



2016 **SPRING MARKET** **TRENDS** REPORT



TABLE OF CONTENTS

3 NATIONAL SUMMARY

4 BRITISH COLUMBIA

- 4 Victoria
- 6 Greater Vancouver
- 8 Fraser Valley
- 10 Kelowna

12 ALBERTA

- 12 Edmonton
- 14 Calgary

16 SASKATCHEWAN

- 16 Saskatoon
- 18 Regina

20 MANITOBA

- 20 Winnipeg

22 ONTARIO

- 22 Windsor-Essex
- 24 London-St. Thomas
- 26 Greater Sudbury
- 28 Kitchener-Waterloo
- 30 Hamilton-Burlington
- 32 Barrie & District
- 34 Greater Toronto Area
 - 36 *Oakville*
 - 37 *Brampton*
 - 37 *Durham*
- 38 Kingston
- 40 Ottawa

42 NEW BRUNSWICK

- 42 Saint John

44 NOVA SCOTIA

- 44 Halifax-Dartmouth

46 PRINCE EDWARD ISLAND

- 46 Charlottetown

48 NEWFOUNDLAND

- 48 Greater St. John's Area

50 DATA TABLE

51 FIRST-TIME BUYERS

52 CONTACTS





NATIONAL SUMMARY

Vancouver and Toronto continued to see significant price appreciation in the first quarter of the year. Greater Vancouver's average residential sale price in the first quarter of 2016 compared with the same period in 2015 rose 24 per cent, while single-family homes in the city of Vancouver crossed the \$2 million threshold. In the Greater Toronto Area, the average residential sale price during the first quarter rose 14 per cent to \$675,492.

The competition in both Vancouver and Toronto among buyers has discouraged sellers from listing their properties, thus further reducing inventory. While sellers know their homes would be quick to sell, many are reluctant to become buyers themselves and enter the highly competitive market. Also, some potential sellers are hesitant to list their homes believing that home prices could appreciate further. However, not all Canadians can wait out the housing market as many are relying on their homes as a source of retirement income. According to a recent RE/MAX poll conducted by Leger, 56 per cent of Canadians 55-64 who are considering selling their homes are doing so to release equity for retirement.

Outside of Vancouver and Toronto, surrounding regions continue to experience a spillover effect as buyers move farther out in search of affordable single-family homes. This has led to significant price appreciation in regions such as Victoria (+10%), Hamilton-Burlington (+10%) and Barrie (+14%). The population growth in these regions, driven by housing demand, is growing local economies as restaurants, shops and services expand.

In Canadian cities that have experienced an economic slowdown due to the low price of oil, two factors have been mitigating the short-term economic effects. Calgary, for example, has a diversified economy after years of population growth, while Edmonton and St. John's are benefiting from numerous capital projects in the region including infrastructure investments and continued investments from the oil industry.

Other areas of the country have benefited from the return of workers who had left for employment opportunities in the West. Regions that for years have seen many of their young working population look to Alberta for employment have started to see that trend reverse. In Atlantic Canada, young people from outside the urban centres who would have moved west several years ago are now going to cities such as Halifax, which is having a positive effect on those economies.

This trend is notable in Southern Ontario, where manufacturing cities are able to provide good employment opportunities as a result of the low Canadian dollar. Windsor, which once had one of the highest unemployment rates in Canada, is now trending below the national average.

In Canadian housing markets where prices have softened, construction has also slowed to align with decreased demand. This is expected to stabilize prices as population growth catches up to inventory levels. Canada is on track to welcome approximately 300,000 new permanent residents this year: the highest number since 1913.

VICTORIA

↑10% AVERAGE RESIDENTIAL
SALE PRICE
\$543,564

Victoria experienced a very active housing market at the start of 2016, with sales up 48 per cent between January and March compared with the same period in 2015. Increasing prices in Vancouver have played a major role in motivating buyers to look at Victoria for comparatively affordable options. Victoria's average residential sale price was \$543,564 in the first quarter of 2016, up from \$495,137 during the same period in 2015.

With limited inventory for both condo units and detached homes, Victoria is in a seller's market. Days on market for condo units dropped from 64 to 57 days, while single-family detached homes saw a decrease from 51 to 38 days year-over-year.

The downturn in the resource sector has helped drive demand as workers look to relocate from Alberta. The low Canadian dollar is expected to attract buyers from the United States looking for good value.

FIRST-TIME BUYERS

Low interest-rates continue to incentivize first-time buyers in Victoria, who typically purchase condos in the \$300,000 to \$400,000 range. A number of ongoing condo projects geared towards single young buyers feature smaller units under 1,000 square feet.

CONDO MARKET

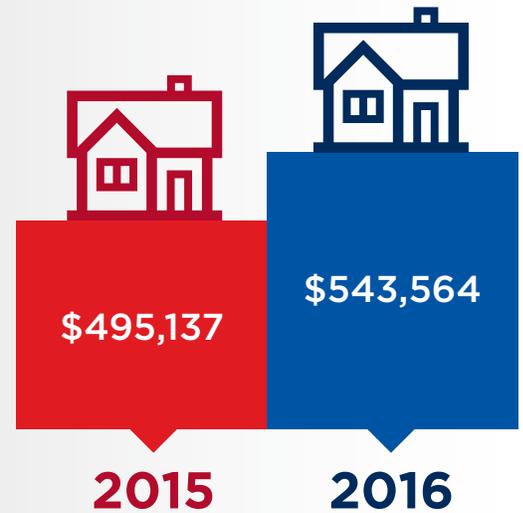
With four buildings in pre-sale and several new buildings under construction, Victoria's condo market is expected to continue to grow steadily in the next few years. Retirees attracted to Victoria's mild climate and beautiful scenery are an important driver of demand in this market, as they look to downsize to properties that require less maintenance.

LUXURY HOMES

The market for detached homes in the \$1 million to \$5 million range has been very active in Victoria, mainly due to buyers looking for greater value relative to Vancouver. In the upper end of the market, waterfront properties are in highest demand.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- Rising real estate prices in Vancouver have benefited Victoria's economy as companies relocate to the region to give employees shorter commute times
- Low interest rates and a stable job market are expected to attract buyers from areas of Western Canada that have been negatively affected by the downturn in the resource sector

GREATER VANCOUVER

↑ 24% AVERAGE RESIDENTIAL SALE PRICE
\$1,103,586

Demand was strong throughout Vancouver's real estate market, from entry-level condos to \$10 million luxury homes. Single-family homes continue to see the most activity, and the average sale price for a single-family home in the City of Vancouver rose to \$2.035 million in the first quarter of the year.

The high level of competition among buyers has discouraged sellers from listing their properties, thus further reducing inventory. While sellers know their homes would be quick to sell, many are reluctant to then become buyers themselves and enter the highly competitive market to look for a new home. Empty nesters who may have in the past downsized to a smaller house are now choosing to remain in their homes unless they downsize to a condo or leave the city altogether.

FIRST-TIME BUYERS

The majority of first-time buyers in Vancouver enter the market by purchasing a condo. In the past, the typical buyers in this market were professional singles and couples, but now includes families with children, as the price gap between condos and single-family homes grows and people get used to long-term condo living.

There is still good affordability for first-time buyers in the resale condo market outside the downtown core, where buyers can enter the condo market starting at approximately \$330,000.

CONDO MARKET

Demand in Vancouver's condo market has started to catch up with single-family homes, as buyers worry that with the current pace of price appreciation, they may miss their chance to enter the market. Condo units frequently see multiple offers, and while there is new inventory coming on the market, it is not keeping up with demand. Within the City of Vancouver, the average price for a condo rose to approximately \$580,000 in the first quarter of the year.

The typical Vancouver condo dweller has shifted in the past few years, and it is no longer uncommon for families with children to live in downtown condos. There is a significant shortage of the two- to three-bedroom units that are in high demand from this demographic.

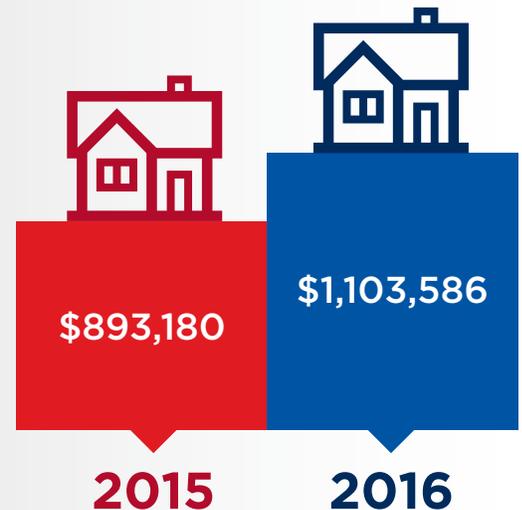
LUXURY HOMES

There continued to be high demand in Vancouver's luxury market in the first quarter of the year, driven by both local and foreign buyers.

