

2016

HOUSING MARKET OUTLOOK

RE/MAX[®]



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NATIONAL SUMMARY

HIGH DEMAND AND LOW SUPPLY CONTINUED TO CHARACTERIZE VANCOUVER'S AND TORONTO'S HOUSING MARKETS THROUGHOUT 2015 AS COMPETITION FROM BUYERS OVER THE LIMITED INVENTORY OF SINGLE-FAMILY HOMES PUSHED PRICES HIGHER.

The average residential sale price increased 17 per cent in Greater Vancouver and 10 per cent in the Greater Toronto Area, to approximately \$947,350 and \$622,150, respectively. As demand shows no signs of waning, these markets are expected to continue to see price appreciation in 2016, of seven per cent in Greater Vancouver and five per cent in the Greater Toronto Area.

In these competitive markets, sellers want to ensure they maximize the value of their homes, while buyers look for guidance during the fast-paced bidding process. In a recent Leger survey conducted for RE/MAX, 70 per cent of homeowners agreed REALTORS® provide value when buying or selling a home.

Regions outside of Canada's highest-priced cities reported a spillover effect from the price increases in Greater Vancouver and the Greater Toronto Area continuing a trend that RE/MAX reported this spring. There were significant year-over-year price increases in Victoria (13%), Fraser Valley (10%), Hamilton-Burlington (12%) and Barrie (8%).

New Canadians and foreign investors continued to be an important demographic of buyers in Toronto, Vancouver and Montreal. Attracted to Canada's stable economy and low Canadian dollar, this trend is expected to continue through 2016.

In Alberta, a year after the sudden drop in oil prices, housing markets in Calgary and Edmonton showed slower activity but haven't experienced significant price adjustments. The average residential sale price in Calgary saw a five per cent decrease, due primarily to a larger

proportion of sales at the lower end of the market. In Edmonton, the average price increased by two per cent despite more inventory on the market. An ongoing \$5 billion development project in downtown Edmonton has stimulated the local economy and helped to keep employment levels up, mitigating the impact of oil industry layoffs. As buyers in these markets continue to feel uncertain, the average sale price is expected to decrease in 2016, by 3.5 per cent in Edmonton and four per cent in Calgary.

Outside of B.C. and Southern Ontario, high inventory continued to be a significant factor affecting the markets in many cities, including Saskatoon, Regina, Montreal, Quebec City, Halifax and St. John's. This is primarily due to a period of increased construction. Though new construction slowed down in most of these cities, it will take some time for the market to absorb the product.

RE/MAX 2016 average residential sale price expectation for Canada is an increase of 2.5 per cent as Canadians continue to see home ownership as an important milestone as well as a good investment.



91% OF CANADIANS SAY THAT HOME OWNERSHIP IS PART OF THE CANADIAN DREAM



MORE THAN TWO-THIRDS OF CANADIANS SAY THAT 10% OR MORE OF THE PRICE OF A HOME IS A GOOD DOWN PAYMENT



71% OF HOMEOWNERS AGREE THAT WHEN BUYING OR SELLING A HOME, REALTORS® PROVIDE VALUE



BRITISH COLUMBIA
VICTORIA

↑ **13%**

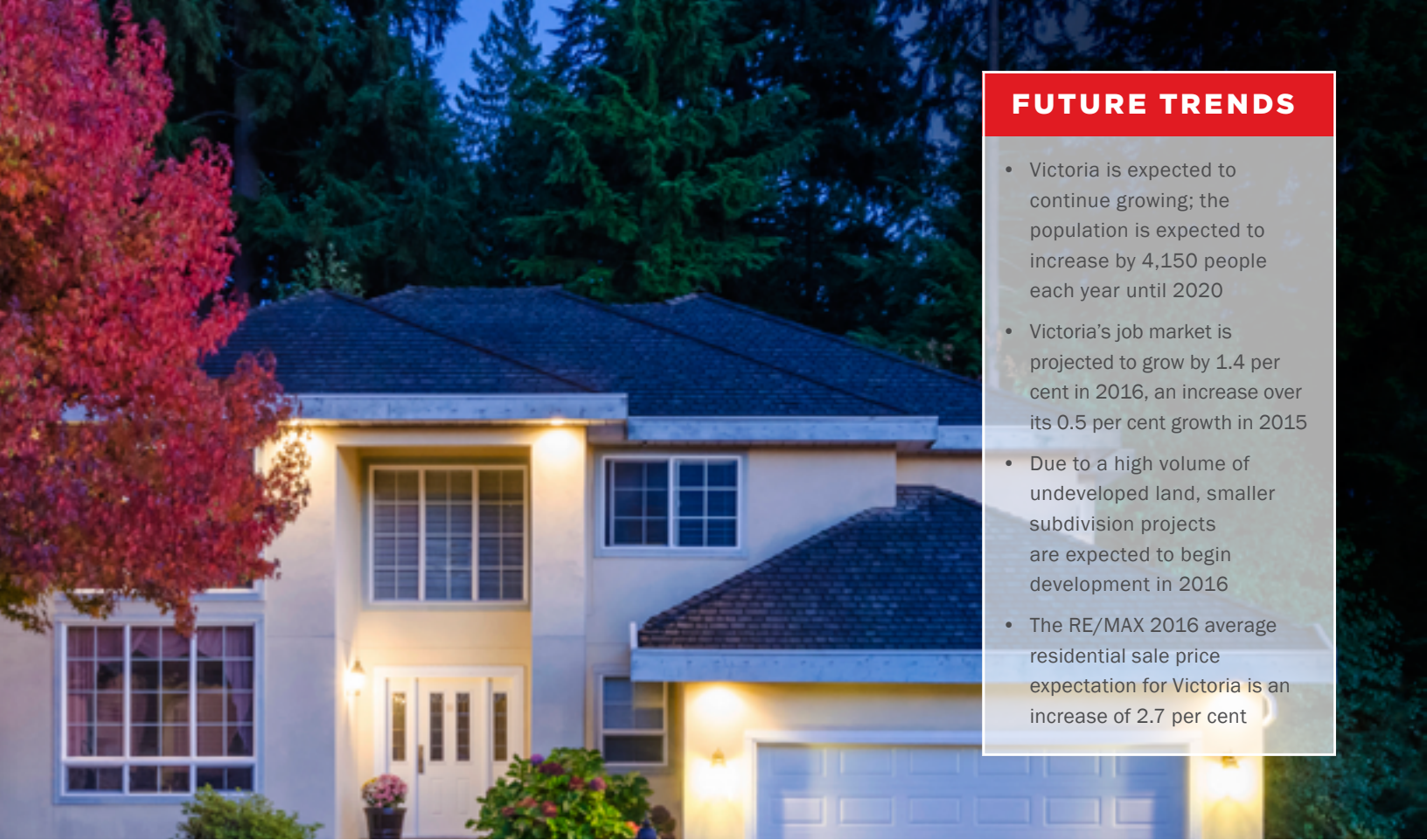
2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$575,000

SALES WERE BRISK IN 2015 as demand remained high in Victoria, considered to be one of Canada's most desirable cities. Market conditions generally favoured sellers, and sales increased by 24 per cent year-over-year; there were 5,244 sales between January and October of this year, compared to 4,230 during the same period in 2014.

The average residential sale price in Victoria increased 13 per cent from 2014, rising to

approximately \$575,000 from \$507,212. Low inventory in the resale market has put upward pressure on the average home price; the higher price level is encouraging both new listings and competition from builders.

Buyers looking to relocate from Alberta or lower mainland British Columbians are expected to drive demand in 2016.



FUTURE TRENDS

- Victoria is expected to continue growing; the population is expected to increase by 4,150 people each year until 2020
- Victoria's job market is projected to grow by 1.4 per cent in 2016, an increase over its 0.5 per cent growth in 2015
- Due to a high volume of undeveloped land, smaller subdivision projects are expected to begin development in 2016
- The RE/MAX 2016 average residential sale price expectation for Victoria is an increase of 2.7 per cent

FIRST-TIME BUYERS

First-time buyers in Victoria are taking advantage of low interest rates to enter the market, typically purchasing condos. Many of the new condo projects in development are smaller units, under 1,000 square feet, and are geared toward single and entry-level buyers.

CONDO MARKET

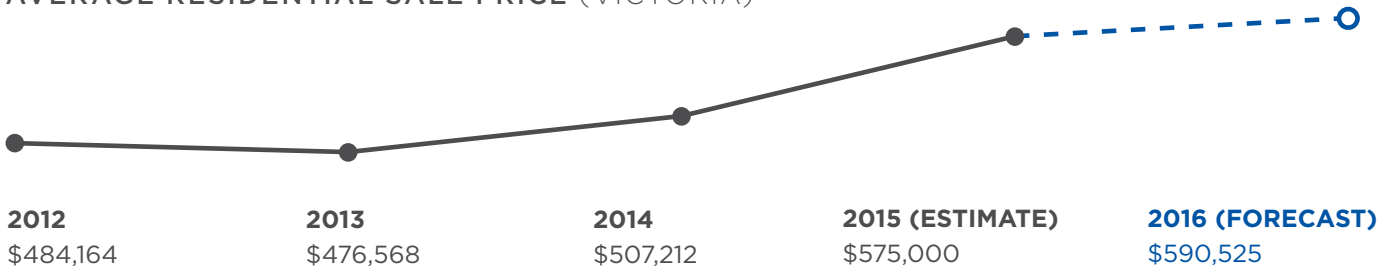
In Victoria's expanding condominium market, prices have remained stable due to a steady supply of new product, while sales have increased. There were 1,786 sales of condo units between January and October of this year, compared to 1,412 during the same period last year. Many of the new

developments appeal to first-time buyers, though there are several luxury developments on the market as well. These higher-end condos attract retirees and foreign investors, who are drawn to a lower maintenance property or are in the market for a second home.

LUXURY HOMES

Buyers have been very active in Victoria's luxury market. The majority of detached homes sold in Victoria are in the \$1 million to \$5 million range. Luxury buyers are often foreign investors or retirees looking to purchase upscale condos or houses on the coast, in some cases as a secondary residence.

AVERAGE RESIDENTIAL SALE PRICE (VICTORIA)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



BRITISH COLUMBIA

GREATER VANCOUVER

↑ 17%

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$947,350

LOW INVENTORY AND HIGH DEMAND

continued to characterize Greater Vancouver's housing market this year. The number of sales was up nearly 50 per cent year-over-year, and the average residential sale price rose approximately 17 per cent in Greater Vancouver to an estimated \$947,350. The high demand and price increases have spread to the suburbs as buyers look farther in their search for a single-family home in their price range, and no area within a 90 minute drive

from the city has remained unaffected by current market conditions.

In this highly competitive seller's market, successful buyers typically put in an offer without conditions and have their deposit in hand. A market in which there are multiple offers on every listing has led to pent-up demand from buyers who were unsuccessful, which should keep activity high in the coming year.



FUTURE TRENDS

- The high demand and low inventory is expected to keep Greater Vancouver firmly in a seller's market throughout 2016
- The low Canadian dollar is expected to keep the Vancouver market attractive to foreign investors
- The RE/MAX 2016 average residential sale price expectation for Greater Vancouver is an increase of seven per cent

FIRST-TIME BUYERS

Many first-time buyers, priced out of Vancouver's single-family homes, enter the market by purchasing a condo. Some first-time buyers purchase homes with a rental unit like a laneway home or basement apartment in order to subsidize their mortgage with a rental income. First-time buyers are typically two-income, professional couples or families.

CONDO MARKET

As the price gap between condos and detached homes grows, making it more difficult for condo owners to move up, many people are getting used to the idea of long-term condo living. More urban amenities and an increased preference for walkable communities and less time spent commuting is contributing to this lifestyle shift.

