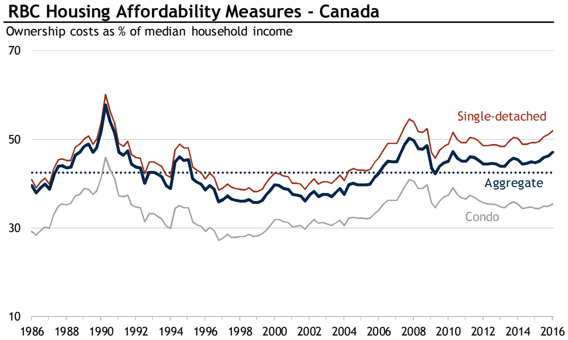
HOUSING TRENDS AND AFFORDABILITY

June 2016

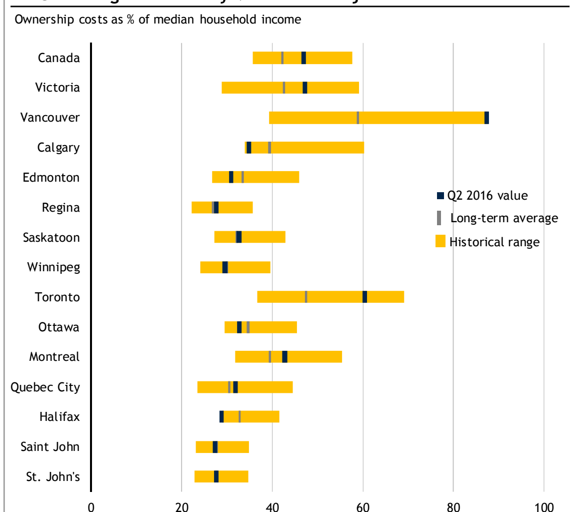
Housing affordability takes a hit in Canada's hot spots, erodes mildly in other markets in Q1/16

- The picture for housing affordability continues to show marked divergence by regions across Canada at the start of 2016; however, the majority of local markets saw a rise in ownership costs relative to household income in the first quarter.
- Nationwide, RBC's aggregate affordability measure rose for the fourth-consecutive quarter by 0.8 percentage points to 47.1% in the first quarter of 2016 (an increase represents deterioration in affordability). Both the single-detached and condo apartment segments contributed to the increase.
- It continued to be the case that Canada's housing 'hot spots'—the Vancouver and Toronto areas—experienced the more substantial erosion in affordability. Rises in ownership costs relative to income were modest in most other areas.
- Generally, home price increases were the main factor contributing to higher ownership costs, especially in the single-detached home segment. In Calgary and Edmonton, affordability slipped mainly due to a decline in household income.
- Owning a single-detached home at market price in the Vancouver area has become out of reach for all but just a minority of higher-income households. RBC's affordability measure for the area in the first quarter of 2016 was the worst ever recorded anywhere in Canada.
- RBC's measures also indicated significantly stretched affordability conditions in the Toronto-area's single-detached segment. Conditions were much less severe for condo apartments.
- The current state of demand and supply points to further affordability deterioration in Vancouver and Toronto in the near term.

RBC Housing Affordability Measures - Canada



RBC Housing Affordability Measures - major markets



Source: Brookfield RPS, Statistics Canada, Bank of Canada, Royal LePage, RBC Economics Research

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The heat is still definitely on in Vancouver and Toronto