Some segments of the luxury market have increased at a higher pace with the market on average, as buyers are more concerned with getting the property they love and less concerned with the economics of their investment.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- The City has recently changed zoning restrictions to allow laneway homes. It is expected that homeowners will replace their garages with laneway homes, which will add rental inventory to the market and help owners finance their homes
- Competition for listings has led to pent-up demand from buyers who were unsuccessful in multiple offer scenarios, which should keep demand high in the year ahead



FRASER VALLEY

↑ 31% AVERAGE RESIDENTIAL
SALE PRICE
\$719,992

Fraser Valley's proximity to metro Vancouver makes the region a popular spot for buyers looking for relatively affordable and spacious properties. An active first quarter saw sales rise 66 per cent compared to 2015. This high demand has resulted in low inventory and rising prices throughout the region: the average residential sale price rose 31 per cent year-over-year in the first quarter of 2016 to \$719,992.

Single-family detached home buyers created the most demand as couples in their mid-30s to mid-40s look for larger homes to accommodate growing families. The low Canadian dollar has also attracted interest among American and Chinese buyers.

FIRST-TIME BUYERS

Move-up buyers are the primary drivers of the Fraser Valley housing market, as rising demand and prices have limited first-time buyers' access to the detached home market. First-time buyers in the region are typically young professionals who enter the market by purchasing a condo in the \$220,000 to \$250,000 range.

CONDO MARKET

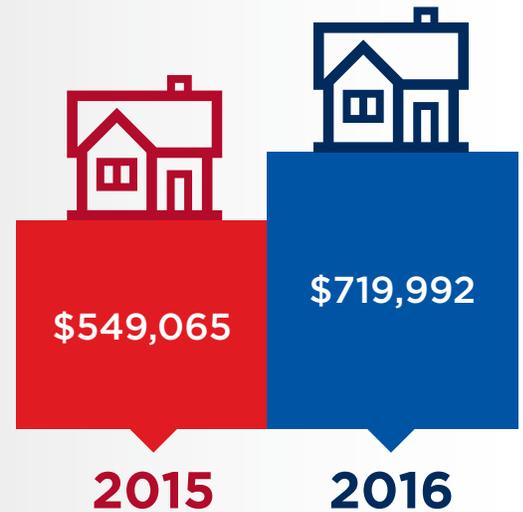
There was strong demand in Fraser Valley's relatively small condo market in the first quarter of the year. The average price for a condominium increased 17 per cent year-over-year to \$258,115. Demand in this market is driven primarily by first-time buyers and baby boomers looking to downsize to homes that are easier to maintain.

LUXURY HOMES

Fraser Valley's luxury home segment features a wide array of options, from large acreage working farms to waterfront properties, listed from \$3 million to \$5.8 million. The market is quite active, with homes selling in less than two months on average.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- The pending expansion of Highway One is expected to reduce the Valley corridor commute and attract more buyers to the region
- The decline in Western Canada's resource sector has prompted workers to move back to Fraser Valley in search of employment, further boosting demand



KELOWNA

↑ 8%

AVERAGE RESIDENTIAL
SALE PRICE
\$447,308

Confidence in Kelowna's housing market is strong following the first quarter of 2016 due to a stable provincial economy and continued low interest rates. Sales activity rose by nearly 20 per cent, up from 1,012 to 1,212 between January and March year-over-year, while average days on market declined slightly from 75 to 71. The average sale price rose to \$447,308, up eight per cent from \$413,978 in 2015.

Single-family homes and increasing interest in the city's condo market drove demand in Kelowna while rising house prices in Vancouver led to growing numbers of buyers moving to the city due to its relative affordability. Buyers moving to the region from the lower mainland represented 15 per cent of all sales in the region, up from nine per cent in the first quarter of 2015.

Foreign buyers have not played as large a role in Kelowna as in other parts of the province, representing four per cent of Kelowna's housing market, but are expected to play a growing role in the coming years.

FIRST-TIME BUYERS

First-time buyers play a significant role in Kelowna's housing market, comprising approximately 21 per cent of all sales. The first-time buyer market is a balanced mix of single millennials, young families and parents purchasing condos for their children attending university in the city. Single-family homes between \$400,000 and \$500,000 receive multiple offers and represent the typical entry point to Kelowna's housing market.

CONDO MARKET

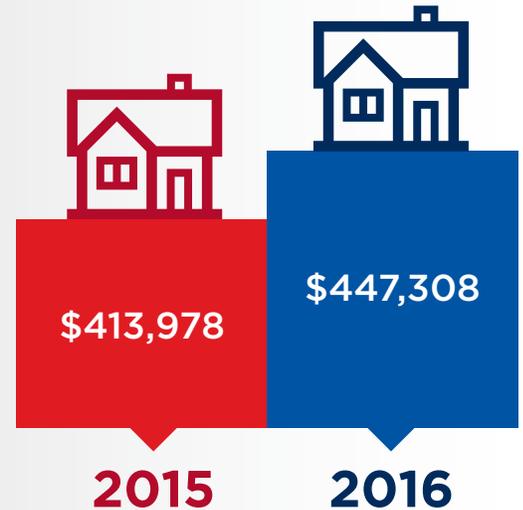
The condo market was brisk to start 2016, with sales up 38 per cent year-over-year. Condos represent the most affordable option for buyers looking to get into the market, with an average entry price of \$250,000 to \$290,000. Continued low interest rates have helped drive demand.

LUXURY HOMES

Kelowna's upper-end market remains stable, with 4,000 to 5,000 square foot waterfront properties driving demand in the segment. The market has softened slightly as Alberta's economic slowdown has led to fewer buyers looking for recreational properties over \$1 million.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- Kelowna's growing tech sector and relative affordability compared to Vancouver is attracting more millennials to the region
- Fewer buyers from Alberta are looking at the market as a result of the ongoing downturn in the resource sector, especially in the luxury market
- The weaker Canadian dollar has resulted in more Canadian buyers looking at recreational properties in Canada versus purchasing homes in the United States

EDMONTON

↓ 1%

AVERAGE RESIDENTIAL
SALE PRICE

\$364,334

Edmonton's housing market has slowed down slightly as a result of the downturn of Canada's oil and gas sector. Sales were down nine per cent year-over-year in the first quarter of 2016 and the average residential sale price declined slightly, from \$367,648 to \$364,334.

Despite the slowdown in the market, there are segments still seeing activity. Single-family homes witnessed the most demand, with first-time and move-up buyers benefiting from increased affordability. At the same time, buyers looking to downsize from luxury homes have increased demand for properties in the \$400,000 to \$500,000 range.

Ongoing infrastructure projects in the city have helped keep employment relatively steady compared to other parts of the province. Edmonton's employment rate has remained on par with the rest of Canada as work continues on the new Rogers Arena, the Royal Alberta Museum and a number of new office buildings.

FIRST-TIME BUYERS

Half-duplexes and townhouses are a popular option for first-time buyers in the city who are motivated by low interest rates and greater affordability due to softer prices. Home ownership remains a priority for young families and single millennials in the region. As a result, activity in the market for properties under \$400,000 remains brisk.

CONDO MARKET

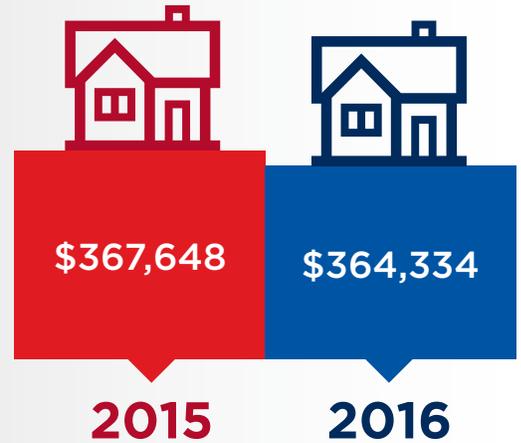
There is an excellent selection of condos as a result of increased supply with approximately eight months of inventory on the market at the start of 2016. Sales activity was down 15 per cent in the first quarter of the year with 824 condo units sold.

LUXURY HOMES

There is good selection for properties over \$1 million in Edmonton, providing opportunities for buyers to enter the luxury market. New builds close to the city centre with access to the River Valley as well as estate lots that are farther out from the downtown core typify what buyers in the upper-end market are looking to buy.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- Recently approved extensions to Edmonton's light rail transit system are expected to help keep demand stable
- As many of the city's infrastructure projects near completion throughout 2016, the price of oil is expected to have an increased role in consumer confidence

CALGARY

0%

AVERAGE RESIDENTIAL
SALE PRICE

\$467,748

Calgary had a slow start to the spring real estate season as oil prices dipped in January, making buyers and sellers hesitant to enter the market. Once oil prices showed signs of beginning to recover, there was a corresponding uptick in real estate activity as well. Sales were down slightly in the first quarter of the year while listings were up. There were 6,084 active listings at the end of March, compared with 5,704 the same time last year.

With more inventory on the market compared with previous years, the properties that sell are those that are priced correctly and show well. While continued uncertainty in the oil industry has made some buyers hesitant, there is interest in the market and open houses are busy.

FIRST-TIME BUYERS

First-time buyers have remained the most active segment of Calgary's residential market. Single-family homes under \$400,000 are in highest demand and have seen healthy activity this year. This segment of the market has not seen significant price adjustments, but buyers have been able to take advantage of softer demand to get a little more value for money. First-time buyers are primarily young professionals.