Last year saw an increase in condo sales as buyers became concerned that with the rate of price increase, they may miss their chance to enter the market. Additionally, current

low interest rates and high rental rates have decreased the monthly cost differential between buying and renting.

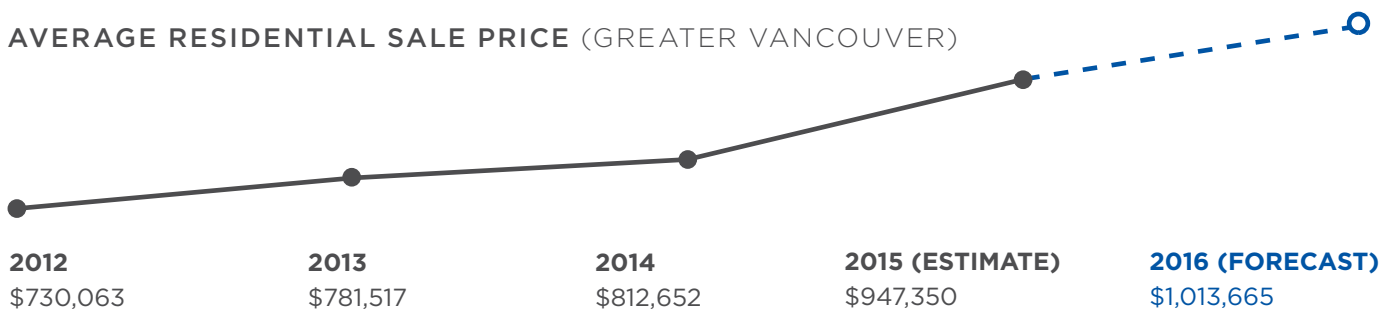
Condominiums did not see the same price increases as detached homes last year; as they have been outpaced by the rest of the market, they have more room to grow and may see a bigger increase next year.

LUXURY HOMES

There was high demand in the luxury market last year, driven by both local move-up buyers and foreign buyers, who are primarily from mainland China.

In West Vancouver, where the highest-end homes are located, sales were slower for homes over \$5 million than in the lower price ranges, though these homes still sold well. During the first few months of 2015, the exchange rate between the Chinese Yuan to the Canadian dollar was very favourable to Chinese buyers, boosting demand in the luxury market. Luxury sales are expected to decrease a little next year and a more modest price increase is expected.

AVERAGE RESIDENTIAL SALE PRICE (GREATER VANCOUVER)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



BRITISH COLUMBIA

FRASER VALLEY

↑ 10%

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$550,200

ONLY 40 MINUTES OUTSIDE OF METRO VANCOUVER, buyers are attracted to Fraser Valley's family-friendly neighbourhoods and spacious homes at relatively affordable prices. Fraser Valley is in a seller's market due to low inventory and high demand. The average residential sale price rose 10 per cent year-over-year to approximately \$550,200 from \$498,703 in 2014. Sales increased 30 per cent year-over-year: there were 15,639 sales between January and October of 2015, compared to 12,025 during the same period last year.

Demand was strongest for detached homes, which are popular with growing families, creating demand in the region. Days on market for a single-family home or townhouse averaged 36 days; apartments and condos were almost double, at 60 days.

After experiencing its busiest market since 2005, prices and sales are expected to moderate slightly next year. High prices in Vancouver and comparably well-priced, attractive properties have led to growth in Fraser Valley's housing market, a trend that is expected to continue into 2016 as more land is developed.



FUTURE TRENDS

- Infrastructure projects, such as the possible development of a public transit area, are currently underway, and if approved, are expected to bring more growth to the area
- More community parks, walking trails, and green spaces are expected to be built
- The RE/MAX 2016 average residential sale price expectation for Fraser Valley is an increase of three per cent

FIRST-TIME BUYERS

First-time buyers make up approximately one-third of the buyers in Fraser Valley, while move-up buyers with families looking to settle down are driving the market. First-time buyers are typically young professionals purchasing condos, since detached homes are often out of their price range.

CONDO MARKET

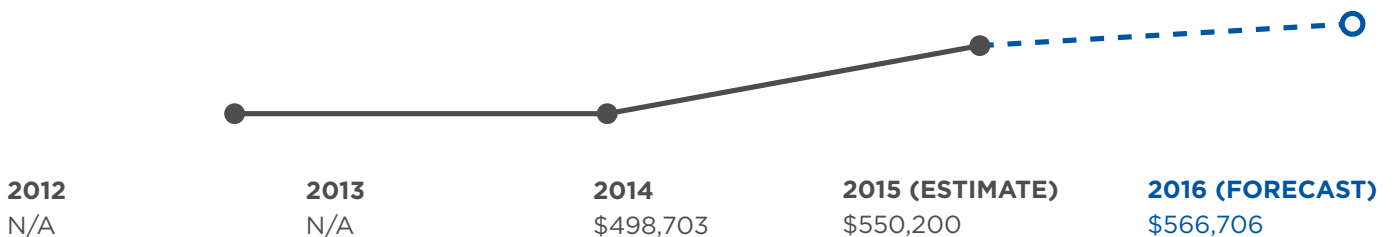
The Fraser Valley condo market remains balanced. In Surrey, developers continue to focus on establishing Surrey City Centre

as an up-and-coming condominium hub in the Fraser Valley. The average sale price for condos increased one per cent year-over-year to approximately \$232,850.

LUXURY HOMES

Fraser Valley's luxury homes tend to be large acreage or farm properties with expansive structures. These homes appeal to a small demographic, as buyers in this price range are typically looking for properties in closer proximity to the city's attractions and amenities.

AVERAGE RESIDENTIAL SALE PRICE (FRASER VALLEY)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.

BRITISH COLUMBIA
KELOWNA

 **3%**

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$435,850



LOW INTEREST RATES, HIGH CONSUMER CONFIDENCE, AND A STRONG PROVINCIAL ECONOMY KEPT SALES HIGH in Kelowna in 2015. The average residential sale price rose 2.7 per cent year-over-year, to approximately \$435,850 from \$424,145 in 2014. The number of sales increased as well; there were 3,397 sales between January and October 2015, up from 3,124 during the same period last year.

Demand was strongest for single-family homes, followed closely by condominiums. At the end of October, there were five months of inventory on the market, and average days on market were 64 for single-family homes and 83 for condo units.

Buyers from Alberta represented a significant proportion of Kelowna's buyers. While Kelowna's real estate market experienced healthy growth in 2015, it's anticipated that the economic downturn in Alberta may have an impact on sales in 2016.



FUTURE TRENDS

- Low interest rates and British Columbia's robust economy are expected to keep consumer confidence high
- The economic slowdown in Alberta may impact the real estate market, particularly for luxury homes
- The RE/MAX 2016 average residential sale price expectation for Kelowna is an increase of two per cent

FIRST-TIME BUYERS

First-time buyers comprised approximately 20 per cent of buyers in Kelowna's housing market. The majority of first-time homeowners were looking to purchase condos, encouraging many condo owners to sell their units and upgrade to larger, single-family homes.

CONDO MARKET

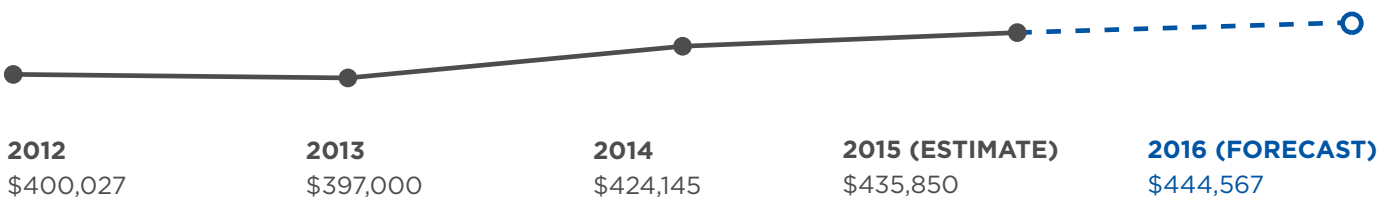
Kelowna's condo market was very active throughout 2015. As home prices in the regions remained high, condos provided

buyers a more affordable opportunity to enter the market. In 2016, prices are anticipated to increase by approximately two per cent. As there are no new condo developments planned for 2016, inventory levels are expected to remain fairly stable.

LUXURY HOMES

The upper-end market was stable and saw similar sales activity in 2015 compared to the previous year. As buyers from Alberta drive demand for homes in the \$1 million and up range, the luxury market is expected to soften in 2016 due to the economic slowdown in Alberta.

AVERAGE RESIDENTIAL SALE PRICE (KELOWNA)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



ALBERTA
CALGARY

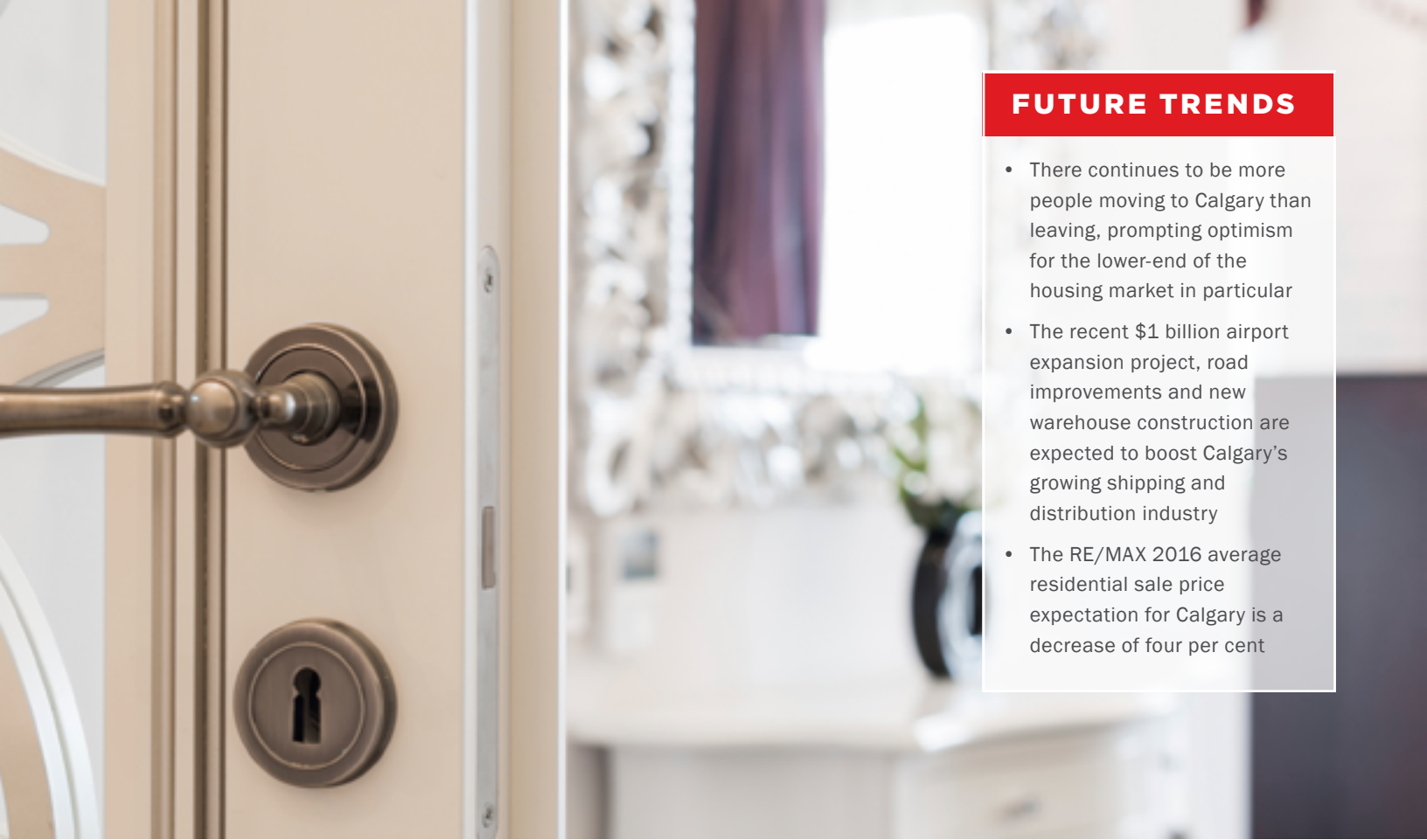
↓ **5%**

**2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$461,700**

THE FIRST FEW MONTHS OF THE YEAR WERE SLOW in Calgary's real estate market, as both buyers and sellers adjusted to the shock of the sudden fall in oil prices. Concern that oil could take time to stabilize and the stock market may soften has made some buyers apprehensive. The average residential sale price decreased approximately 5 per cent year-over-year, from \$484,790 in 2014 to an estimated \$461,704, due to fewer sales at the

high end of the market, as well as some price adjustment.