The seemingly inexhaustible housing boom in Vancouver and Toronto continues to gather tremendous attention in Canada and for good reasons. Home prices not only still rise rapidly in both markets, but also they are doing so at an accelerating rate, thereby raising concerns about overheating. To be sure, the Vancouver and Toronto markets are supported by favourable economic fundamentals—including impressive job growth in the past year—however, in the case of Vancouver where single-detached prices recently surged at a rate exceeding 25% relative to a year ago, it has become increasingly apparent that something else might be at play. Such a pace of appreciation is often symptomatic of expectations of further gains, rather than fundamentals, driving property values to ever dizzying heights. In addition, housing affordability is being crushed in the process. RBC's aggregate affordability measure for the Vancouver area in the first quarter of 2016 recorded its largest increase (6.5 percentage points) since the mid-1990s. Owning a single-detached home—the category that accounted for the most deterioration—at market prices in the area would require nearly 120% of a typical household's income. In other words, it is out of reach. Yet housing demand remains strong as ever. Owning a single-detached home in the Toronto area also is a stretch but a less severe one than in Vancouver. Fortunately, condo ownership still constitutes a reasonably viable option for many Toronto households, with condo affordability remaining largely stable in the past four years.

Few affordability obstacles in the majority of other markets

Other than in parts of British Columbia and Southern Ontario, housing affordability is not a major obstacle to home ownership in Canada. RBC's affordability measures generally continue to be in line with historical norms. There was broad-based deterioration across the country in the first quarter of 2016; however, the extent of it was minimal for the most part, and the generally constructive picture remained little changed. Winnipeg, Regina, and Saskatoon bucked the trend and saw improvement in affordability for some or all housing categories in the first quarter.

Regional contrast persists, but Vancouver and Toronto move the national needle

In short, Canada's housing market continues to be sharply divided regionally in terms of housing affordability. Because of their magnitude and size of the markets involved, developments in Vancouver and Toronto continue to dominate at the national level. In the first quarter, RBC's aggregate measure for Canada rose by 0.8 percentage points to 47.1%, the highest level since the second quarter of 2010. Only the Vancouver and Toronto measures exceeded the national aggregate, and only those areas and Victoria recorded a larger increase than the all-Canada measure in the latest period. The influence of Vancouver, Toronto, and to a lesser extent, Victoria on the national figure is strongest in the single-detached category where they were the main contributors to a 1.0 percentage-point rise in the national measure to 52.0%, an eight-year high. Deterioration in the Canada-wide condo apartment measure was comparatively more modest, however, rising by just 0.4 percentage points to 35.4%. This measure has been quite stable since 2013.

More of the same ahead

We expect little change from the divided affordability picture in Canada in the period ahead. Despite signs of topping up recently, home resale activity remains very strong in Vancouver (and other parts of BC's Lower Mainland) and Toronto at this stage, and demand continues to exceed supply by a wide margin in both markets. We expect such market conditions to fuel further rapid price increases in Canada's hottest markets in the near term. This would mean that owning a home—especially a single-detached dwelling—at market price is likely to become even less affordable in those markets. On the other hand, balanced conditions in the majority of other markets are likely to keep affordability within reasonable levels in most of Canada.

British Columbia

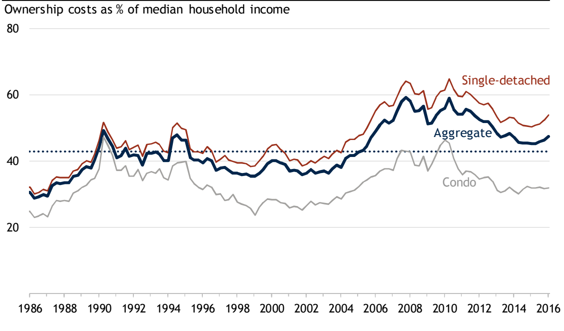
Victoria – Good times indeed but at a cost

Victoria's housing market clearly has thrived recently with home resales booming and prices rising rapidly. These good times have taken a toll on housing affordability, however. After maintaining an improving trend between 2010 and 2014, RBC's aggregate measure for the area rose throughout 2015 and continued to do so in the first quarter of 2016, climbing by 1.0 percentage point to 47.4%. This represented the third largest increase (after Vancouver and Toronto) among the local markets that we tracked during that period. The single-detached home segment accounted for most of this deterioration, thereby reflecting the hefty price gains that occurred in this segment. In fact, single-detached affordability in Victoria is quite stretched compared to most cities across Canada. This contrasts with more favourable affordability

RBC Housing Affordability Measures

Victoria

Ownership costs as % of median household income



Source: Brookfield RPS, Statistics Canada, Bank of Canada, Royal LePage, RBC Economics Research

conditions for condos apartments, which eroded only slightly in the first quarter.