CONDO MARKET

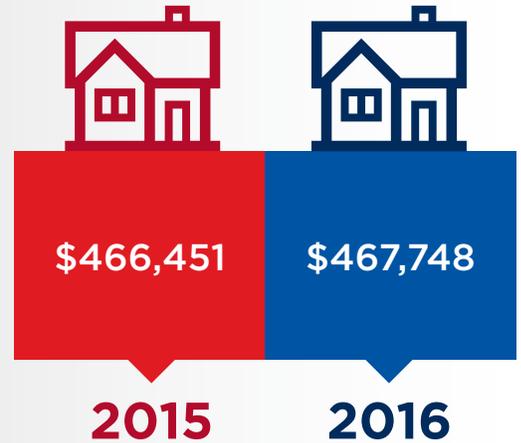
There is a good supply of apartment-style condo units on the market, allowing for an affordable entry point into the market in well-located areas. However, increased affordability for single-family homes has softened condominium demand from first-time buyers.

LUXURY HOMES

The effects of the economic downturn have been felt most acutely in Calgary's luxury market, particularly in the high-end acreage market outside the city. Within the city, the high-end market has been more resilient, and despite softer demand, well-located, high-quality product continues to sell. Some buyers have taken advantage of price adjustments at the high end of the market to move up to a larger home, keeping the number of sales over \$1 million fairly stable.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- New residential construction has slowed considerably, which over time should help with inventory absorption
- Calgary continues to be a top destination for new immigrants to Canada and migration within Canada, prompting optimism for economic growth

SASKATOON

↓ 1%

AVERAGE RESIDENTIAL
SALE PRICE
\$347,387

After a slow fall and winter, housing market activity slowly began to return to normal during the first quarter of the year, buoyed by warmer weather and an early spring. As a result, sales were down six per cent year-over-year in the first quarter of 2016, but are rebounding strongly.

Saskatoon's housing market is expected to become more balanced over the busy spring and summer season, as there is pent-up demand from buyers who had been waiting to see how April's provincial election and oil price volatility would affect the market.

Saskatoon has seen an increased demand from foreign buyers in the past few years, a trend that is expected to continue this year.

FIRST-TIME BUYERS

The first-time buyer market in Saskatoon is active. Buyers typically enter the market by purchasing a single-family bungalow in an older neighbourhood for between \$420,000 and 500,000, which may need some renovations. A newer trend is buyers seeking homes with rental suites that will allow them to help finance their mortgage.

In the condo market, there is a good selection of units available that allow buyers to enter the market at a lower price point.

CONDO MARKET

Development in Saskatoon's condo market over the past several years has led to significantly more availability in condo product. Approximately half of all active listings in Saskatoon were condo units at the end of March. Inventory is expected to decline this year as fewer new listings come on the market.

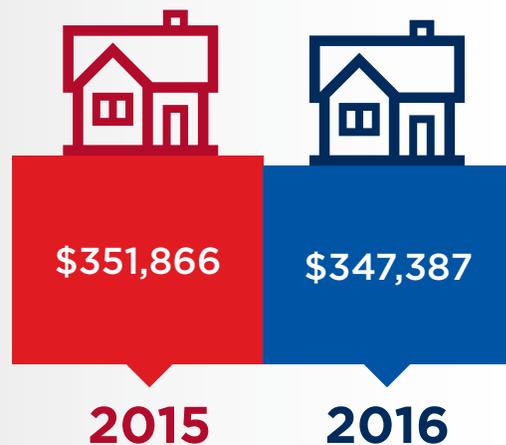
It's common for owners in the region moving up to single-family homes to keep their units as rental properties rather than sell.

LUXURY HOMES

Demand in the luxury market has remained fairly stable, driven by local move-up buyers. There have been some price adjustments at the upper-end of the market attracting move-up buyers to take advantage of the selection and price. In the \$1 million plus range, there is a shortage of product with the amenities and location that buyers in that range are seeking. There is a strong market for \$1 million-plus acreages near the city, with several having sold in the past few months.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.



FUTURE TRENDS

- Inventory is expected to level off over the next several months, shifting Saskatoon from a buyer's market to a more balanced market
- A stable job market and low interest rates are expected to keep demand healthy for the balance of the year

REGINA

↑1%

AVERAGE RESIDENTIAL
SALE PRICE
\$311,952

While Regina usually experiences a pause in the market in advance of a provincial election, the market remained active leading up to the April election. After a period of slower activity, the market rebounded in March, buoyed by a mild winter and earlier spring.

While the downturn in the oil industry has had an impact, Regina's diversified economy has helped the real estate market remain resilient. Sales in the first quarter were up six per cent year-over-year, and new listings were down four per cent. The average residential sale price increased one per cent to \$311,952.

FIRST-TIME BUYERS

First-time buyers in Regina are typically young couples who are employed in stable jobs and looking to settle down. These buyers typically enter the market by purchasing a home for approximately \$350,000. These starter homes tend to be three-bedroom detached houses in established neighbourhoods that may need some minor updates.

In the past, limited availability and high costs in the rental market encouraged young buyers to enter the market. New construction in the rental market has increased vacancy, giving these buyers less incentive to purchase.

CONDO MARKET

There is good demand for townhouse-style apartments as they appeal to buyers looking for a move-in ready, maintenance-free option. There is a good selection of apartment-style condos currently on the market, and new building has slowed.

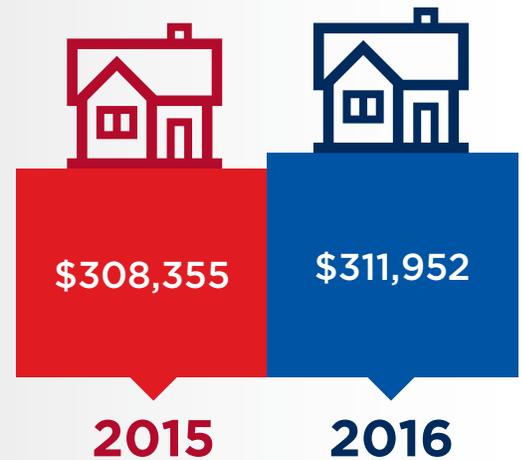
LUXURY HOMES

The upper end of the market saw an uptick in March, driven by pent-up demand from buyers who had been watching and waiting the past few years to see if prices would decrease. With prices stable and starting to see some upward movement, many of these buyers decided the time was right to trade up.

There were 18 homes sold between \$600,000 and \$900,000 in the first quarter of 2016, compared with four sales in that range during the same period last year.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.



FUTURE TRENDS

- The Regina Bypass project is adding jobs and drawing new residents to the city; the project is projected to take two to three years
- A new football stadium is expected to be completed at end of this year, which should have a positive impact on the surrounding area
- Immigrant communities in Regina are growing, which should continue to create demand in the housing market

WINNIPEG

↑10% AVERAGE RESIDENTIAL
SALE PRICE
\$300,011

Winnipeg shifted to a balanced market during the first quarter of 2016 as a result of new inventory coming on the market. The additional inventory has spurred a rise in activity during the first quarter compared to 2015, with 2,216 units sold, up from 2,069. The year-over-year average residential sale price rose by 10 per cent, from \$273,906 to \$300,011.

Low interest rates continue to drive demand in Winnipeg, serving to motivate both first-time and move-up buyers. Single-family detached homes in the \$250,000 to \$350,000 range are a popular choice for move-up buyers, while increasing numbers of single millennials are attracted to Winnipeg's condos in the downtown core.

With one of the highest employment rates in Canada, ongoing development projects in the city and a new 20,000 unit housing project in the works, confidence in Winnipeg's housing market is strong.

FIRST-TIME BUYERS

First-time buyers are typically looking to enter the market by purchasing a condo for between \$130,000 and \$250,000, or a single-family detached home for upwards of \$350,000. Millennial buyers are increasingly attracted to Winnipeg's downtown core where they are within walking distance of various amenities and entertainment spots.

CONDO MARKET

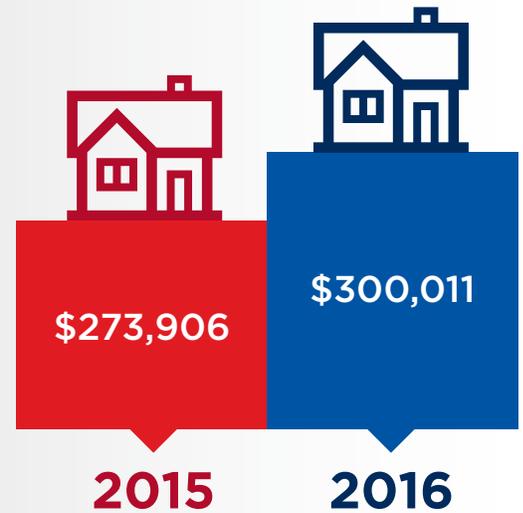
Activity was brisk in the condo market to start the year, with total sales between January and March rising from 284 to 328 year-over-year. With an average price of \$226,561, condos in Winnipeg appeal to both younger buyers who are drawn to units in the city centre, and older buyers looking to downsize to units just outside the downtown core. A blend of older builds coming on the market and new projects, such as the True North and Sky City developments, help ensure there is a diverse selection of inventory available.