Though demand has been lower, supply has not increased very much, keeping prices fairly stable overall. It is anticipated that the lower end of the market will continue to be more active than the higher end in 2016, with first and second-time buyers driving demand.



FUTURE TRENDS

- There continues to be more people moving to Calgary than leaving, prompting optimism for the lower-end of the housing market in particular
- The recent \$1 billion airport expansion project, road improvements and new warehouse construction are expected to boost Calgary's growing shipping and distribution industry
- The RE/MAX 2016 average residential sale price expectation for Calgary is a decrease of four per cent

FIRST-TIME BUYERS

In an overall slower market, first-time buyers have been the most active market segment. Calgarians who work in non-oil related jobs have taken the opportunity to get into the market, and entry-level homes priced under \$400,000 have seen the most activity. First homes at that price point are typically larger houses on the east side of the city, or bungalows and split-levels in the north-central and south-central areas. With softer demand than in previous years, the houses that sell are priced well, show well and are move-in ready.

CONDO MARKET

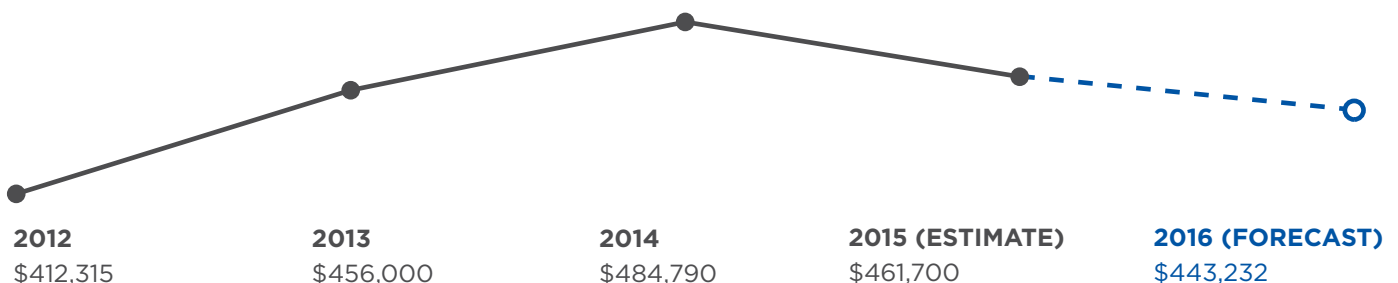
There is a good supply of condo inventory on the market, offering

first-time buyers an affordable entry point. Townhouse-style condos have been selling fairly well, while there is higher inventory and lower demand for apartment-style condos.

LUXURY HOMES

The upper-end of the market has seen the most significant slowdown, as buyers are hesitant to make larger investments under the current market conditions. Buyers in the luxury market tend to be employed in the oil industry, and they are holding off until the industry stabilizes. The biggest price decreases have been in those homes priced over \$700,000; it is possible that this market may pick up a little next year as buyers take advantage of the opportunity to find a deal.

AVERAGE RESIDENTIAL SALE PRICE (CALGARY)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.

ALBERTA
EDMONTON

 **2%**

**2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$373,450**



THE DROP IN OIL PRICES HAS LED TO UNCERTAINTY in Edmonton's housing market.

Listing inventory is up, as newly built homes and condominiums compete with resale properties in a buyer's market. Average days on market increased from 43 in October 2014 to 57 in October 2015, and there was a 5.8 month supply of inventory on the market as of Oct. 31. Despite higher inventory, the average residential sale price is up

slightly year-over-year, from \$367,038 in 2014 to approximately \$373,450.

While the market has seen a shift over the past year, an ongoing \$5 billion development project in downtown Edmonton has stimulated the local economy and helped to keep employment levels up. Potential buyers have been cautious this year as they wait to see how the economy will shift over the next several months.



FUTURE TRENDS

- Significant development in downtown Edmonton is expected to continue to provide employment
- The new Rogers Arena, Royal Alberta Museum, shops and hotels in the area are expected to increase tourism
- The RE/MAX 2016 average residential sale price expectation for Edmonton is a decrease of 3.5 per cent

FIRST-TIME BUYERS

The first-time buyer market in Edmonton has shifted over the past few years. There are fewer single potential buyers moving to the city for high-paying jobs and purchasing on their own. Now, first-time buyers tend to be young couples or families. These first-time buyers typically enter the market by purchasing a home in the \$350,000 range, which could be a half-duplex in an established neighbourhood closer to downtown, or a newer house in the suburbs.

CONDO MARKET

Condominiums have been more affected by the downturn in the housing market than detached homes. There is a good supply of condo inventory on the market, due to significant

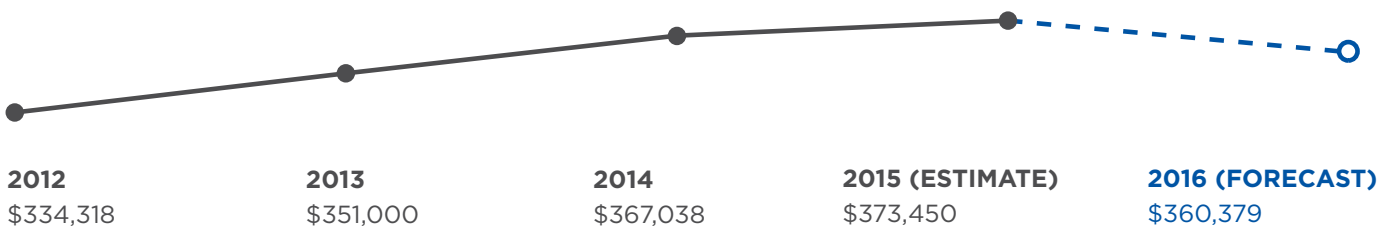
development over the past several years. In 2014, 67 per cent of condo listings were sold, whereas from January to October of this year, only 49% were sold.

While sales of condo units are down year-over-year, the average price remains stable. The average 2015 sale price for a condo at the end of October was \$252,956, on par with the 2014 average of \$252,159.

LUXURY HOMES

Edmonton's luxury market has been slower this year. There is good selection for potential buyers as there are higher inventory levels than in other segments of the market. This is due to new construction that has recently come up for sale.

AVERAGE RESIDENTIAL SALE PRICE (EDMONTON)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



SASKATCHEWAN
SASKATOON

↓ **2%**

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$354,150

AN INCREASE IN NEW BUILDS has created market conditions modestly favouring the buyer in Saskatoon. Currently, there are four months of inventory on the market, and inventory is expected to increase as more of these new builds come to market next year. Average year-over-year residential sale prices have declined slightly from \$361,031 in 2014 to approximately \$354,150.

Single-family homes priced between \$350,000 and \$425,000 were in highest demand from both first-time buyers and buyers moving from a condo to a single-family home.

The average residential sale price is expected to remain stable in 2016, while move-up buyers are projected to drive demand in Saskatoon's real estate market.



FUTURE TRENDS

- With fewer new builds slated to begin construction in 2016, inventory levels are expected to stabilize over the course of next year
- Saskatoon is expected to remain in a buyer's market in 2016
- The RE/MAX 2016 average residential sale price expectation for Saskatoon is that prices will remain flat

FIRST-TIME BUYERS

First-time buyers are typically young couples with two incomes looking to enter the market by purchasing a single-family, two bedroom home in an older neighbourhood between \$350,000 and \$425,000.

In 2015, more stringent lending criteria from the banks made it more difficult for first-time buyers to secure financing, a trend that looks likely to continue in 2016.

CONDO MARKET

Saskatoon's condominium market has experienced significant growth, with several new builds coming on to the market in

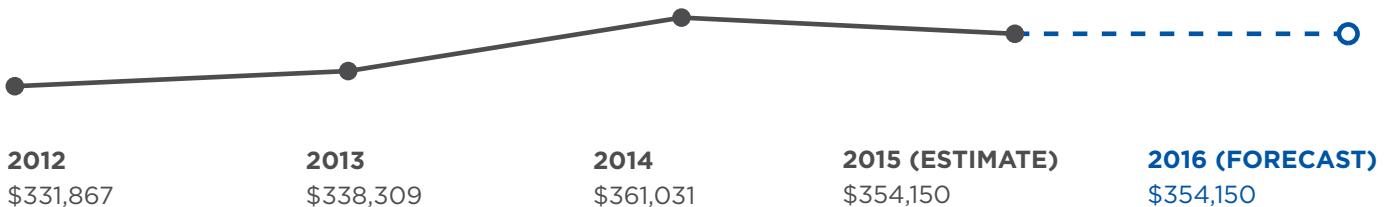
recent years. Inventory is higher for condos than single-family homes, and with most prospective buyers opting for new builds over resales, some owners have had difficulty selling.

Single buyers and older couples looking to downsize drive Saskatoon's condominium market. They typically choose two-bedroom, two-bathroom units in the \$275,000 to \$325,000 range.

LUXURY HOMES

The luxury home market is stable as buyers in the \$1 million and up range continue to take advantage of low interest rates. Year-over-year sales between January and October remained consistent with 2014 numbers.

AVERAGE RESIDENTIAL SALE PRICE (SASKATOON)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.

SASKATCHEWAN
REGINA

↓ **3%**

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$319,850



HIGHER THAN NORMAL INVENTORY

characterized the Regina housing market in 2015, due to significant new construction that came on the market over the past two years. The average residential sale price decreased slightly year-over-year, from \$329,379 in 2014, to approximately \$319,850.

High inventory kept Regina in a buyer's market throughout 2015; however, as construction slows and inventory is absorbed, a more balanced market is anticipated next year. With employment levels up and both migration and immigration to the province expected next year, the outlook for Regina's housing market is optimistic.



FUTURE TRENDS

- There may be a pause in the market early next year in advance of the April provincial election
- The Regina Bypass project, a new \$2 billion highway project, is in the early stages of construction and a new water treatment plant is in development, which should boost employment over the next several years
- The RE/MAX 2016 average residential sale price expectation for Regina is that prices will remain flat

FIRST-TIME BUYERS

For several years, Regina had very low vacancy in the rental market, which pushed rental rates up and made purchasing a home comparably affordable. New construction in the rental market has increased vacancy, giving first-time buyers less incentive to purchase.

New apartment style condo units that have recently come on the market have given first-time buyers the option to purchase a move-in ready property for \$200,000 to \$300,000, whereas a single-family home in that range would likely require extensive renovations.

