-over-year to \$635,897. Offering prospective buyers comparatively lower priced real estate opportunities compared to other regions in Greater Vancouver, many have begun to sell their existing homes and move to the Langley region in an effort to pocket greater returns.

Market	Two-Storeys				Bungalows				Condominiums				Aggregate			
	Q1 2016	Q4 2015	Q1 2015	Year-Over-Year % Change	Q1 2016	Q4 2015	Q1 2015	Year-Over-Year % Change	Q1 2016	Q4 2015	Q1 2015	Year-Over-Year % Change	Q1 2016	Q4 2015	Q1 2015	Year-Over-Year % Change
Greater Vancouver Area	\$1,418,231	\$1,293,456	\$1,147,799	23.6%	\$1,116,136	\$1,051,908	\$888,082	25.7%	\$487,300	\$474,054	\$444,965	9.5%	\$1,044,750	\$969,990	\$858,981	21.6%
Vancouver	\$2,374,155	\$2,084,133	\$1,826,646	30.0%	\$1,302,427	\$1,213,206	\$980,287	32.9%	\$578,516	\$560,603	\$522,014	10.8%	\$1,271,374	\$1,156,312	\$1,011,579	25.7%
North Vancouver	\$1,485,179	\$1,349,332	\$1,260,425	17.8%	\$1,342,726	\$1,242,920	\$1,080,178	24.3%	\$420,638	\$421,374	\$408,523	3.0%	\$1,171,083	\$1,081,351	\$987,379	18.6%
West Vancouver	\$3,423,218	\$3,124,229	\$2,864,790	19.5%	\$2,507,892	\$2,384,832	\$2,051,739	22.2%	\$1,230,183	\$1,072,001	\$968,104	27.1%	\$2,959,037	\$2,721,284	\$2,457,589	20.4%
Surrey	\$776,468	\$741,894	\$672,653	15.4%	\$637,163	\$612,911	\$535,699	18.9%	\$240,040	\$240,708	\$230,204	4.3%	\$677,221	\$649,370	\$586,986	15.4%
Richmond	\$1,256,385	\$1,144,148	\$975,431	28.8%	\$1,152,512	\$1,104,855	\$878,672	31.2%	\$422,862	\$410,474	\$370,614	14.1%	\$914,010	\$848,377	\$724,706	26.1%
Langley	\$717,954	\$700,761	\$613,072	17.1%	\$559,061	\$545,948	\$532,727	4.9%	\$219,629	\$224,787	\$215,572	1.9%	\$635,897	\$621,375	\$562,991	12.9%
Coquitlam	\$1,033,095	\$940,267	\$862,262	19.8%	\$815,349	\$798,285	\$691,621	17.9%	\$337,700	\$326,307	\$311,753	8.3%	\$845,291	\$786,869	\$714,016	18.4%
Burnaby	\$1,274,383	\$1,243,226	\$1,047,550	21.7%	\$1,171,973	\$1,099,434	\$939,725	24.7%	\$415,243	\$410,838	\$406,345	2.2%	\$866,493	\$835,947	\$734,613	18.0%

\*Data presented in the table above may not match same period data reported previously due to subsequent market updates.

Nationally, Canada's residential real estate market showed strong year-over-year price increases in the first quarter of 2016. The Greater Vancouver and Greater Toronto Area (GTA) real estate markets continue to lead the country in home price appreciation, with Canada's economic landscape supporting robust housing demand in these metropolitan areas. Additionally, an emerging trend of inter-provincial migration to British Columbia and Ontario from commodity-focused economic regions such as Alberta is expected to put further upward pressure on home prices in these areas in the coming months.

The price of a home in Canada increased 7.9 per cent year-over-year to \$512,621 in the first quarter of 2016. The price of a two-storey home rose 9.2 per cent year-over-year to \$629,177, and the price of a bungalow increased 6.8 per cent to \$426,216. During the same period, the price of a condominium increased 4.0 per cent to \$344,491.

"A glance at our national house price composite points to a very strong Canadian real estate market, yet the findings contain extreme regional disparities of the kind we haven't seen in over a decade," said Phil Soper, president and CEO, Royal LePage. "Like an economic triumvirate, the impact of rock-bottom interest rates, the low Canadian dollar and a rapidly expanding U.S. workforce are stimulating economic growth and housing demand in our largest metropolitan areas. Conversely in cities like Calgary, the ongoing drags in depressed energy prices and worrisome employment trends have taken a material bite out of sales volumes. As a lagging indicator, home prices in Alberta and Newfoundland are just beginning to adjust to the lower demand."

"Redistribution of labour across the country is further reinforcing disparities among housing markets, as the broader impacts of the oil recession on Alberta's economy take hold. For the first time in many years, we are witnessing an out-migration trend in the province, as economic conditions and employment prospects dim," continued Soper. "We expect British Columbia, followed by Ontario, to be the top recipients of new household inflows in the coming year, which



will further fuel housing demand and price appreciation in Greater Vancouver and the GTA. This is in sharp contrast to the situation from 2011 to 2014, and in the mid 2000's, when a booming energy sector attracted families from all over Canada to Alberta.”

### **About the Royal LePage House Price Survey**

The Royal LePage House Price Survey provides information on the three most common types of housing in Canada, in 53 of the nation's largest real estate markets. Housing values in the House Price Survey are based on the Royal LePage National House Price Composite, produced quarterly through the use of company data in addition to data and analytics from its sister company, Brookfield RPS, the trusted source for residential real estate intelligence and analytics in Canada. Commentary on housing and forecast values are provided by Royal LePage residential real estate experts, based on their opinions and market knowledge.

### **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 16,000 real estate professionals in more than 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).

*For further information, please contact:*

Eddie Tabakman  
Kaiser Lachance Communications  
647-680-8316  
[eddie.tabakman@kaiserlachance.com](mailto:eddie.tabakman@kaiserlachance.com)