LUXURY HOMES

Winnipeg's luxury home market has seen strong growth to start 2016, with the number of sales over \$800,000 rising from seven in 2015, to 19. Winnipeg's stable economy and relative affordability have led to more wealthy residents choosing to stay in the city versus moving to British Columbia, Ontario or Alberta.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.



FUTURE TRENDS

- A new housing project featuring 20,000 homes near CentrePort will bring more jobs to the city, helping to drive demand in the coming years
- The ongoing Waverly West housing project is nearing completion, bringing 11,000 new homes to the south end of Winnipeg
- The continued low Canadian dollar is expected to give Winnipeg's exports a boost over the coming months

WINDSOR- ESSEX

↑ 11%

AVERAGE RESIDENTIAL
SALE PRICE
\$211,211

A welcomed trend for the region is that younger workers are returning to the region from out west as the local economy is benefitting from a renewed consumer confidence and a falling unemployment rate that recently fell below the national average.

While real estate sales activity is up year-over-year in Windsor's core, activity in the surrounding areas has been exceptionally brisk. The region witnessed a 19 per cent increase in residential sales during the first quarter of 2016 compared to the same period last year. On average, one in three properties are attracting multiple offers with single-family properties in the \$150,000 to \$250,000 range at times seeing \$30,000 to \$60,000 over asking. These properties are often well-priced homes in desirable neighbourhoods.

FIRST-TIME BUYERS

Unlike some regions in Southwestern Ontario that are closer to Toronto, first-time buyers in Windsor-Essex still have a robust supply of affordable inventory. Alongside renewed consumer confidence and healthy job prospects, low interest rates are making Windsor-Essex a very attractive place for young families to live.

CONDO MARKET

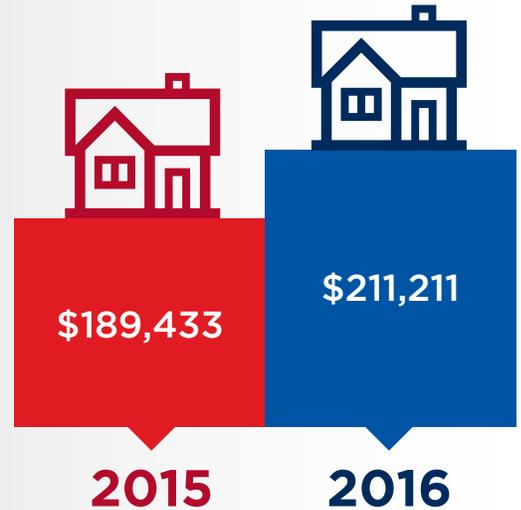
The region's condo market has not seen any new developments this year. Competing demand for townhouses has limited the demand for apartment-style strata properties. Typical townhouse buyers are retirees who are looking for one floor ranch style properties with low maintenance fees. Popular pockets for townhouses are located in Tecumseh and Kingsville.

LUXURY HOMES

March's sales activity in the luxury market was up modestly compared to last year with sales above \$420,000 making up over six per cent of the market. Typical buyers are often move-up buyers with a dual income taking advantage of continued low interest rates.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- Consumer confidence is expected to remain high as more medium-sized companies move into the region and construction continues for the new bridge
- While the Canadian dollar is still low, the local economy is expected to benefit from a healthy manufacturing sector

LONDON- ST. THOMAS

↑ 6%

AVERAGE RESIDENTIAL
SALE PRICE
\$271,920

The spring market got off to a busy start in London-St. Thomas, and sales were up 10 per cent year-over-year in the first quarter of 2016. With inventory down from previous years and increased demand, multiple offers have become more common in the London market. The average residential sale price rose six per cent year-over-year in the first quarter of 2016 to \$271,920.

Move-in ready, single-family homes listed at market value are seeing a lot of activity, particularly those located in established family neighbourhoods. The most active price range is \$250,000 to \$350,000, which includes both first-time and move-up buyers.

London has a growing tech sector, which is continuing to add jobs and attract new residents to the region.

FIRST-TIME BUYERS

First-time buyers are the primary drivers of demand in the London-St. Thomas housing market. While some first-time buyers choose condominiums, the relative affordability of the region coupled with low interest rates mean many of these buyers can get into a single-family home. A popular option is bungalows built between the 1950s and 1970s that may require minor renovation and typically sell for under \$200,000 depending on location.

CONDO MARKET

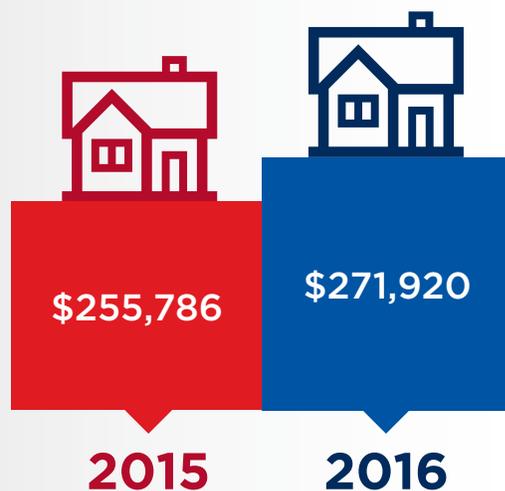
Several new developments have been built in the London area in the past few years, and demand for these units are strong. In the first quarter of the year, active listings were down and unit sales were up over the same period in 2015. New high rise developments appeal to young professionals, as well as retirees. Detached condos – small, single-floor units on individual lots within a gated community – are popular with downsizers.

LUXURY HOMES

Sales at the upper end of the market were very active during the first few months of the year. There were 115 homes sold for \$500,000 or more between January and March, compared with 82 during the same period in 2015. A typical property in this price range is a two-storey, four-bedroom home built within the past 10 years.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- The tech sector, including a growing gaming industry, is continuing to grow, creating well-paying jobs in the region
- An urban renewal project, including a public transit system currently in the planning phase, is expected to revitalize the city core
- Continued low interest rates and stable employment are expected to keep housing demand strong



GREATER SUDBURY

↓ 2%

AVERAGE RESIDENTIAL
SALE PRICE

\$243,396

The average price for a detached home decreased from approximately \$249,000 in the first quarter of 2015 to approximately \$243,000 in 2016. This was due to higher demand from first-time buyers, resulting in more sales of entry-level homes.

At the end of March, there were seven months of inventory; however, that is expected to decrease as the weather warms and the spring market gets into full swing. In spite of high inventory, well-priced properties in good neighbourhoods receive multiple offers.

FIRST-TIME BUYERS

First-time buyers continued to drive the housing market in Sudbury during the first three months of the year. With low interest rates and the availability of affordable options, many young couples and families can enter the market. These buyers typically purchase a single-family home in the \$160,000 to \$220,000 range.

CONDO MARKET

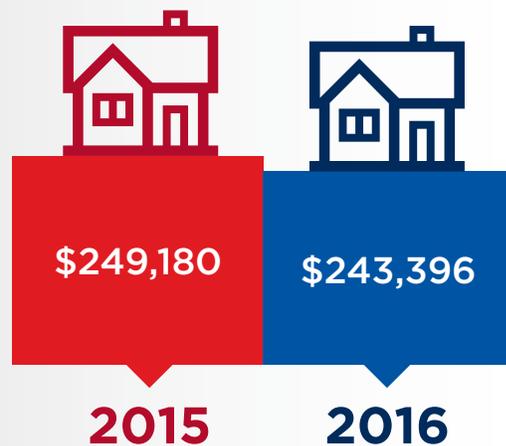
Sudbury's condo market is small; there were three sales in the first quarter of 2016. Detached and townhouse-style condos are more popular than apartment-style, and appeal primarily to downsizers who are driven by the convenience of a low-maintenance home. With good affordability and availability in detached homes, there is not significant demand for condominiums from first-time buyers.

LUXURY HOMES

The upper end of the market has remained fairly stable. There were 23 sales of homes over \$500,000 during the first three months of the year, compared with 26 sales in the same period last year. Most homes in this segment of the market are new construction. Buyers in the luxury market are typically local move-up buyers or professionals relocating from other cities. Mining sector employees are less active in this market than in the past, due to the lower price of nickel, Sudbury's main commodity.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- There are several new infrastructure projects underway, including a new school of architecture and significant expansions to Laurentian University, which are expected to provide jobs in the region
- Inventory is expected to decline in the coming months as Sudbury's spring market is often delayed by a later spring

KITCHENER -WATERLOO

↑ 6%

AVERAGE RESIDENTIAL
SALE PRICE
\$371,733

The real estate market has had an active start in the Kitchener-Waterloo region. Sales were up 23.9 per cent in the first quarter of 2016 compared to the same period in 2015. The area is continuing to see a surge in buyers who are selling properties in Toronto, which have appreciated greatly in recent years, to upgrade to larger homes at a lower price in the Kitchener-Waterloo region. The average residential sale price rose six per cent year-over-year in the first quarter of 2016 to \$371,733 while days on market decreased from the previous year.

Properties under \$450,000 are attracting multiple offers and often selling within hours of being listed. In addition to the surge of buyers relocating from Toronto, the region has also seen an increase in investors eager to take advantage of the potential real estate price appreciation that is expected from the region's five year transportation plan connecting the area to Cambridge.