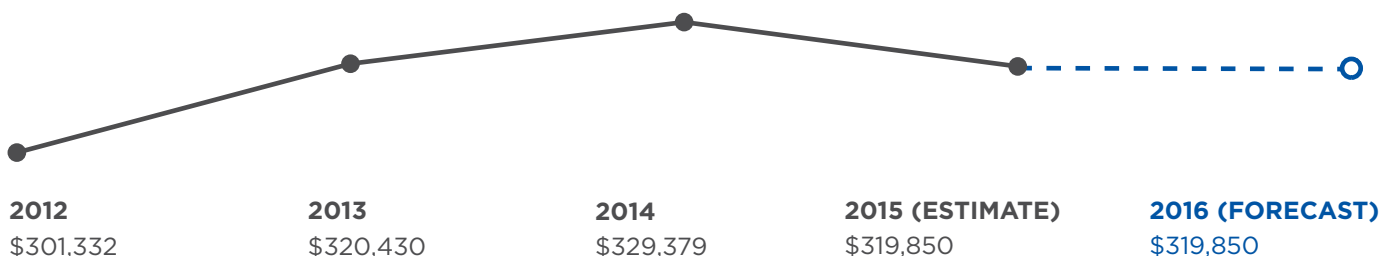
CONDO MARKET

First-time buyers and empty nesters drove demand in the condominium market. Empty nesters and retirees, who may spend part of the year travelling or in a second home, are drawn to the low maintenance and security of apartment-style condos. These buyers tend to choose higher-end condo units, while first-time buyers are drawn to entry-level developments.

LUXURY HOMES

The upper-end of the market saw a more significant decline in sales than other segments of the market. The majority of higher-priced homes are located in the east end of Regina and consist of primarily resale properties, appealing to local move-up buyers and new transfers into the city.

AVERAGE RESIDENTIAL SALE PRICE (REGINA)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



MANITOBA
WINNIPEG

 **2%**

**2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$295,100**

THE WINNIPEG HOUSING MARKET IS BALANCED, and homes typically sell close to their listing price. The average sale price for a detached home rose two per cent year-over-year, to approximately \$295,100 from \$289,538 in 2014. Sales are stable year-over-year: there were 9,905 sales between January and October of 2015, compared to 9,903 during the same period last

year. Demand is strongest for detached homes in the \$250,000 to \$350,000 range in established family neighbourhoods with good schools.

Employment gains and increased immigration to the province have led to more demand in Winnipeg's housing market over the past few years, a trend that is expected to continue into 2016.



FUTURE TRENDS

- Infrastructure projects, such as an expansion of the rapid transit corridor, are expected to fuel job growth
- Recent gains in full time jobs for 25- to 44-year-old workers in the province is fuelling optimism
- The RE/MAX 2016 average residential sale price expectation for Winnipeg is an increase of 2.5 per cent

FIRST-TIME BUYERS

First-time buyers in Winnipeg typically enter the market by purchasing a condominium, semi-detached house, or a smaller detached house in the \$200,000 to \$350,000 range. Most buyers are two-income couples or families, though some single buyers are purchasing condos.

Winnipeg has seen increased immigration numbers over the past few years, and many of these New Canadians enter the housing market soon after arriving in the city.

CONDO MARKET

Winnipeg's condominium market has expanded significantly in the past several years. Many of Winnipeg's first wave of condos, built in the 1990s, are now coming back on the market, while new developments are being built downtown,

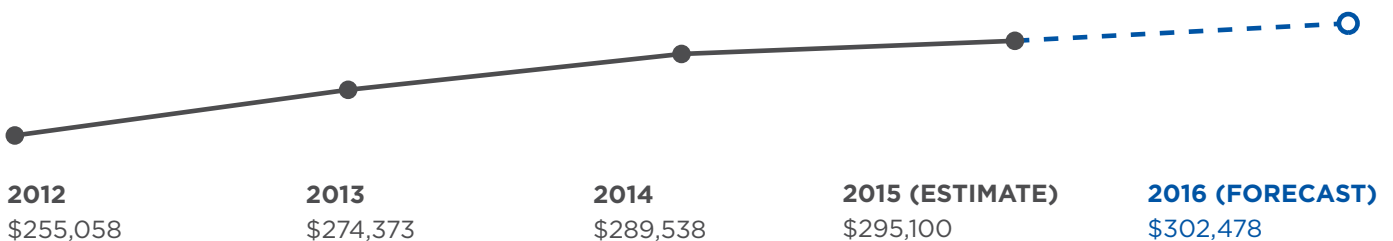
creating a diverse supply of inventory on the market.

The new downtown condominiums appeal to younger first-time buyers, while the buildings outside of the downtown core primarily cater to seniors. Sales of condominium units are down slightly this year; 1,396 units sold from January to October of this year, down from 1,583 in 2014.

LUXURY HOMES

Some of Winnipeg's luxury homes are located just outside of city limits, appealing to buyers looking for larger lots. This year saw a healthy increase in sales of homes priced \$1 million and above, which may be due to more wealthy residents choosing to stay in the city rather than relocate to British Columbia, Alberta or Ontario. Homes in the \$1 million and up range tend to be resale properties.

AVERAGE RESIDENTIAL SALE PRICE (WINNIPEG)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



ONTARIO
**WINDSOR-
ESSEX**

 **5%**

**2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$201,150**

**CONSUMER CONFIDENCE IN THE
WINDSOR-ESSEX HOUSING MARKET
WAS ESPECIALLY POSITIVE THROUGH
2015;**

approximately 20 per cent of homes sold at asking price or above and there was a notable increase in price value. A lack of inventory on the market meant homes received multiple offers, putting the region in a seller's market. The weather typically has a significant impact on sales in the region; if this winter is snowy and cold, the market will likely become more balanced at the beginning of next year.

The average sale price for a detached home rose

4.6 per cent year-over-year to approximately \$201,150. Sales increased considerably; there were 6,185 sales between January and October of 2015, compared to 5,257 during the same period last year. Demand was strongest for bungalow ranch and raised ranch style single-family homes.

Demand was driven by out of town buyers, particularly retirees, attracted to the region's affordable pricing. Move-up buyers accounted for the biggest proportion of sales; they have been selling their \$200,000 homes and upgrading to properties in the \$300,000 to \$400,000 range.



FUTURE TRENDS

- Infrastructure projects such as the Gordie Howe International Bridge are underway and are expected to instill more confidence in the economy
- An influx of retirees are expected to continue to populate the area due to Windsor-Essex's low prices and proximity to the U.S. border
- The RE/MAX 2016 average residential sale price expectation for Windsor-Essex is an increase of five per cent

FIRST-TIME BUYERS

Due to historically low interest rates and relatively low prices compared to other areas in the country, first-time buyers in Windsor-Essex were able to purchase larger, higher-end properties than in the past. In some cases, young professional couples bought luxury homes in the \$500,000 and above range, helping drive the upper-end market.

CONDO MARKET

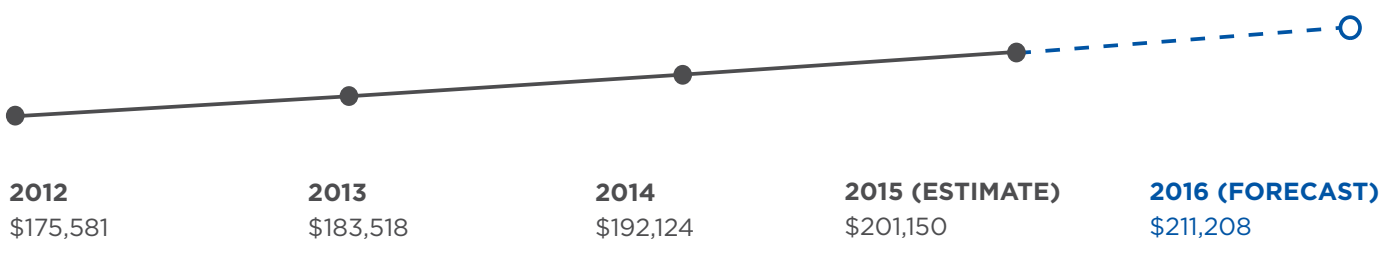
Windsor does not have a significant condo market; however, a large new development in Tecumseh is currently under

construction, and units have been selling quickly. As this is the only building currently in development, condo inventory is expected to remain low.

LUXURY HOMES

Luxury home sales were strong; 25 properties sold for over \$1 million between January and October 2015. Low interest rates and high consumer confidence are encouraging move-up buyers to purchase newer, larger homes.

AVERAGE RESIDENTIAL SALE PRICE (WINDSOR-ESSEX)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



ONTARIO

LONDON-ST. THOMAS

↑4%

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$265,050

THE LONDON-ST. THOMAS MARKET HAS REMAINED BALANCED for the last five years. Toward the end of 2015 the market tipped slightly towards a seller's market, but enough inventory remained on the market to provide buyers with a good selection. At the end of October, there were approximately three to four months of inventory on the market.

The average sale price for a home rose four per cent year-over-year, to approximately \$265,050 from \$254,141 in 2014. Sales increased as well;

there were 8,206 sales between January and October of 2015, compared to 7,474 during the same period last year. Demand was strongest for detached homes, particularly two-story houses in the \$250,000 to \$326,000 range.

A majority of buyers in London are young families looking to purchase in established neighbourhoods in which they can raise a family. Due to its affordable housing options, the region is attracting increasing numbers of new immigrants to Canada.



FUTURE TRENDS

- More tech-oriented companies are moving to London, creating well-paying jobs in the city, which may attract professionals with larger housing budgets
- Public infrastructure improvements, such as the preliminary planning of a rapid transit system, are expected to make the city more accessible and draw new residents
- The RE/MAX 2016 average residential sale price expectation for London-St. Thomas is an increase of three per cent

FIRST-TIME BUYERS

First-time buyers are the primary drivers of demand in London-St. Thomas. A majority of young families are purchasing homes in the lower bracket, which is causing move-up buyers to purchase larger homes, and in turn, older buyers to shift to smaller, single-story homes.

CONDO MARKET

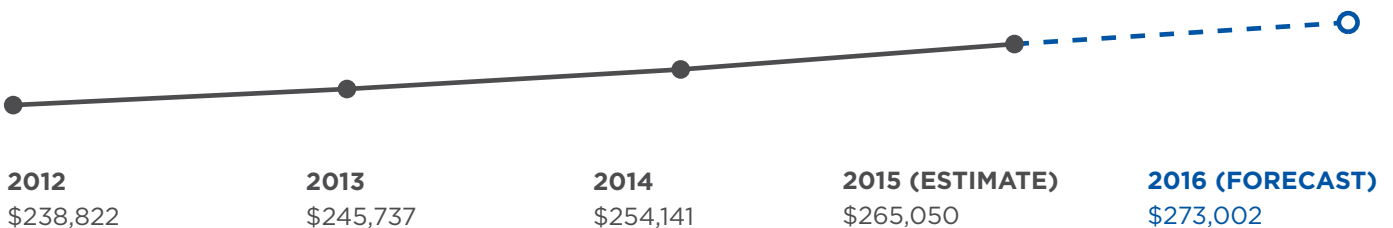
Townhouses are the most popular condo style in the region, and were selling at an average price of \$151,829 at the end of October 2015. In London, there has been an increase in

high-rise luxury condos in the downtown core, many of which are sold privately through the developers. The condo market is expected to remain stable next year.

LUXURY HOMES

London-St. Thomas' luxury market is small but active, and the number of high-end properties is steadily increasing. Between January and October 2015, there were 292 homes sold for \$500,000 and above, compared to 215 during the same period in 2014.

AVERAGE RESIDENTIAL SALE PRICE (LONDON-ST. THOMAS)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



ONTARIO
SUDBURY

↓ **2%**

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$251,300

THE SUDBURY HOUSING MARKET WAS BALANCED IN 2015, despite the low price of nickel, the city's main industry. The average residential sale price decreased modestly by 1.6 per cent year-over-year to approximately \$251,300; the decline was due primarily to slower sales at the high end of the market, while sales at the lower end were brisk.

Sales increased overall: there were 1,914 sales between January and October of 2015, compared to 1,752 during the same period last year. This pace is anticipated to continue into the spring market.