Vancouver – Epic surge in prices crushes affordability

The combination of very strong demand and limited supply of homes for sale has led to an epic surge in prices in the Vancouver area. Aggregate prices jumped by 8.0% between the fourth quarter of 2015 and the first quarter of 2016—the strongest quarterly increase in 26 years. Relative to a year ago, aggregate prices soared by more than 24% in the latest quarter. Gains were especially strong (up nearly 25% year over year) for single-detached homes, which have been heavily coveted by deep-pocketed buyers. While a solid advance can be justified on the basis of a robust local economy, such a parabolic rise in prices signals the presence of buyer over-exuberance in Vancouver's single-detached segment. It also means that housing affordability is being crushed in the area. RBC's aggregate measure surged by 6.5 percentage points to 87.6% in the first quarter. The measure for single-detached homes rocketed higher by 9.9 percentage points to an astounding 119.5%. The situation was less severe in the condo apartment segment where RBC's measure rose by 1.7 percentage points to 46.0% in the first quarter. Unfortunately, further price acceleration in recent months suggests that affordability will likely deteriorate even more in the period ahead.

Alberta

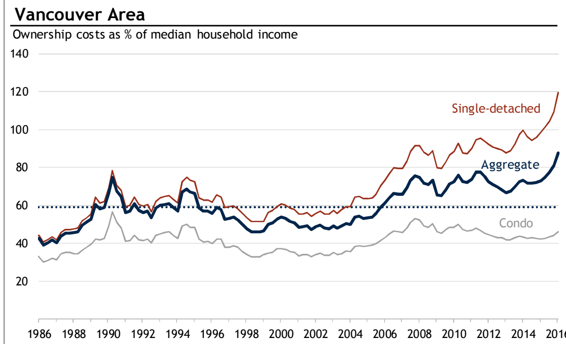
Calgary – Weakening prices versus weakening incomes

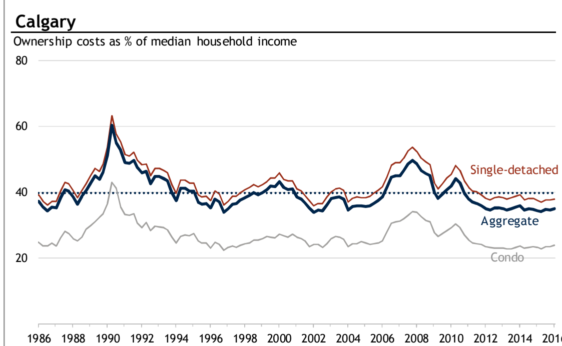
Calgary's housing market has faced serious challenges since plunging oil prices unsettled confidence in the late stages of 2014. Resale activity plummeted by 29% in 2015, thereby knocking off support for home prices in the process. Amid this gloom, improving housing affordability had been a bright spot until the end of last year with weakening home prices helping to lower the costs of home ownership; however, the persistence of Alberta's recession and mounting employment losses took an increasing toll on Calgarians' income in the first few months of 2016 and in turn weighed on housing affordability in the area (housing affordability is calculated as a share of household income). RBC's aggregate affordability measure edged 0.5 percentage points higher to 35.1% in the first quarter of 2016 despite home prices falling by 0.7%. The main factor for the deterioration was a 1.9% decline in household income. Those dynamics were at play in both the single-detached and condo apartment segments. Softness in prices and incomes are likely to continue to be the offsetting forces shaping affordability in the near term.