The low Canadian dollar has reinvigorated the local auto manufacturing sector while the University of Waterloo continues to be a core driver in the local economy. Its internationally recognized engineering program has recently grown by 15 per cent.

FIRST-TIME BUYERS

Low interest rates continue to attract first-time buyers, however, once they begin their search many are becoming increasingly frustrated as multiple offers and the quick pace of sales becomes a new reality. With little time to make decisions, it is highly recommend that potential buyers do their homework and work with an experienced local real estate agent.

CONDO MARKET

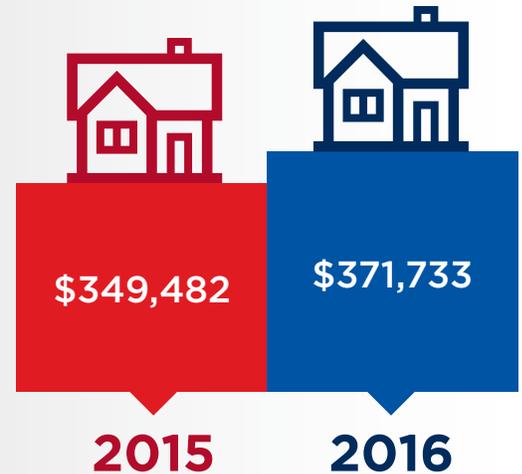
Condos and townhouses are seeing a lot of activity as the low price point is attractive to both first-time buyers and investors. While March's year-over-year sales of strata properties have witnessed an impressive increase of 26.4 per cent, the demand has not been reflected in price appreciation. Ongoing construction of condo style apartments built for students has created a robust inventory and is putting downward pressure on rental values.

LUXURY HOMES

Interestingly, Toronto buyers relocating to the region are having a minimal effect on Kitchener-Waterloo's luxury market as this buyer group is typically looking at properties less than \$700,000. Typically selling for 1 million and above, the region's luxury market buyer is often a very well-established professional at the University of Waterloo or in the auto manufacturing sector.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.



FUTURE TRENDS

- Regional transportation initiatives are expected to continue to draw demand in the area
- Demand from buyers relocating from Toronto is expected to continue
- RE/MAX is increasing its 2016 housing market outlook forecast for the Kitchener-Waterloo region. The average residential sale price is expected to increase six per cent compared to 2015

HAMILTON- BURLINGTON

↑10% AVERAGE RESIDENTIAL
SALE PRICE
\$486,008

Hamilton-Burlington has continued to see record activity, as buyers from the Greater Toronto Area look farther out to find affordable single-family homes.

High demand has led to a year-round market in Hamilton; there were nine consecutive record-breaking sales months in 2015. Whereas typically inventory from December carries into January, high sales in December 2015 led to lower inventory in the new year. At the end of March, inventory was down approximately 15 per cent, while sales were up. There were 1,422 sales in the first three months of 2016, compared with 1,334 during the same period last year.

FIRST-TIME BUYERS

The first-time buyer market in Hamilton is driven by buyers from the Greater Toronto Area purchasing single-family homes in the \$250,000 to \$450,000 range. These buyers typically bypass the entry-level condo or townhouse, either saving more and entering the market later or receiving help from their parents with the downpayment in order to purchase a detached home. Highest demand is for post-war bungalows on the West Mountain. First-time buyers who are native to Hamilton are increasingly looking to Caledonia and the Niagara region for more affordability.

CONDO MARKET

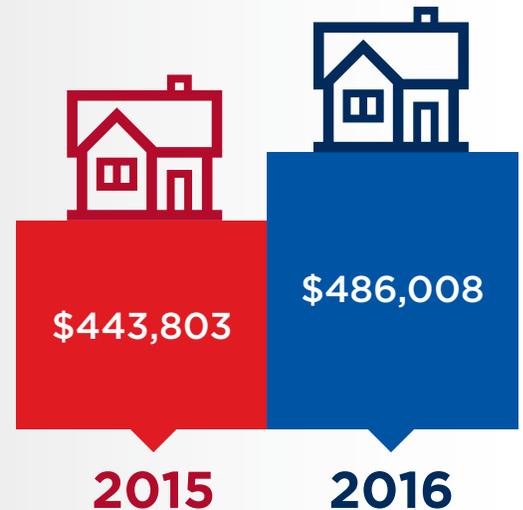
The condo market in Hamilton is small and primarily a resale market. Several developments began pre-sales at the same time, spreading out consumer demand and making it more difficult for any individual project from reaching the minimum sales to begin construction. In Burlington, the condo market appeals primarily to downsizers looking to remain in the area after selling larger homes.

LUXURY HOMES

Hamilton-Burlington experienced stronger demand for high-end properties in the first quarter of 2016. There were 56 sales of properties over \$1 million, compared with 39 sales during the same period last year. The upper-end market is driven primarily by local move-up buyers.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- A recently announced joint venture between IBM and Hamilton Health Sciences to establish a new centre focused on healthcare innovation is expected to bring highly-paid technical jobs to downtown Hamilton
- The low Canadian dollar is expected to continue to have a positive impact on Hamilton's manufacturing sector
- A shortage of land for development has hindered growth in the past several years; a possible expansion of Hamilton's boundaries is being considered to address this challenge



BARRIE & DISTRICT

↑14% AVERAGE RESIDENTIAL
SALE PRICE
\$401,801

Affordability and lifestyle, alongside low interest rates, continue to fuel the real estate market in Barrie and its surrounding area. Sales activity in the region is up 27 per cent in the first quarter of 2016 compared to the same quarter of 2015. Much of the surge can be attributed to buyers who work in Toronto but want a large home with easy access to nature and outdoor activities such as skiing and water activities.

As a result of the commuter population increase, the local economy has also seen a considerable lift as new development initiatives are underway while more restaurants and professional services emerge to meet the demand of the growing population. Prices in the region vary greatly by neighbourhood and it is important to use a local real estate agent who understands the market to avoid overpaying and ensuring the property meets the buyer's expectations.

FIRST-TIME BUYERS

Despite continued low interest rates, local first-time buyers are finding it difficult to enter the region's housing market. Real estate agents are witnessing an increasing trend of younger buyers getting financial help from their parents.

CONDO MARKET

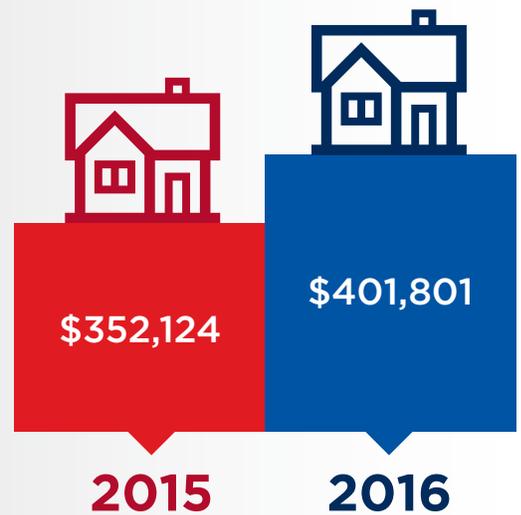
The average price of a condominium rose 13 per cent to \$251,404 in the first quarter of 2016. This property type is in demand from various groups including retirees, investors looking to rent out property and first-time buyers because of its accessible price point. While condo inventory is not a large component of the local real estate market, there are significant new developments as both Mady projects are back online and a second tower is under construction at Quarry Ridge.

LUXURY HOMES

Typical luxury listings sell for over \$500,000. While market activity is up for this property type, some of this activity can be attributed to more homes falling into this category as prices continue to appreciate. Typical luxury buyers are move-up buyers selling property in the city and upgrading to the surrounding areas. The new expansion of Royal Victoria Regional Health Centre's cancer wing and retirement centre has created demand for luxury properties from senior medical professionals.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.



FUTURE TRENDS

- An increase in GO Train frequency as well as low gas prices are expected to continue demand from Toronto buyers
- With less than 21 days of inventory on the market, price appreciation is expected to continue in the region
- RE/MAX is increasing its 2016 housing market outlook forecast for the Barrie & District region. The average residential sale price is expected to increase seven per cent compared to 2015

GREATER TORONTO AREA

↑14% AVERAGE RESIDENTIAL
SALE PRICE
\$675,492

High demand and low inventory for single-family homes continued to be the dominant theme in Toronto's housing market in the first quarter of the year. As city planning shifts toward density and away from urban sprawl, the supply of ground-oriented homes is increasingly limited. Current owners are reluctant to sell as they are hesitant to become buyers themselves in a competitive market, and with rising home values, many are holding on for further price appreciation.

Move-up buyers, moving either from a condo to a detached home or from a smaller house to a larger one, are the most active market segment. The most in-demand property types are detached homes priced up to \$1.5 million in the 416 area code, and up to \$1 million in the 905 area code

FIRST-TIME BUYERS

First-time buyers often enter Toronto's real estate market by purchasing a condo in the downtown core. Rising prices for single-family homes coupled with longer commute times as the population grows have contributed to more demand from young buyers for downtown condos. Price appreciation throughout the market has put single-family homes in the City of Toronto out of reach for most first-time buyers; those who do purchase them often do so with help from family.