A balanced market is expected to continue into 2016 and the average residential sale price is expected to increase by one per cent.



FUTURE TRENDS

- A number of new infrastructure projects are planned for 2016, including a new school of architecture in the downtown core, new hotels and retail centres
- The RE/MAX 2016 average residential sale price expectation for Sudbury is an increase of one per cent

FIRST-TIME BUYERS

First-time millennial buyers continued to drive demand in the Sudbury market. Motivated by low interest rates and a good selection of affordable options, first-time buyers typically enter the market by purchasing a single-family home in the \$180,000 to \$222,000 price range.

CONDO MARKET

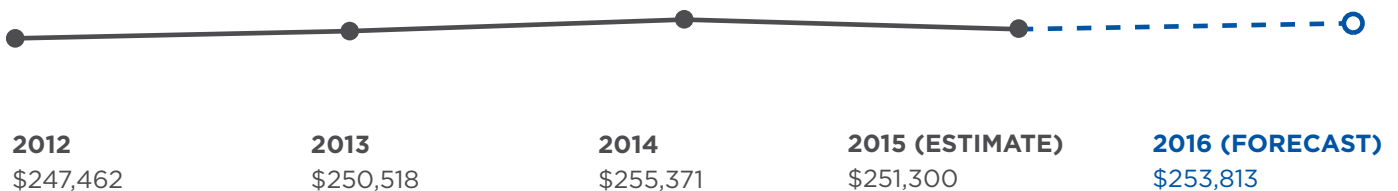
Sudbury's condo market is small, with inventory split between high-end and low-end properties. Detached condo townhouses

are more popular, but do not account for a high volume of overall sales. Inventory and prices are expected to remain stable throughout 2016.

LUXURY HOMES

Sudbury's upper-end market saw a decrease in sales of homes \$750,000 and above in 2015. However, due to a series of new construction builds slated for spring, it is anticipated both the inventory for luxury homes and the value of these homes will increase next year.

AVERAGE RESIDENTIAL SALE PRICE (SUDBURY)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



ONTARIO
**KITCHENER-
WATERLOO**

THE KITCHENER-WATERLOO MARKET IS BALANCED WITH A GOOD SUPPLY OF INVENTORY that will likely increase in 2016.

The average price for a freehold property rose 2.6 per cent year-over-year from \$330,772 in October 2014, to \$355,535 in October 2015. Sales are up: there were 4,828 sales between January and October 2015, up from 4,684 during the same period in 2014.

While sales are expected to remain stable in 2016, prices may decrease slightly due to more listings coming on the market. Key drivers of demand in

Kitchener-Waterloo are foreign buyers purchasing property for their children to live in while they attend college or university, and newcomers moving to the city for jobs in the growing technology sector.

New Hamburg and Baden, located on the outskirts of Kitchener, are becoming increasingly popular with move-up buyers and retirees. For young families, the areas offer good schools and nice properties at affordable prices, while retirees are attracted to the adult retirement villages, which feature bungalow-style homes, amenities and activities.



FIRST-TIME BUYERS

First-time buyers play an important role in Kitchener-Waterloo. Typically young couples employed in the tech sector, they often prefer condo properties in the downtown core that require little maintenance.

CONDO MARKET


A number of high-rise condominium buildings, mainly targeted at post-secondary students, are currently being constructed in the downtown core and are primarily selling to investors. Condo prices are expected to increase in 2016 as demand from first-time buyers continues.

LUXURY HOMES

The luxury market in Kitchener-Waterloo is expected to soften a little in 2016. A decline of high-income residents due to layoffs at BlackBerry has led to a less demand for luxury homes.

FUTURE TRENDS

- A new light rail transit system (LRT) and development in Kitchener-Waterloo's downtown core is expected to increase the appeal of downtown living
- The Kitchener-Waterloo housing market is expected to remain balanced in 2016
- The RE/MAX 2016 average residential sale price expectation for Kitchener-Waterloo is a one per cent decrease



ONTARIO

HAMILTON- BURLINGTON

↑ 12%

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$436,500

HAMILTON'S AFFORDABILITY relative to the Greater Toronto Area and good supply of single-family homes continued to drive demand in the region throughout 2015. The average residential sale price in Hamilton rose approximately 10 per cent year-over-year to an estimated \$360,275. Sales were up as well: there were 13,910 properties sold between January and October of this year,

compared with 12,504 in the same period in 2014. Brick bungalows on Hamilton Mountain priced around \$350,000 were in highest demand, sought by both young families and downsizers.

In neighbouring Burlington, the average residential sale price rose just over six per cent to approximately \$573,100.



FUTURE TRENDS

- Expansions to the GO Train service are expected to open up more areas of the city to commuters, and a new LRT line is slated to begin operating in 2019
- The low Canadian dollar may stimulate the manufacturing sector, creating jobs in the region
- A possible expansion of Hamilton's boundary is being explored, which would open up more land for development
- RE/MAX's 2016 average residential sale price expectation for Hamilton-Burlington is an increase of 4.3 per cent

FIRST-TIME BUYERS

Hamilton's relative affordability and good selection of single-family homes continued to draw first-time buyers to region throughout 2015. Buyers tend to be young couples or families from more expensive nearby regions, such as Burlington, Ancaster and the Greater Toronto Area.

First-time buyers have a good selection of townhouses, semi-detached and fully detached homes to choose from in the \$240,000 to \$350,000 range, depending on condition and location. Hamilton's east end offers particularly good value for these buyers.

CONDO MARKET

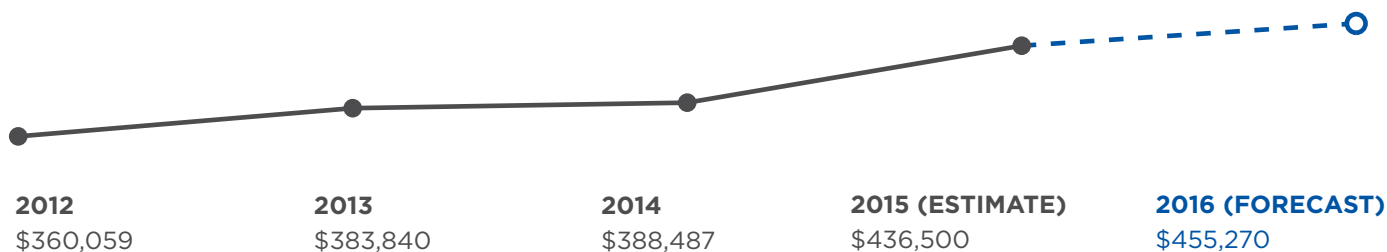
Downtown Hamilton's emerging condominium market primarily appeals to younger buyers looking for a more urban lifestyle.

In Burlington's more established condo market, buyers tend to be local retirees or empty nesters, looking to downsize while remaining in the area.

LUXURY HOMES

The upper end of the market is healthy; last year saw an increase in sales of homes priced over \$1 million, due to price appreciation throughout the market in Burlington, and more high-end inventory in Hamilton. This year saw particularly high demand for luxury homes in southeast and northeast Burlington, Dundas, Ancaster and by the waterfront in Stoney Creek. Demand is driven primarily by local move-up buyers.

AVERAGE RESIDENTIAL SALE PRICE (HAMILTON-BURLINGTON)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



ONTARIO
BARRIE

 **8%**

**2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$345,050**

BARRIE WAS IN A SELLER'S MARKET THROUGHOUT THE YEAR, and homes typically sold over their listing price. The average sale price for a detached home rose seven per cent year-over-year, to approximately \$345,050 from \$319,612 in 2014. Detached home sales increased year-over-year: there were 2,055 sales between January and October of 2015, compared to 1,793 during the same period last year. Detached homes in the \$300,000 to \$350,000 price range

were in the highest demand. Well-maintained, accurately priced homes typically sold within 30 days.

Brisk sales activity and price increases are expected to continue into 2016 thanks to historically low interest rates, the region's affordability in relation to the nearby Greater Toronto Area, and a shortage of inventory that cannot keep up with buyer demand.



FUTURE TRENDS

- While there are developments under construction in Barrie, significant housing stock is not expected to come on the market for a few years, keeping inventory low and demand high in the near future
- The RE/MAX 2016 average residential sale price expectation for Barrie is an increase of five per cent

FIRST-TIME BUYERS

Barrie's proximity to the GTA draws both young families and retirees to the region. Many first-time buyers are professional couples and young families who commute to the GTA. Barrie's affordable prices, proximity to nature and recreational activities, and daily GO Train service to Toronto make the area an attractive place to live.

CONDO MARKET

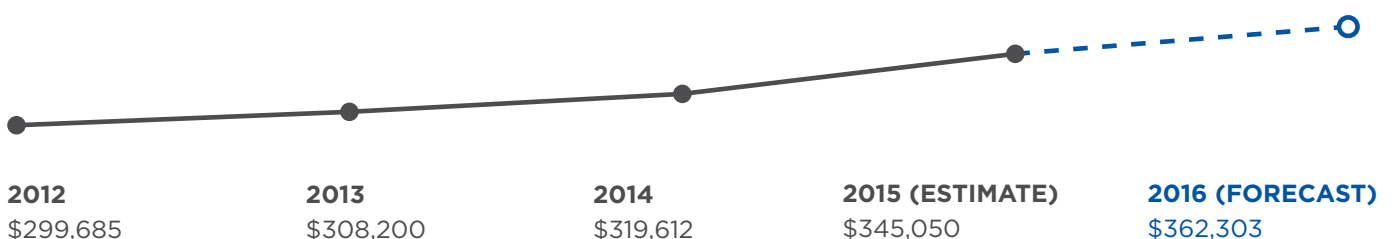
Condominiums represent an increasingly significant market segment in Barrie, attracting both single professional first-time buyers as well as empty nesters. A relatively new

market, many projects are still being built and are not anticipated to come on the market next year, meaning inventory is expected to remain low and prices to continue to rise in 2016.

LUXURY HOMES

This year saw an increase in sales of homes priced \$600,000 and above, rising from 43 sales between January and October of 2014 to 64 sales during the same period in 2015. As more Torontonians desire larger homes and move farther north, it is anticipated they will take advantage of Barrie's value per square foot, driving demand in the region's luxury market.

AVERAGE RESIDENTIAL SALE PRICE (BARRIE)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



ONTARIO

GREATER TORONTO AREA

↑ 10%

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$622,150

THE GREATER TORONTO AREA REMAINED IN A BRISK SELLER'S MARKET

throughout 2015. The record sales year is expected to end with sales up approximately eight per cent over 2014; there were 89,071 sales between January and October 2015, compared with 81,974 during the same period the previous year. The average residential sale price in the GTA is approximately \$622,150, up 10 per cent over 2014.

Move-up buyers continued to drive the market, and single-family homes remained in high demand and low supply. The average price for a single-family home in the GTA was \$804,079 as of October 31.

The GTA's average residential sale price is expected to increase approximately five per cent in 2016, driven by continued low inventory for single-family homes and low interest rates.



FUTURE TRENDS

- High demand and low supply of single-family homes is expected to continue to characterize the GTA market in 2016
- Low oil prices and the low Canadian dollar may stimulate manufacturing and exports, boosting Ontario's economy
- The RE/MAX 2016 average residential sale price expectation for the Greater Toronto Area is an increase of five per cent

FIRST-TIME BUYERS

In the City of Toronto, first-time buyers typically enter the market by purchasing a condo, where they can find affordability while remaining in the city centre. Outside the city's core, first-time buyers may purchase a semi-detached or townhouse in Mississauga, or a fully-detached home in one of Brampton or Durham's more affordable neighbourhoods. As prices in the GTA rise, buyers have been looking farther out for value and affordability. Areas like Keswick, located an hour north of the city, have been increasingly in-demand from first-time and move-up buyers seeking single-family homes within their price range.