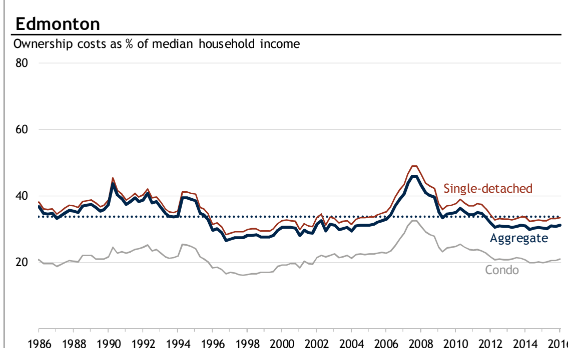
Edmonton – Affordability unlikely to be an impediment

Housing affordability eroded slightly in Edmonton in the first quarter due primarily to downward pressure on household income, mirroring developments in Calgary. RBC's aggregate measure for the area rose by 0.4 percentage points to 31.2% despite a slight 0.5% easing in prices. Nonetheless, this change did not alter the relatively stable trend—at an attractive level—that the measure has exhibited since 2012. In other words, affordability is unlikely to be a major impediment for homebuyers at this stage. The downturn in the provincial economy no doubt is a greater source of worry and cause for buyers to remain on the sideline. Home resales fell by 13.8% in the first quarter to their lowest level since the second quarter of 2010. A more recent pick-up in activity since the first quarter lows may be a sign that confidence may be rebuilding in the market.

RBC Housing Affordability Measures

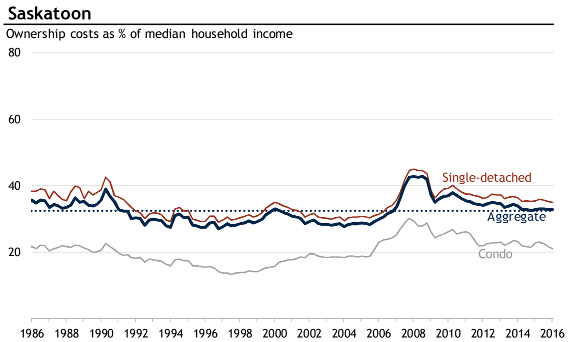


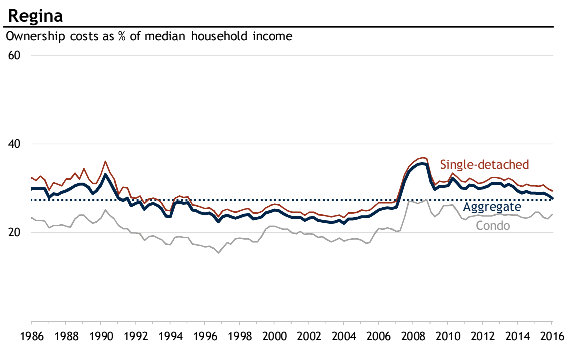


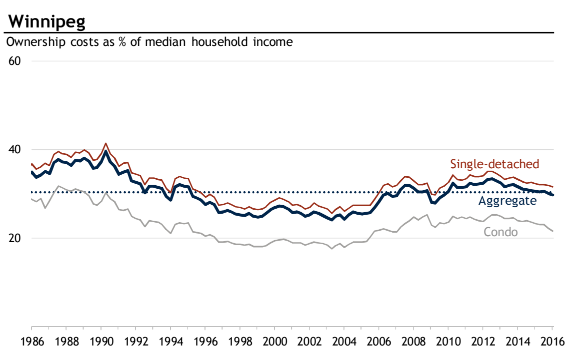


Source: Brookfield RPS, Statistics Canada, Bank of Canada, Royal LePage, RBC Economics Research

RBC Housing Affordability Measures







Source: Brookfield RPS, Statistics Canada, Bank of Canada, Royal LePage, RBC Economics Research

Saskatchewan

Saskatoon – Soft start to 2016

It has been a rather soft start to 2016 in Saskatoon's housing market. Home resales eased further (down 8.1% in the first quarter relative to the fourth quarter of 2015), and eroding demand-supply conditions (the sales-to-new listings ratio fell further) offered little support to prices. The market still contends with a large inventory of unsold new units. Against this backdrop, housing affordability was largely unchanged in the area in the first quarter. RBC's aggregate measure inched marginally higher by 0.1 percentage points to 32.8%, which is very close to the historical average. The market's main challenge at this point continues to be a lacklustre provincial economy with approximately 5,000 jobs lost in the area in the first five months of 2016, and the unemployment rate reaching 6.9% most recently.