First-time buyers looking for a single-family home can find more affordability an hour's drive from the city's core in the Greater Toronto Area. Many of these buyers look to Brampton in the West or Durham in the East for a greater selection of homes in their price range.

CONDO MARKET

Toronto's condo market continued to experience strong demand from first-time buyers and downsizers. The highest demand is for condos with good access to public transportation, in both the new build and resale markets. As the price gap between condos and single-family homes grows, developers are adding two-and three-bedroom units to meet demand from families.

Toronto's condo market is seeing high investor demand, as low vacancy and high rents allow owners to profit on their investment.

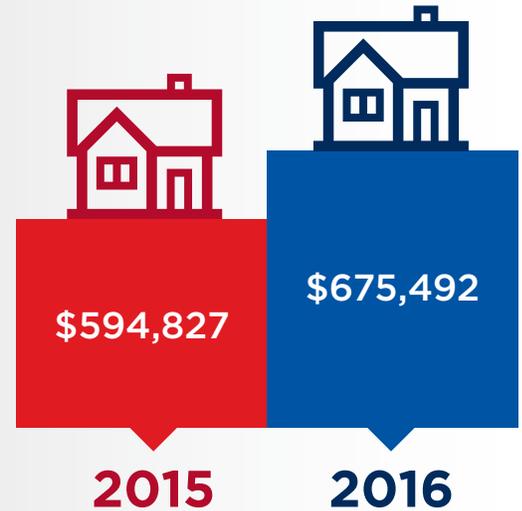
LUXURY HOMES

The luxury market has grown substantially in recent years, as price appreciation throughout the market has allowed buyers to build up enough equity to move up to a luxury home. Whereas a few years ago it was common for a high-end home to remain on the market for a year, these properties now sell quickly.

The most significant change in the luxury market is the increased demand for high-end condos. This demand is driven by downsizers looking to shift to a more downtown lifestyle with easy access to dining and amenities. There is a shortage of supply in the high-end condo market, and new developments have sold out quickly.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- Approximately a quarter of Canada's immigrants settle in the GTA, and immigration to the city is expected to keep demand high
- Price appreciation in Toronto's core is expected to sustain demand for surrounding regions





OAKVILLE

↑20%

Oakville's housing market was very active to start the year, with sales increasing by 11 per cent in the first quarter year-over-year. Single-family detached homes in the upscale town west of Toronto were in high demand, as move-up buyers look for bigger homes to accommodate growing families. The average sale price rose from \$832,780 in the first quarter of 2015, to \$1,001,334 in 2016.

Rising prices across the GTA have resulted in more homes being sold for over \$1.5 million in Oakville, the entry level price of the suburb's luxury market. This has resulted in a 94 per cent increase in sales in the luxury segment between January and March year-over-year. Foreign buyers are increasingly attracted to good elementary and high schools in Oakville and have played a larger role in the luxury market in the first quarter of 2016.

First-time buyers represent a small segment of the housing market and are typically looking for condos starting at \$300,000. Increasingly, first-time buyers in Oakville are assisted financially by their parents.

ONTARIO - GTA



BRAMPTON

↑16%

Brampton has historically been more affordable than other areas of Peel Region, but is starting to catch up as demand increases. Average price and sales activity increased year-over-year in the first quarter at a rate that outpaced the GTA average: Brampton's average residential sale price rose 16 per cent and unit sales rose 26 per cent. Multiple offer scenarios have become more frequent, particularly in the lower end of the market and average days on market has dropped to 15.

First-time buyers are increasingly prioritizing location and condition over square footage. Whereas previously first-time buyers would look for the largest home available within their price range even if needed some upgrading, buyers are now looking for move-in ready properties near transportation and amenities. Downtown Brampton's growing condo market appeals to millennial buyers.

Unlike many of Toronto's suburbs, Brampton still has room to grow and new development is expected to bring more inventory onto the market. Improvements to public transportation and the potential development of a new highway are expected to increase the region's appeal.

DURHAM

↑13%

There was high demand for affordable properties in the first quarter of the year, as prices throughout the GTA continued to increase. Most properties under \$500,000 sold with multiple offers and many with significantly higher sales prices than list prices. Offers without conditions have become common as competition increases. The average residential sale price in Durham Region rose 13 per cent to \$475,317 in the first quarter of the year, up from \$419,866 in the same period last year.

Among first-time buyers in Durham, demand is high for any property under \$300,000. These buyers are typically under 30 and receive help with their downpayment from family. Move-up buyers are an important segment of the market; however, with lower inventory than in the past, many are wary of selling before buying. This has led to some reduction in activity in the mid-range of the market.

The expansion of Highway 407, slated to open in June, is expected to further drive demand in Durham Region as more areas open up to commuters. High immigration to the area is also expected to keep demand strong.

KINGSTON

↓ 3%

AVERAGE RESIDENTIAL
SALE PRICE
\$286,967

Milder weather near the end of 2015 and start of 2016 contributed to increased activity in Kingston as sales were up 18 per cent by the end of the first quarter compared to the same period last year. This increase in activity has seen Kingston shift into a seller's market, with inventory decreasing eight per cent year-over-year. The average sale price declined slightly, from \$295,576 to \$286,967, due to a higher proportion of sales at the lower end of the market.

Move-up buyers continue to drive demand in Kingston. The city's affordability and proximity to larger hubs such as Toronto, Ottawa and Montreal continue to make Kingston a popular destination for retirees.

Kingston's military base, one of the region's most important employers, is expecting an increase of military transfers in 2016. After a number of years of decreased transfers, renewed volume of relocations at the end of the first quarter are expected to give the housing market a boost.

FIRST-TIME BUYERS

First-time buyer activity is driven by millennials looking for affordable, single-family detached homes situated just outside Kingston's downtown core. Low interest rates and Kingston's stable market continue to incentivize first-time buyers to purchase in the region.

CONDO MARKET

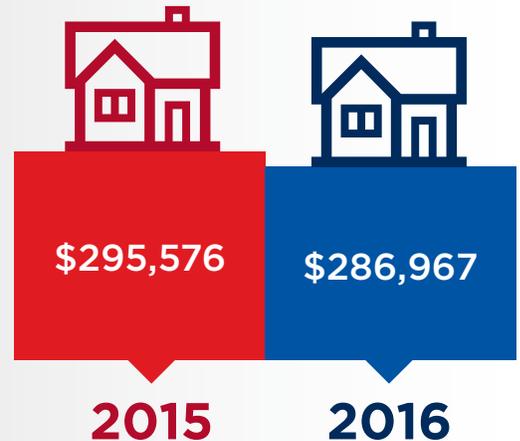
Inventory has gradually started to catch up with demand in Kingston's condo market with the completion of several buildings over the last few years. This is expected to lead to steady sales and a slight rise in the average sale price of between two and five per cent over the course of the next year.

LUXURY HOMES

Activity in the luxury market has declined slightly to start the year, with unit sales over \$1 million declining from six to three. The spring and summer markets are expected to be more active as sales of upper-end waterfront properties increase as the weather warms.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- The low Canadian dollar is expected to attract American buyers and increase demand in waterfront properties in Kingston and the 1000 islands region
- An increase in military postings this year is expected to provide a boost to the region's housing market
- Baby boomers looking to move into more modest homes continue to be attracted to affordable properties in Kingston

OTTAWA

↑ 1%

AVERAGE RESIDENTIAL
SALE PRICE

\$361,623

Overall sales in the first quarter have remained stable in Canada's capital city when compared to the same period in 2015. Condo sales rose 16 per cent year-over-year, while freehold sales have remained stable. The market is balanced, with the average residential sale price increasing slightly from \$357,006 to \$361,623 between January and March.

Properties in the \$300,000 to \$400,000 range drive demand in Ottawa and represented 32 per cent of all sales during the first quarter. Ongoing infrastructure projects such as the development of a light-rail transit system have helped sustain demand in Ottawa's housing market.

This past fall's federal election is anticipated to continue to power Ottawa's spring and summer markets as a wave of government officials move in and out of the city. A more optimistic public service overall has resulted in increased confidence in Ottawa's housing market.

FIRST-TIME BUYERS

First-time buyers are quite active in Ottawa and are increasingly attracted to freehold townhomes and single-family homes costing between \$250,000 and \$350,000. Condos in the city centre also continue to appeal to millennials looking for walkable neighbourhoods and nearby amenities.

CONDO MARKET

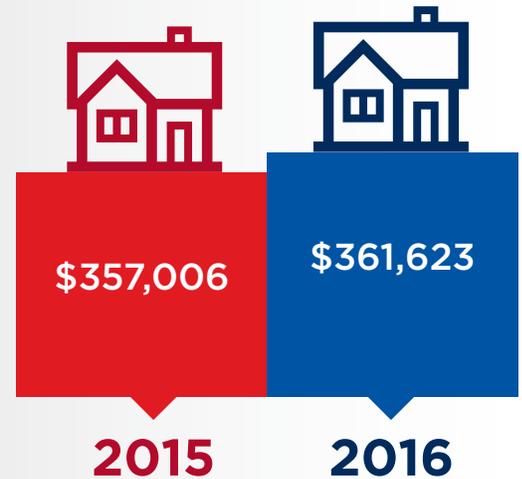
An abundance of units on the market has resulted in a slight decrease in the average sale price from \$257,177 to \$252,327 and has started to shift Ottawa's condo market to favour the buyer. Several new builds are still ongoing, including projects geared specifically towards students of the city's two universities. Millennials looking to enter the market and foreign buyers, typically from Asia, continue to drive demand for condos.