CONDO MARKET

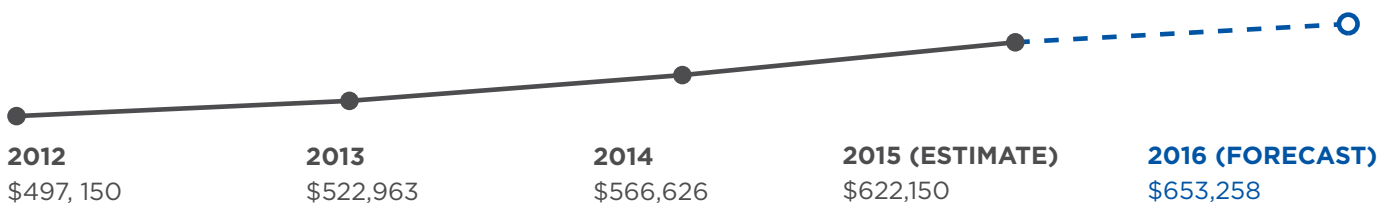
Inventory is higher in condos than in single-family homes, though new building has slowed compared to the last several years and the units on the market are being absorbed. Price

increases for single-family homes have outpaced the condo market, making it difficult for condo owners to trade up. Many of these move-up buyers have been selling their centrally-located condos and moving to single-family homes in the outer suburbs.

LUXURY HOMES

High-end homes continued to sell well in 2015, appealing to local move-up buyers as well as foreign buyers, primarily from China and the Middle East. A number of luxury condo projects are currently under development in the city, appealing primarily to retirees and empty nesters looking to downsize without downscaling. When these projects are completed in two to three years, there may be a small boost in higher-end freehold inventory as these downsizers put their houses on the market.

AVERAGE RESIDENTIAL SALE PRICE (GREATER TORONTO AREA)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



ONTARIO
**GREATER
TORONTO
AREA**

MISSISSAUGA

In Mississauga's in-demand neighbourhoods, sellers are seeing multiple offers on homes – something that was virtually non-existent only a couple years ago. In popular Erin Mills and Lisgar, multiple offers are now commonplace. The average residential sale price in Mississauga is approximately \$545,700, up nearly eight percent from the 2014 average of \$506,818.

Move-up buyers drive Mississauga's market, typically purchasing a detached home in the \$800,000 range. First-time buyers in Mississauga are typically couples or families from Toronto or new immigrants to Canada. These buyers often purchase a townhouse or semi-detached in the \$500,000 range, or a condo in the \$300,000 to \$400,000 range.

In Mississauga's luxury market, sales were brisk and it is not uncommon for homes priced \$3 million and up to sell quickly – a significant shift from a few years ago. Luxury buyers often choose newly-built 3,500 to 5,000 square foot homes on large lots in high-end areas such as Mineola and Lorne Park.

Mississauga is feeling optimistic about its new mayor and the city's plan to make the downtown area more pedestrian-friendly. The average residential sale price is expected to increase five to six per cent in 2016.

BRAMPTON

Brampton, a multicultural, comparatively affordable suburb in the northwest GTA, remains a popular choice with first-time and move-up buyers. The average residential sale price in 2015 was an estimated \$488,300, up approximately 10 per cent over the previous year. Sales activity was high throughout the year, and low listing inventory meant that good properties were quick to sell.

In this seller's market, many millennial buyers are living with parents or renting, sitting back and saving up until they see a good-value entry point into the market. While inventory is tight for single-family homes in many parts of the GTA, there is good selection of both freehold houses and condominiums. Younger singles and couples are choosing condos in Brampton's growing downtown for a more urban lifestyle. Other developments are geared toward retirees, such as one that offers a twice weekly bus service to local shopping destinations and other coordinated events.

Brampton's proximity to Toronto and Pearson International Airport, good highway infrastructure, family-friendly activities and amenities, and relative affordability continue to make it attractive to buyers. The City of Brampton is targeting businesses to establish offices in the city, and shift toward local employment and away from commuting is anticipated to happen over the next several years.



ONTARIO
GREATER
TORONTO
AREA

OAKVILLE

In Oakville, an upscale suburban town located west of Mississauga, sales increased approximately 18 per cent in 2015 over the previous year. Several years of low inventory had created pent up demand in the market, and when newly-constructed properties came up for sale this year, buyers were quick to pounce. The average sale price was approximately \$840,000.

Growing families moving up from smaller homes in Mississauga and other areas of the GTA drive demand in Oakville's housing market. Two-storey, four-bedroom detached houses in the \$800,000 to \$1.2 million range are in highest demand.

Luxury homes have been in higher demand this year, and days on market have decreased. There have been more foreign buyers in this segment, particularly in the \$1.6 to \$2.4 million range, considered the lower to mid-range of the luxury market.

In 2016, sales in Oakville are expected to increase by approximately 10 per cent and average residential sale price by five per cent.

DURHAM

Durham Region, which comprises several communities including Whitby, Oshawa, Ajax and Pickering, continued to benefit from migration from Toronto due to the area's relative affordability. The past couple years have seen sales and price increases in the eastern parts of Durham, as rising prices throughout the GTA have encouraged buyers to look farther out for affordable real estate options. The average residential sale price in Durham region is approximately \$440,650.

There is high demand from first-time buyers for properties under \$300,000. Local first-time buyers tend to purchase a condo townhouse or smaller, older home in the \$240,000 to \$250,000 range. While there are some first-time buyers from Toronto, most buyers from the city are moving up from a downtown condo or small house, looking for more space in the suburbs.

New construction and an expansion of highway 407 should open up the north end of Durham, and that area is expected to become more developed in the coming years. Demand from new immigrants to Canada is expected to be an important factor as well in increasingly diverse Durham.



ONTARIO
KINGSTON

 **4%**

**2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$299,000**

THE AVERAGE RESIDENTIAL SALE PRICE FOR A DETACHED HOME IN KINGSTON

ROSE four per cent year-over-year, to approximately \$299,000 from \$287,291 in 2014. High inventory kept Kingston in a buyer's market throughout 2015, but demand fuelled by low interest rates resulted in an increase in sales: there were 3,325 sales between January and October of 2015, compared to 3,114 during the same period last year.

Demand was strongest for detached homes in the \$260,000 to \$349,000 range. Heading into 2016, move-up buyers, retirees, and first-time buyers are

expected to continue to drive demand in the market, and a moderate increase in overall sales volume is anticipated.

In recent years, Kingston's military base, an important employer in the area, has seen a decline in military transfers. In 2016, relocations are anticipated to increase, providing a boost to the housing market. While Kingston's popularity among retiree buyers has been steadily increasing, move-up buyers remain the primary drivers of demand, representing a majority of home sales.



FUTURE TRENDS

- Kingston is a growing magnet for baby boomers and retirees, and it's anticipated the city's affordable prices and attractive properties will continue to attract this demographic
- The RE/MAX 2016 average residential sale price expectation for Kingston is an increase of two per cent

FIRST-TIME BUYERS

First-time buyers in Kingston are typically millennials looking for an affordable entry point into the market. Low interest rates have given these buyers an incentive to purchase in the last few years, a trend which is expected to continue into 2016.

CONDO MARKET

The condo market in Kingston is fairly small, representing approximately seven per cent of all residential sales. Last year, a new supply of rental condo units came on the market, appealing to many seniors looking to downsize to a

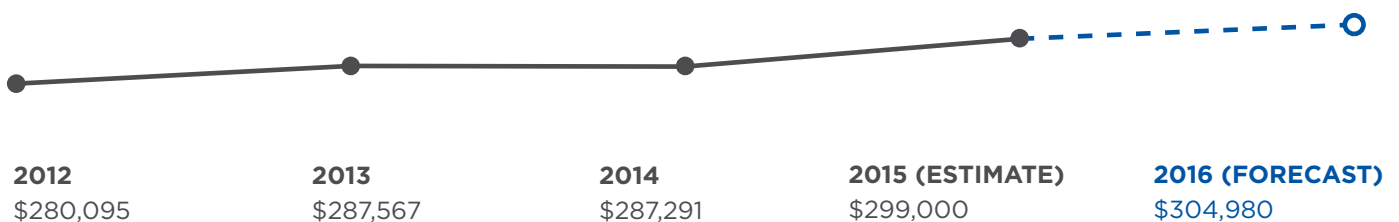
low-maintenance home. This is leading some seniors to sell their homes and move into the rental market.

Due to low inventory in Kingston's condominium market, prices are expected to increase next year.

LUXURY HOMES

Kingston's luxury market is expected to continue to grow steadily in 2016. Home sales over \$1 million more than doubled from 2014 to 2015: there were 21 sales between January and October 2015, compared to 12 in the same period in 2014.

AVERAGE RESIDENTIAL SALE PRICE (KINGSTON)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



ONTARIO
OTTAWA

 **2%**

**2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$368,950**

**ALTHOUGH FEDERAL ELECTIONS
TYPICALLY AFFECT OTTAWA'S HOUSING
MARKET,**

the city experienced a busy fall and maintained a balanced market that was reflective of sales activity throughout the year. The average sale price for a detached home rose 1.7 per cent year-over-year, to approximately \$368,950 from \$362,868. Sales were stable: there were 12,974 sales between January and October, up from 12,394 during the same period in 2014. Single-family

homes priced between \$300,000 and \$400,000 were in highest demand.

Although the recent election had little impact on sales this fall, it is expected the major shift in government will affect the market as government officials move in and out of Ottawa. The city's robust technology sector is also expected to continue to grow, which would lead to an influx of new employees looking for housing.



FUTURE TRENDS

- Homes located along or within walking distance of the completed sections of Ottawa's Light Rail Transit line will see prices increase due to their close proximity to public transit
- More suburban neighbourhoods, such as Carlton Place, will see their values increase as work on the 417 highway continues and makes commuting into the city more efficient and accessible
- RE/MAX's 2016 average residential sale price expectation for Ottawa is an increase of two per cent

FIRST-TIME BUYERS

Millennial buyers are increasingly entering Ottawa's real estate market by purchasing newly-built condos in the city centre. These buyers often choose walkable neighbourhoods with good amenities over square footage.

CONDO MARKET

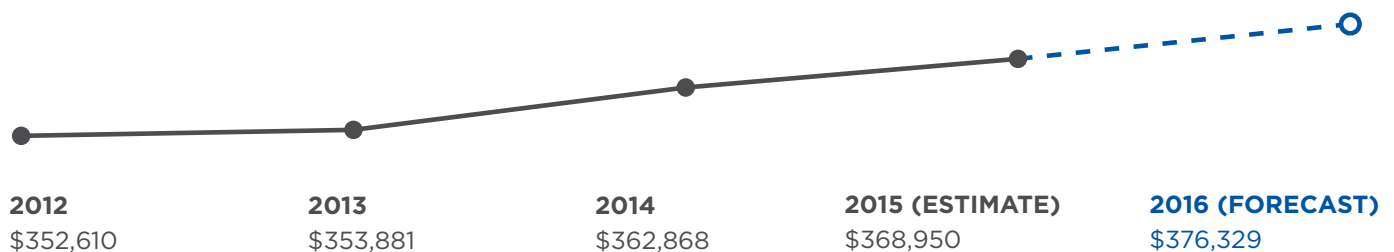
The last several years have seen a lot of new construction in Ottawa's condo market, which has led to an influx in inventory and stable prices. Although there are still several projects in construction, some of developments have been cancelled or delayed to due high inventory. Despite the competition, the first phase of buildings being developed in the Domtar Lands went on the market in October, and experienced robust sales due to a prime location and green initiatives that appealed to buyers.

Demand for condos is driven primarily by millennials looking to enter the housing market, baby boomers downsizing, and in some cases, foreign buyers looking to purchase property for their children to live in while attending university or college.