Regina – Affordability at a nine-year best

In Regina, the housing market was mostly quiet in the early part of 2016 with still plenty of supply available (both existing and new) relative to demand. Home prices continued to drift lower (except for condo apartments), thereby extending a trend that began in 2012. Mirroring this trend, housing affordability in the area generally improved further in the first quarter of 2016. RBC's aggregate affordability measure fell by 0.5 percentage points to a nine-year low of 27.8%. The measure for single-detached homes registered a slightly larger decline of 0.6 percentage points (to 29.4%) that reflected more intense weakness in prices. The condo apartment category bucked the trend and saw some deterioration in affordability in the first quarter. Overall, the cost of owning a home at market price in Regina takes a smaller share of household income than in most major Canadian cities.

Manitoba

Winnipeg – Finding an extra gear

Winnipeg's housing market has found an extra gear this year, with home resales recently moving into record territory. There were almost 13,100 homes that changed hands in the first quarter (on a seasonally adjusted and annualized basis), thereby surpassing the previous high-water mark of 12,800 set in the second quarter of 2008. This represented a strong gain of 6.8% from the fourth quarter of 2015. One of the factors driving demand higher in the Winnipeg area is affordability. Housing affordability has been on an improving trend since 2012, and this continued to be the case in the first quarter of 2016. RBC's aggregate measure fell by 0.4 percentage points to 29.7%—the lowest level in more than six years. Despite solid demand, home prices have softened in the area due to plentiful availability of homes for sale, resulting in part from strong construction a few years back that produced a large inventory of unsold units (most of which were condos). Prices eased further in the first quarter; however, demand-supply conditions have tightened since then, which suggest that the stage might be set for some firming in the period ahead.

Ontario

Toronto – Keeps on going, and going, and…

The multi-year housing boom in the Toronto area continues to defy expectations of a slowdown, although there is tentative evidence that strained affordability may be starting to have a restraining effect. Housing affordability has deteriorated significantly in the area since 2010—mostly in the single-detached home segment—early this year reaching the most stressed levels since 1990. RBC's aggregate measure rose further by 1.1 percentage points to 60.6% in the first quarter of 2016, ranking second only to Vancouver among Canada's major markets. Affordability stress is most intense in the single-detached segment where it would take 71.7% of a typical household income to cover ownership costs at market prices. Condo apartments—requiring 36.5% of household income to cover ownership costs in the first quarter—remained a more affordable option. Somewhat surprisingly, early signs of restraint due to strained affordability appear to be on the supply side of the home resale equation. Active listings have declined by more than 30% from a year ago, and there is a growing notion that would-be sellers are staying put because they are concerned about their ability to afford buying another property in the area. On the demand side, things still look very strong. Home resales set a new record high of 110,000 units (annualized) in the first quarter, which was up 5.4% from the fourth quarter of 2015.

Ottawa – On a bumpy road

Ottawa's market hit a bump on the road earlier this year when home resales fell by 6.2% in the first quarter. This followed encouraging gains during most of 2015, which gave hope that the market was finally springing back to life last year after stagnating in the previous five years. Nonetheless, modest tightening of demand-supply conditions in 2015 has led to a slight firming in prices this year. This firming was more evident for single-detached homes than condos, which continued to be weighed down by a still-large inventory of newly built units. Housing affordability is at generally attractive levels in the area, and the modestly improving trend in place since late 2013 remains largely intact, although some minor deterioration has occurred in the first quarter of 2016. RBC's aggregate measure rose by 0.5 percentage points to 33.0%—which is still below the long-run average of 35.0% in the area. There were small increases in both the single-detached and condo segments.