LUXURY HOMES

Upper-end properties over \$750,000 have seen a 21 per cent increase in sales year-over-year to start 2016, with 94 sales between January to March this year compared with 78 during the same period last year. Homes in Ottawa's older neighbourhoods such as the Glebe and Rockcliffe remain popular for buyers in this market, while luxury condos in the downtown core increasingly attract retirees and move-up buyers.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.



FUTURE TRENDS

- The ongoing development of Ottawa's light-rail system has driven demand for homes close to public transit hubs
- Public officials moving into the city following the fall election are expected to spur active spring and summer markets
- The redevelopment of LeBreton Flats is a major infrastructure project coming to Ottawa's downtown core in the coming years

SAINT JOHN

↓ 3%

AVERAGE RESIDENTIAL
SALE PRICE
\$163,218

Similar to last spring, all price ranges have been active in Saint John. There has been a 3.5 per cent increase in sales and this is attributed to some buyers looking to close sales before the land transfer tax increases from .5 per cent to 1 per cent on April 1, 2016. While resale inventory is down modestly compared to the same quarter last year (-5.2%), there is still a robust selection for buyers. Move-up buyers are especially interested in upgrading their properties taking advantage of selection and value.

Houses in good condition, located in established family neighbourhoods in the \$180,000 to \$220,000 range are in highest demand by first- and second-time buyers. Low interest rates, milder weather and an increase in foreign buyers are expected to keep demand high throughout the spring and summer.

FIRST-TIME BUYERS

First-time buyers in the region are taking advantage of excellent selection and low interest rates. While most are committed to buying, they often look at many properties before making a purchase. As financing has become more difficult in recent years, many are looking to their parents for help with their downpayment.

CONDO MARKET

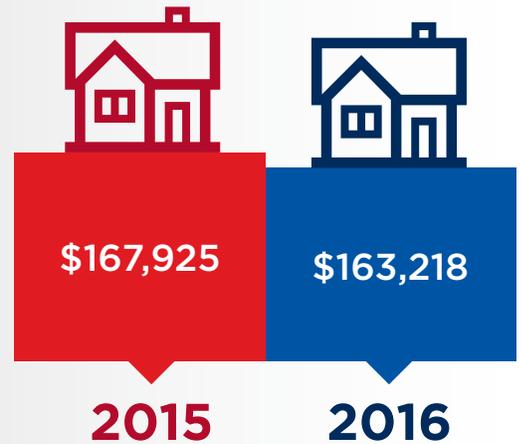
While the condo market is relatively small compared to other cities, it has grown modestly with new developments in the region. In addition, there have been a few apartments that have been converted into condos.

LUXURY HOMES

Luxury property in Saint John sells for over \$400,000. Typically these properties are newer builds on the water or with a water view. Sales activity in the first quarter of 2016 is the same as the same period last year with 11 sales in the region.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- The increase in HST from 13 per cent to 15 per cent on new builds may spur the resale market as new builds become more expensive
- If approved, the proposed Energy East pipeline is expected to be a boon for the local economy and real estate sector

HALIFAX- DARTMOUTH

↑ 4%

AVERAGE RESIDENTIAL
SALE PRICE
\$289,425

After an exceptionally cold and snowy winter last year, the market was off to a much more active start in 2016. The spring market started earlier, and price and sales were up year-over-year in the first three months of 2016. Decreasing inventory is trending to more of a balanced market compared to a distinct buyer's market in 2015.

The Halifax-Dartmouth area has seen modest population gains, mainly migration from other parts of Nova Scotia. Those who in the past may have gone west for employment are increasingly choosing to move to Halifax, while Nova Scotians who moved to Alberta for work in the oil sector are returning home. This increase in population, coupled with stronger employment numbers, are spurring optimism in the region.

FIRST-TIME BUYERS

The first-time buyer market was active in the first quarter of the year, driven primarily by buyers in their 20s and 30s, many of whom are newly employed in stable jobs or who have returned to the city after having worked in other parts of the country.

These buyers tend to value convenience over square footage, and are drawn to homes in the downtown core in walking or transit distance to work and amenities. First-time buyers typically choose an older detached home around \$275,000 that is in need of a renovation, or a move-in ready condo in the \$250,000 to \$300,000 range.

CONDO MARKET

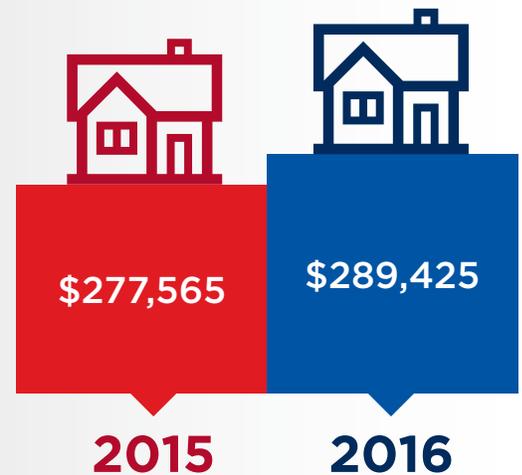
Several new condominium developments are currently being constructed in the city core, appealing primarily to first-time buyers. Demand is particularly strong in the \$250,000 to \$300,000 range. On the Dartmouth side of the harbour, condo developments at King's Wharf have created a resurgence of the Dartmouth waterfront. However, several high-quality, purpose-built rental developments have recently been constructed in Halifax creating competition for the condo market.

LUXURY HOMES

The upper end of the Halifax market has remained stable. Demand is highest for older Victorian-style homes and waterfront properties in the traditional high-end neighbourhoods on the Halifax Peninsula. While there is demand for good properties at the higher end of the luxury market, demand is weaker for homes in the \$450,000 to \$500,000 range.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.



FUTURE TRENDS

- The decline in the oil industry is expected to bring skilled workers back to Halifax, which may start to have an impact on the housing market in the next year or two
- The low Canadian dollar is expected to continue to have a positive impact on Halifax's main exports
- Continued progress with the Irving Shipbuilding process is prompting optimism for the manufacturing sector

CHARLOTTETOWN

↑ 6%

AVERAGE RESIDENTIAL
SALE PRICE
\$223,321

Sales activity in Charlottetown was very brisk in the first quarter of 2016 increasing 69 per cent compared to the same period in 2015. This year's mild winter has contributed to a surge in sales compared to heavy snowfall last year. However, when compared to 2014, sales activity is still up over 60 per cent. Despite ample inventory, sellers are well aware of the value of their homes and are firm on the asking price. The majority of homes sell within 94 to 97 per cent of the list price.

While foreign buyers are showing some interest in the area, newcomers to the region are more likely to be buyers relocating from Toronto and Vancouver. These buyers are looking to release equity in their current homes, which have greatly appreciated in recent years, and take advantage of Charlottetown's good schools and safe, vibrant neighbourhoods.

FIRST-TIME BUYERS

First-time buyers are typically young professionals under 35 looking for single-family homes between \$100,000 and \$150,000 in Stratford and downtown Charlottetown.

CONDO MARKET

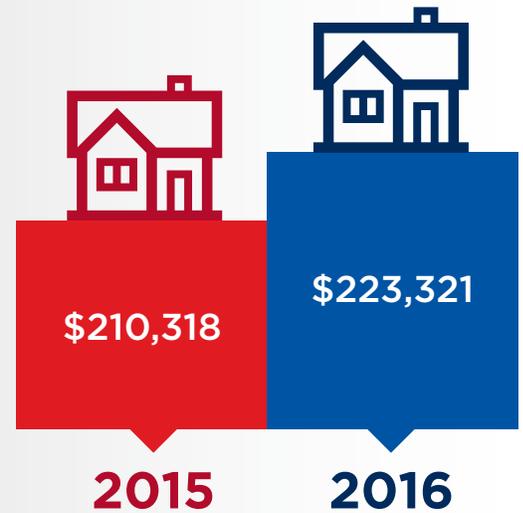
The average sale price of a condominium in Charlottetown was \$143,545 in the first quarter of 2016. Buyers looking for condominiums in the region will find most of the selection in low and mid-rise buildings in the city-centre.

LUXURY HOMES

Charlottetown's luxury properties sell for over \$500,000 and are often located on the waterfront. These properties are usually large estates located outside of the city.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.

FUTURE TRENDS

- The Prince Edward Island Provincial Nominee Program, which provides incentives to businesses, is expected to continue to drive newcomers to the area and stimulate the economy
- RE/MAX is increasing its 2016 housing market outlook forecast for Charlottetown. The average residential sale price is expected to increase 8 per cent compared to 2015

GREATER ST. JOHN'S AREA

↓ 4%

AVERAGE RESIDENTIAL
SALE PRICE

\$282,054

Taking advantage of continued historically low interest rates, first-time buyers fueled sales in the Greater St. Johns region in the first quarter of 2016. This buyer group makes up approximately 60 per cent of the regional housing market activity. Despite the lower price of oil, the Greater St. John's Area has seen seven consecutive months of decreased inventory and average days on market also fell to 69 days in the first quarter of 2016 compared to 74 in 2015.