LUXURY HOMES

Luxury homes have been steadily gaining momentum over the past few years. Sales in the \$750,000 to \$1 million range have been especially brisk, and have increased by seven per cent year-over-year. Whereas five years ago sales over \$1 million were rare in Ottawa, there were 321 properties sold in that range between January and October in 2015, compared to 283 in 2014. This momentum is expected to continue into 2016.

AVERAGE RESIDENTIAL SALE PRICE (OTTAWA)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



QUEBEC

GREATER MONTREAL

↑ 2%

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$336,050

GREATER MONTREAL'S HOUSING MARKET SHIFTED from a seller's market to a balanced market to a buyer's market over the past few years. High inventory was the predominant market trend last year, and is expected to continue into 2016. At the end of October, there were approximately nine months of inventory for single-family homes on the market.

Despite the high inventory, sales were up year-over-year, and the average price for single-family homes increased. Well-located homes in move-in ready condition listed at or near their value were in demand and sold well.



FUTURE TRENDS

- The low Canadian dollar may encourage buyers from the United States to purchase second homes in the Montreal area, as has occurred during past periods of a favourable U.S. exchange rate
- The RE/MAX 2016 average residential sale price expectation for Montreal is an increase of 1.5 per cent

FIRST-TIME BUYERS

The first-time buyer market was active in 2015, and though sales appeared to be down slightly from the previous year, this is likely due to more sales of new builds that are not counted through the MLS system. Sales of homes priced under \$300,000 were brisk, driven by low interest rates.

Many first-time buyers purchase homes in the suburbs, and homes near metro and train stations are in high demand.

CONDO MARKET

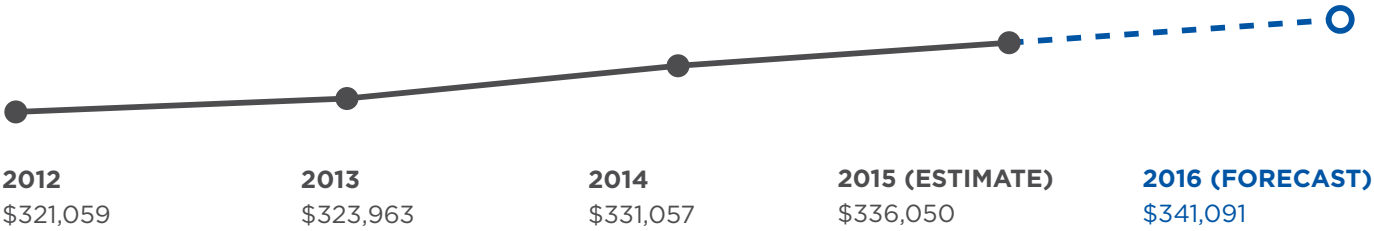
High inventory characterized Greater Montreal's condominium market in 2015; at the end of October, there were approximately 14 months of condo inventory on the market. While new starts are down, developments currently under construction are expected to come on the market next year. The higher inventory may cause prices to soften somewhat in 2016.

Last year witnessed some demand from foreign investors. These buyers, attracted to the relative stability of the Canadian dollar and affordability of Montreal's condo market, tend to choose properties closer to the downtown area.

LUXURY HOMES

Sales of homes priced around \$1 million were steady this year, while homes in the lower-end of the luxury market were slower to sell. Homes in the \$1 million plus range tend to be one of two property types. Luxury properties outside of the city centre tend to be 3,000 square foot homes on a large lot with a swimming pool. Within the city of Montreal, luxury homes are smaller, older houses in traditionally upscale neighbourhoods such as Outremont.

AVERAGE RESIDENTIAL SALE PRICE (GREATER MONTREAL)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



QUEBEC

QUEBEC CITY

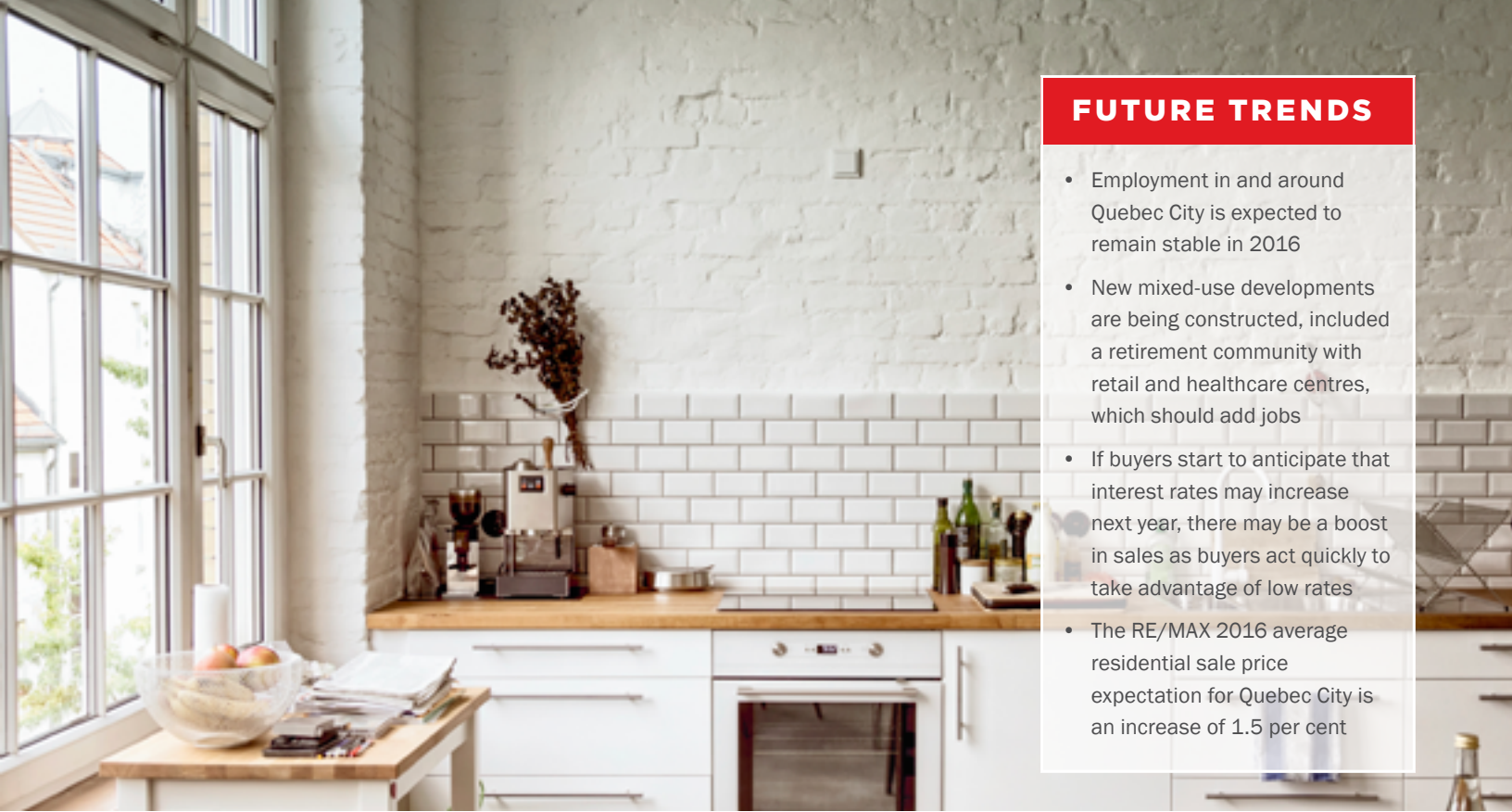
0%

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$265,700

QUEBEC CITY ENTERED A BUYER'S MARKET IN 2015

with high inventory providing a good selection across all property types. There were approximately 11 months of inventory in single-family homes; however, homes typically sold for near their list price and the average residential sale price remained stable year-over-year, to approximately \$265,700. After several years of high inventory, sellers expect that their home may take several months to sell and listings hold their price.

The spring market was busy, but sales began to slow as the fall federal election approached and buyers were feeling insecure about the province's political and economic future. Despite the slowdown, the year is expected to end with 2.5 to three per cent more sales than the previous year. Sales and price are expected to remain fairly stable next year, and an average price increase of 1.5 per cent is anticipated.



FUTURE TRENDS

- Employment in and around Quebec City is expected to remain stable in 2016
- New mixed-use developments are being constructed, including a retirement community with retail and healthcare centres, which should add jobs
- If buyers start to anticipate that interest rates may increase next year, there may be a boost in sales as buyers act quickly to take advantage of low rates
- The RE/MAX 2016 average residential sale price expectation for Quebec City is an increase of 1.5 per cent

FIRST-TIME BUYERS

First-time buyers in Quebec City typically purchase condos for under \$200,000, or townhouse or semi-detached homes in the \$175,000 to \$250,000 range. First-time buyers are typically young professionals or couples who want to start a family, so they enter the market with a condo or townhouse that they plan to trade up for a larger space within a few years. Low interest rates and the good availability of affordable condos have made buying more affordable than renting for many of these residents.

The condo market is driven by first-time buyers, who typically purchase with the plan to move up to a single-family home within three or four years. An increasing number of condo buyers are older downsizers looking to reduce home maintenance. A significant segment of Quebec City's condo market has also been converted to rental properties.

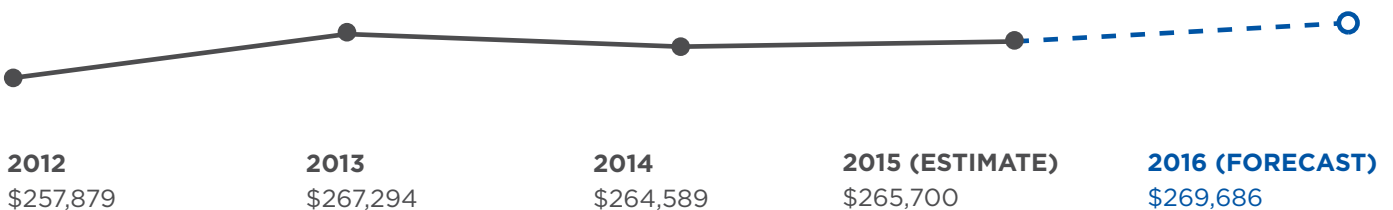
CONDO MARKET

A surplus of condo inventory has kept prices stable. At the end of October, there were approximately 19 months of condo inventory on the market. The median price for a condo unit in 2015 was \$222,137, down from \$226,922 the previous year.

LUXURY HOMES

Homes at the top end of the market saw the biggest increases in sales in 2015. There was a 19 per cent increase year-over-year in homes sold for over \$500,000. Buyers in this range tend to be two-income professionals with stable jobs, who are less affected by shifts in the economy than other buyers. High-end homes in Quebec City are typically less than 10 years old and located in highly sought after neighbourhoods.

AVERAGE RESIDENTIAL SALE PRICE (QUEBEC CITY)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



NEW BRUNSWICK
SAINT JOHN

↓ **2%**

**2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$174,800**

**HIGH INVENTORY KEPT SAINT JOHN
IN A BUYER'S MARKET IN 2015.**

The average residential sale price decreased two per cent year-over-year, from \$178,440 in 2014 to approximately \$174,800 in 2015. Sales increased six per cent year-over-year: there were 1,666 sales between January and October of 2015, compared to 1,568 during the same period in 2014. There were 13 months of inventory on the market at the end of October and listings averaged 115 days on market. Inventory and days on market are expected to remain unchanged in 2016.

Single-family homes in the \$240,000 to \$350,000 range were in highest demand. In 2015, sales of properties in this range increased by 16 per cent, driven by move-up buyers with two incomes who are secure in their jobs and feel confident in the market. While there are some foreign buyers in Saint John, primarily parents who purchase homes for their children to live in while attending university, this activity declined last year.