Quebec

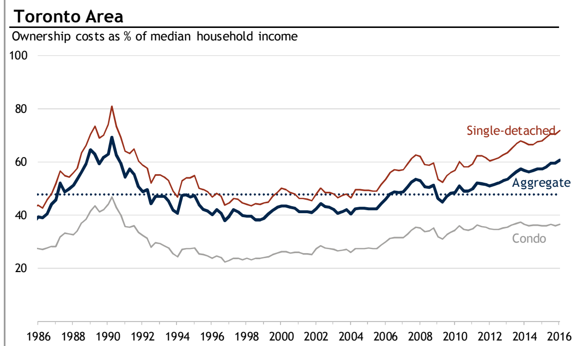
Montreal – Momentum is (re)building

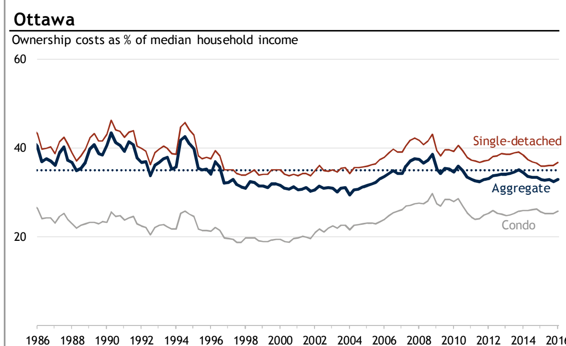
The Montreal-area market continued to evolve constructively in the early part of 2016. Home resales rose further in the first quarter (up 10% from the same period a year ago)—building on a 6.0% advance in 2015—and demand-supply conditions tightened modestly. Most housing categories showed balanced conditions; however, the condo segment still favoured buyers due to high levels of inventories (despite being drawn down). Price increases—while continuing to be subdued—were a little heftier for the most part than in 2015 (aggregate prices rose 3.4% year over year in the first quarter of 2016 compared to 2.0% in 2015), except for condos which remained under downward pressure. As has been the case since 2012, housing affordability was little changed in the first quarter, thereby indicating that buyers did not face any significant increase in ownership cost burden (unlike Vancouver and Toronto). RBC's aggregate measure edged slightly higher by 0.3 percentage points to 42.9%. The measure for condo apartments held steady at 32.7% and the measure for single-detached homes rose by 0.2 percentage points to 42.4%.

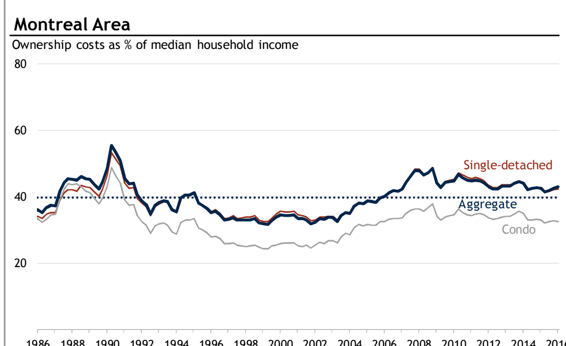
Quebec City – Stable activity despite some economic headwinds

The picture for Quebec City's housing market has seen little difference at the start of 2016 than it was during most of 2015. Resale activity was more or less at the same level (rising by just 2% from a year ago in the first quarter), and prices extended their diverging trends across housing segments. Demand-