As a result of lower inventory, single detached housing starts in the province are slightly up.

FIRST-TIME BUYERS

First-time buyers in the Greater St. John's area are often young professionals with dual income and no children looking at properties priced between \$250,000 and \$300,000. The suburbs are currently a popular choice as these neighbourhoods offer new homes starting at \$250,000 and often boast new schools and recreation facilities as well as shopping with only a 15 minute drive to the city. Typically, first-time buyers outgrow their first homes within five to ten years as their families and incomes grow.

CONDO MARKET

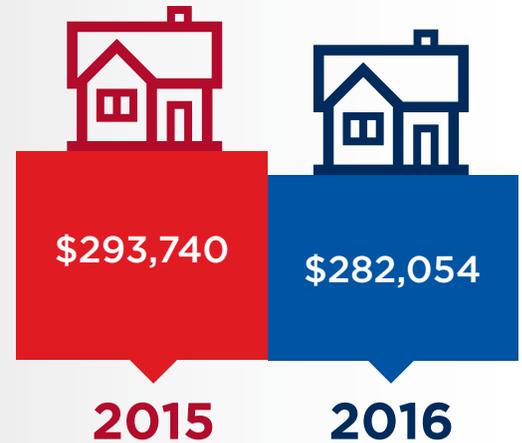
With only five per cent of sales in the region attributed to condo sales, the condo market is relatively small. Demand is largely from first-time buyers looking to live in the heart of the city at an attractive price point or empty-nesters downsizing to free up equity and simplify their lives. Condos priced correctly and in the heart of the city see the most demand.

LUXURY HOMES

A typical luxury property in the Greater St. Johns region starts at approximately \$500,000 and buyers are often employed in the oil industry. While inventory has increased compared to last year, unique properties with a lot of amenities are still attracting interest. Luxury sales in the region are flat compared to last year.

AVERAGE RESIDENTIAL SALE PRICE

(Q1, Year-Over-Year)



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.



FUTURE TRENDS

- Employment from major capital works projects under construction, such as Hebron and Muskrat Falls, is expected to continue to mitigate the short term economic effects of the low price of oil
- Large oil companies are continuing to explore and invest in the area. The Henry Goodrich drill rig is returning to Newfoundland's offshore under a new two year contract and a consortium of oil companies committed \$1.2 billion to exploration spending off Newfoundland & Labrador's coast.

DATA TABLE

MARKET	AVERAGE RESIDENTIAL SALE PRICE		YOY%
	2015	2016	
VICTORIA	\$495,137	\$543,564	+10%
GREATER VANCOUVER	\$893,180	\$1,103,586	+24%
FRASER VALLEY	\$549,065	\$719,992	+31%
KELOWNA	\$413,978	\$447,308	+8%
EDMONTON	\$367,648	\$364,334	-1%
CALGARY	\$466,451	\$467,748	0%
REGINA	\$308,355	\$311,952	+1%
SASKATOON	\$351,866	\$347,387	-1%
WINNIPEG	\$273,906	\$300,011	+10%
LONDON-ST. THOMAS	\$255,786	\$271,920	+6%
KITCHENER-WATERLOO	\$349,482	\$371,733	+6%
HAMILTON-BURLINGTON	\$443,803	\$486,008	+10%
GREATER TORONTO AREA	\$594,827	\$675,492	+14%
OTTAWA	\$357,006	\$361,623	+1%
GREATER SUDBURY	\$249,180	\$243,396	-2%
BARRIE & DISTRICT	\$352,124	\$401,801	+14%
WINDSOR-ESSEX	\$189,433	\$211,211	+11%
KINGSTON & AREA	\$295,576	\$286,967	-3%
SAINT JOHN	\$167,925	\$163,218	-3%
HALIFAX-DARTMOUTH	\$277,565	\$289,425	+4%
CHARLOTTETOWN	\$210,318	\$223,321	+6%
GREATER ST. JOHN'S	\$293,740	\$282,054	-4%



Consumer confidence is high among **CANADIANS 18-34**



78.5%

agree owning a home they love is attainable



81.6%

agree finding a good job in their field is attainable



68.2%

agree saving for a downpayment is a priority

MILLENNIAL FIRST-TIME BUYERS

CANADA'S EMERGING BUYER GROUP

In late March, RE/MAX measured attitudes and trends among Canadians with a focus on millennials – our newest buyer group. The results were very insightful with two significant key findings. Not only are millennials optimistic about their future, they are demonstrating themselves to be financially responsible, understanding the importance of a downpayment while keeping other financial priorities top of mind such as saving for their retirement.

The poll, conducted by Leger found that 78.5 per cent of Canadians 18-34 agree that owning a home they love is attainable. This was true in all provinces as Canadians overwhelmingly agree that homeownership is attainable, despite price appreciation in cities like Toronto and Vancouver.

Of course, home ownership optimism and confidence in employment go hand-in-hand. So it became less surprising that the survey also found that 81.6 per cent of Canadians 18-34 agree that finding a good job in their field is attainable, demonstrating overall optimism about their future.

While millennials are optimistic about homeownership, many do expect help in order to make their dreams a reality. Of Canadians 18-34 who are considering buying a home, 37 per cent expect help with their downpayment from a family member or friend. Of those who are expecting help, 60 per cent anticipate that it will come from their parents. Unsurprisingly given the higher home prices in these regions, prospective buyers in all age demographics in British Columbia are most likely to expect help, followed by those in Ontario. When we reached out to our national network, we found this to be true for not just Toronto and Vancouver, but their surrounding regions as well, which have also seen real estate prices appreciate greatly over the past few years. As many parents have watched their own real estate investments appreciate in value, many are in a position to help their millennial children finance their properties.

Our survey found that for many young Canadians, homeownership is an important milestone they are actively working toward. 68.2 per cent of Canadians aged 18-34 agree that saving for a downpayment is a priority and 78.4 per cent agree that saving for retirement is a priority. So while Canadians continue to value and aspire to homeownership, they are not doing so at the expense of other financial considerations, such as retirement savings.

The survey, conducted by Leger, surveyed 1,516 Canadians between Monday, March 28, and Thursday, March, 31, 2016.



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About the RE/MAX Network:

RE/MAX was founded in 1973 by Dave and Gail Liniger, with an innovative, entrepreneurial culture affording its agents and franchisees the flexibility to operate their businesses with great independence.

Over 100,000 agents provide RE/MAX a global reach of nearly 100 countries.

RE/MAX, LLC, one of the world's leading franchisors of real estate brokerage services, is a wholly-owned subsidiary of RMCO, LLC, which is controlled and managed by RE/MAX Holdings, Inc. (NYSE:RMAX).

With a passion for the communities in which its agents live and work, RE/MAX is proud to have raised more than \$150 million for Children's Miracle Network Hospitals® and other charities.

For more information about RE/MAX, to search home listings or find an agent in your community, please visit www.remax.ca.

About RE/MAX INTEGRA and RE/MAX INTEGRA, Ontario-Atlantic Canada

RE/MAX INTEGRA, founded in 1980, is a privately held company by Canadian entrepreneurs. With regional headquarters in Toronto, Boston, Minneapolis, Zug, and Vienna, RE/MAX INTEGRA represents nearly a third of all RE/MAX Sales Associates worldwide. The company was founded on the premise of providing outstanding service and support both at the regional level and to the end consumer.

The Ontario-Atlantic Canada region, has surpassed 10,000 quality Associates; The US regions — New England and the Midwest (including the following states: Minnesota, Wisconsin and Indiana) — account for more than 6,500 Associates with over 2,600 and 3,800 Associates respectively; and the European region leads with more than 16,000 Associates. For more information about RE/MAX INTEGRA, visit www.remaxintegra.com.

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as "anticipate," "believe," "intend," "expect," "estimate," "plan," "outlook," "project" and other similar words and expressions that predict or indicate future events or trends that are not statements of historical matters. These forward-looking statements include statements regarding the future performance of the housing market, the Company's financial and operational outlook, the Company's belief that business fundamentals remain strong, as well as other statements regarding the Company's strategic and operational plans. Forward-looking statements should not be read as a guarantee of future performance or results, and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved. Forward looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward looking statements. Such risks and uncertainties include, without limitation, (1) changes in business and economic activity in general, (2) changes in the real estate market, including changes due to interest rates and availability of financing, (3) the Company's ability to attract and retain quality franchisees, (4) the Company's franchisees' ability to recruit and retain agents, (5) changes in laws and regulations that may affect the Company's business or the real estate market, (6) failure to maintain, protect and enhance the RE/MAX brand (7) fluctuations in foreign currency exchange rates, as well as those risks and uncertainties described in the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" in the most recent Form 10-K filed with the Securities and Exchange Commission ("SEC") and similar disclosures in subsequent reports filed with the SEC, which are available on the investor relations page of the Company's website at www.remax.com and on the SEC website at www.sec.gov. Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made. Except as required by law, the Company does not intend, and undertakes no duty, to update this information to reflect future events or circumstances.