FUTURE TRENDS

- Although construction of the Energy East Pipeline has been postponed to 2018 to 2020, it is expected a set date will be announced in 2016; this is expected to positively affect home sales
- The job market is expected to stabilize; call centers are expanding and there is discussion of a new fertilizer plant
- The RE/MAX 2016 average residential sale price expectation for Saint John is an increase of three per cent

FIRST-TIME BUYERS

The first-time buyer market in Saint John was slower last year, with move-up buyers being the primary buyer demographic. Some first-time buyers, while actively attending open houses and working with realtors, have been hesitant to enter the real estate market due to instability in the job market. Those who do enter the market tend to purchase bungalows or split-levels in the \$140,000 to \$200,000 range typically after scrutinizing the market for best value.

CONDO MARKET

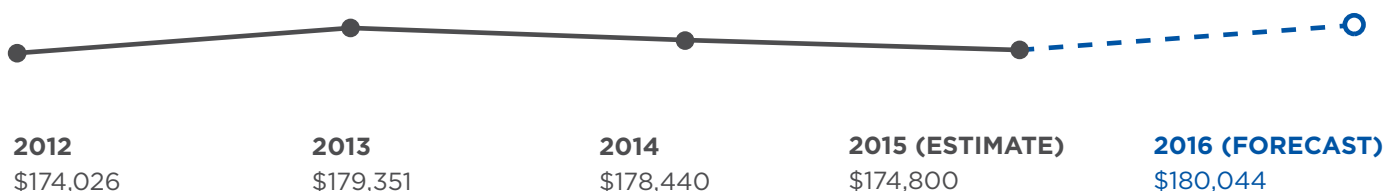
While the majority of Saint John residents still prefer detached homes with yards, there is a gradual shift towards condos as older buyers begin to recognize the convenience condo living can afford. Several newer buildings continue to attract buyers in the \$140,000 to \$ 180,000 range, while units in a large development

on the harbour sell for \$200,000 to 300,000. A few thirty-unit buildings went into bankruptcy, which has caused some older, one-bedroom condos in need of work to sell for \$40,000 to \$50,000. Condo sales are projected to remain stable in 2016.

LUXURY HOMES

The upper-end market in Saint John has remained stable. There were 21 sales of homes priced \$500,000 and above between January and October, compared with 23 during the same period in 2014. As residents move away for employment or retire and downsize, well-priced high-end homes are coming to market, which are considered both a good value and a good investment. This may indicate an emerging trend, as the baby boomers become empty-nesters and start to look for homes that suit their retirement.

AVERAGE RESIDENTIAL SALE PRICE (SAINT JOHN)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



NOVA SCOTIA

HALIFAX-DARTMOUTH

↑ 2%

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$278,950

THE HALIFAX-DARTMOUTH HOUSING MARKET REMAINED STABLE in 2015. The average residential sale price is approximately \$278,950, up slightly from \$273,917 in 2014. Halifax- Dartmouth is currently a buyer's market, with approximately 14.5 months of inventory on the market. Properties in the \$250,000 to \$300,000 range have seen the most activity, with demand from both first-time and move-up buyers.

An increase of approximately 1.5 per cent is expected for both the number of sales and the average selling price in 2016. The low oil prices may encourage the local workforce to stay in Nova Scotia rather than move west for employment, and encourage those who already left to move back home.



FUTURE TRENDS

- Layoffs in the oil industry are expected to encourage former residents to return from Alberta
- Continued progress with the Irving Shipbuilding process should continue to provide optimism with future employment
- The RE/MAX 2016 average residential sale price expectation for Halifax-Dartmouth is an increase of 1.5 per cent

FIRST-TIME BUYERS

This year saw an increase of first-time buyers, as interest rates remained low and the effect of CMHC's tightened lending rules diminished as buyers adjusted.

As millennials enter the housing market, first-time buyers are expected to play a bigger role in the market. Millennial buyers tend to choose properties that are more representative of what you'd see in a larger city: smaller, more centrally located units in walking distance from work. This is a shift from what had been the typical first home in the suburbs.

CONDO MARKET

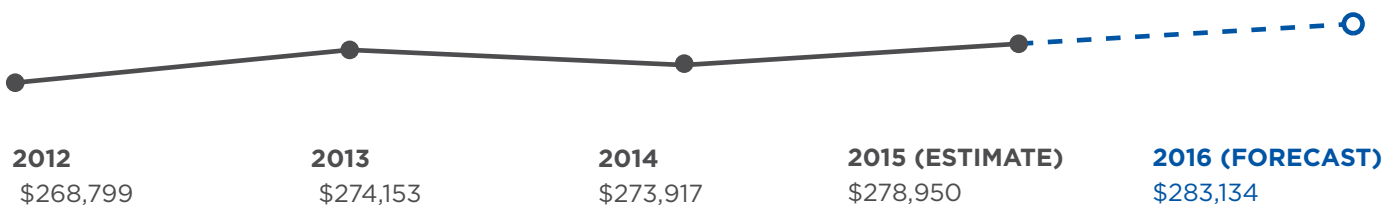
The condominium market in Halifax-Dartmouth, which makes up 10 per cent of the real estate market, was steady in 2015. In the downtown core there are currently six to eight condo projects underway, and sales for these units are expected to be healthy.

A number of high-quality, affordable apartment buildings have recently come on the rental market, and they may have a negative impact on the condo resale market. These new rentals offer similar finishes and amenities to a condo, and with reasonable rents, may decrease the incentive to buy.

LUXURY HOMES

The luxury market has remained stable and has been largely unaffected by the rest of the market. Beautiful older homes in traditionally desirable areas in the South End, Purcell's Cove and Bedford continue to attract buyers in the luxury home segment. It is common to see extensive renovations and retrofitting of older Victorian homes that are characteristic of the area.

AVERAGE RESIDENTIAL SALE PRICE (HALIFAX)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.



PEI
CHARLOTTETOWN

↓ 1%

2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$218,612

**CHARLOTTETOWN'S HOUSING MARKET
HAS BEEN UNDERGOING AN ADJUSTMENT**

over the past several years after experiencing atypical price increases in 2010. The average residential sale price declined one per cent year-over-year, from \$219,867 in 2014 to approximately \$218,612. Inventory was high; at the end of October there were 21 months of inventory on the market.

As many PEI residents travel west for employment, the uncertainty in the oil market has had an impact on Charlottetown's real estate market. Residents were more conservative with their money last year—a trend that may continue until oil prices stabilize.

Foreign buyers, a majority of whom are from China, represented an important buyer type last year. Move-up buyers drove demand as well, primarily purchasing resale homes in the \$200,000 range.



FUTURE TRENDS

- A recently introduced tax on new home construction caused new home sales to decrease in 2014; heading into 2016, it is anticipated most buyers will continue to choose resale properties over new builds
- An expansive resort project is currently underway in Summerside; if successful, it may supply a boost to the overall economy, including the housing market
- The RE/MAX 2016 average residential sale price expectation for Charlottetown is an increase of two per cent

FIRST-TIME BUYERS

Many first-time buyers who had been sitting on the sidelines were able to enter the market last year due to historically low interest rates. First-time buyers were a significant driver of demand, particularly in Charlottetown's condo market.

CONDO MARKET

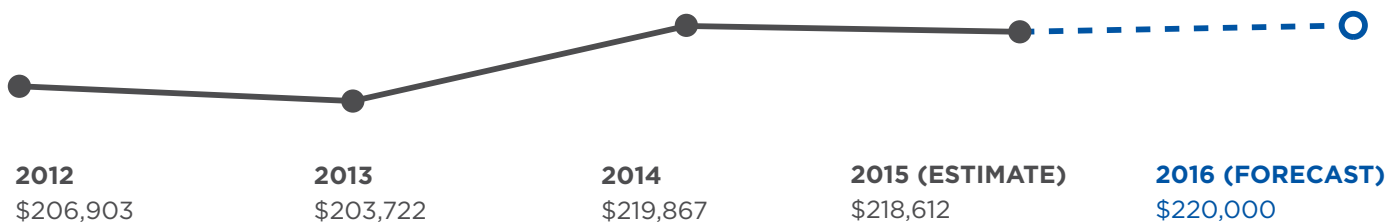
Charlottetown's condo market is growing, with new builds being either targeted toward first-time buyers in the \$100,000 to \$130,000 price range, or geared towards seniors and priced at

\$350,000 and above. Heading into 2016, sales are expected to increase in the higher-end of the market, while remaining stable in the lower end.

LUXURY HOMES

The luxury market in Charlottetown is small, with approximately 20 to 25 high-end properties changing hands each year. No changes to this segment of the market are anticipated next year.

AVERAGE RESIDENTIAL SALE PRICE (CHARLOTTETOWN)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.

NEWFOUNDLAND
ST. JOHN'S

↓ **3%**

**2015 AVERAGE
RESIDENTIAL
SALE PRICE
\$297,300**



THE AVERAGE RESIDENTIAL SALE PRICE IN THE ST. JOHN'S METRO AREA declined by approximately two per cent year-over-year to an estimated \$297,300. Sales increased moderately: there were 833 sales between January and October of 2015, compared to 793 during the same period last year. There was a good selection of inventory on the market in 2015, and properties averaged 70 days on market. Similarly high inventory levels

are expected next year, and may cause prices to soften somewhat.

Buyers looking to purchase first homes in the \$270,000 to \$330,000 range drove the market, followed by move-up buyers purchasing in the \$350,000 to \$400,000 range. Foreign buyers are fairly new to the St. John's real estate market, and are anticipated to play a growing role over the next several years.



FUTURE TRENDS

- As oil prices stabilize, the St. John's housing market is expected to stabilize as well
- A number of oil projects are anticipated to begin in 2017 or 2018, which could have an impact on the market as early as next year
- The RE/MAX 2016 average residential sale price expectation for St. John's is a decrease of two per cent

FIRST-TIME BUYERS

In October, the government of Newfoundland and Labrador introduced the Downpayment Assistance Program, which provides first-time homebuyers with low-to-moderate incomes the opportunity to qualify for downpayment loan assistance to purchase a home. The new program, combined with continued low interest rates, is expected to increase the number of first-time buyers next year. This is anticipated to increase demand for entry-level homes, encouraging their current owners to sell and move up.

CONDO MARKET

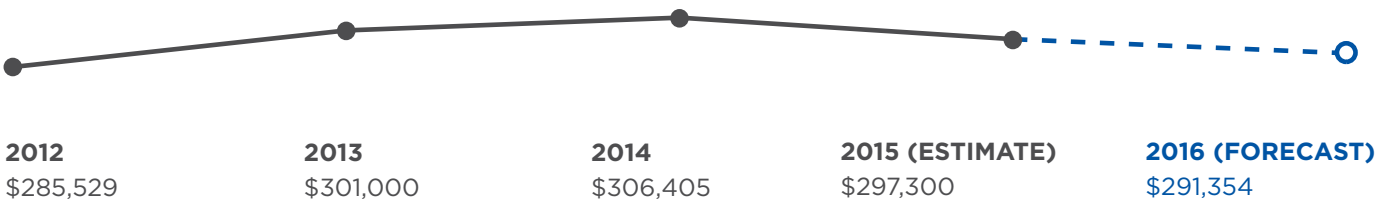
There is high inventory in the St. John's condo market, as

many new developments were built to meet demand from the oil industry, which has since been scaled back. A good selection of entry-level units appeals to first-time buyers and downsizers.

LUXURY HOMES

The luxury home market was slower in 2015, due to the decline in oil prices and cutbacks in the industry. There were 25 sales in the \$750,000 to \$1 million range between January and October 2015, compared to 41 during the same period in 2014. Although demand has decreased, prices in the luxury market are expected to remain stable in 2016.

AVERAGE RESIDENTIAL SALE PRICE (ST. JOHN'S METRO AREA)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.

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