RBC Housing Affordability Measures

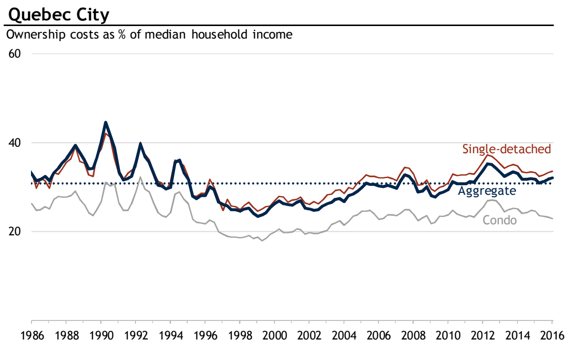


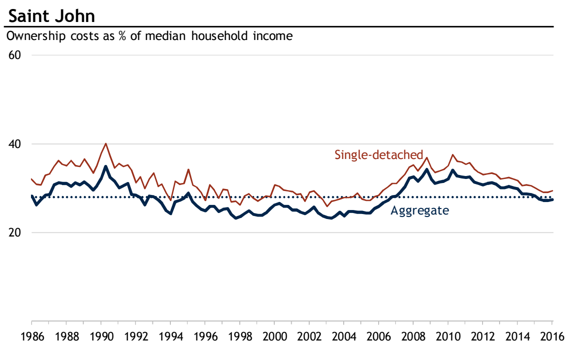


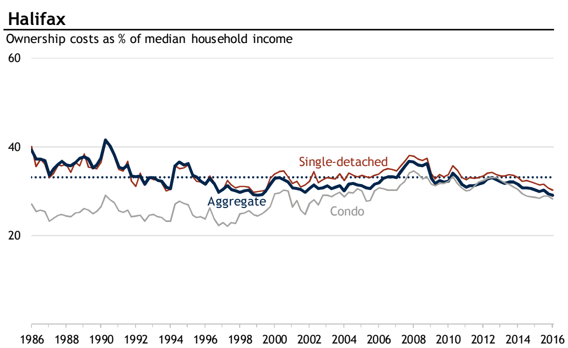


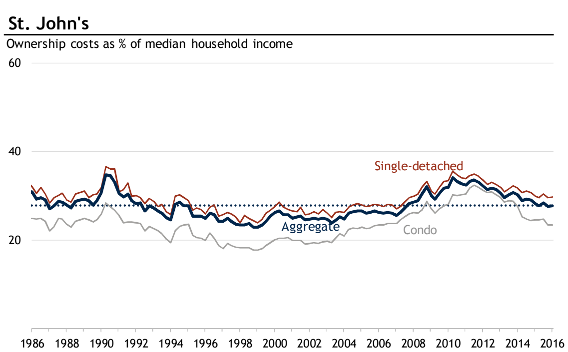
Source: Brookfield RPS, Statistics Canada, Bank of Canada, Royal LePage, RBC Economics Research

RBC Housing Affordability Measures









Source: Brookfield RPS, Statistics Canada, Bank of Canada, Royal LePage, RBC Economics Research

supply conditions still favoured buyers, and the small changes in ownership costs that took place left affordability at broadly neutral levels. RBC's aggregate measure rose modestly by 0.4 percentage points to 32.1% in the first quarter, although this masked opposite movements in the single-detached and condo segments—the measure for the former rose by 0.4 percentage points and the measure for the latter eased by 0.2 percentage points. A softening local economy this year may have generated some headwinds for the Quebec City's resale market. Labour statistics show that employment in the area fell by approximately 20,000 in the first five months of 2016.

Atlantic Canada

Saint John – On a (slow) recovery path

Housing market conditions continue to be on the soft side in Saint John, but there are signs that activity is picking up a little. Home resales increased for a third consecutive time in the first quarter. While the gain was quite modest (a rise of 0.9% relative to the fourth quarter of 2015), it came on the heels of more significant advances in the two previous quarters. Saint John homebuyers benefit from attractive affordability levels. In fact, RBC's measures for the area are the lowest (i.e., home ownership is the most affordable) among all the cities that we track in Canada. It is interesting to note that it is more affordable for a Saint John buyer to own a single-detached home than it is for buyers in many large cities to own a condo apartment. Despite edging 0.3 percentage points higher in the first quarter, RBC's aggregate measure (27.5%) remained below its long-run average (28.1%). Recent developments in the market have resulted in a tightening in demand-supply conditions, thereby bringing the Saint John market back into balance.

Halifax – Becoming even more affordable

Halifax's already attractive housing affordability position continued to improve in the first quarter. RBC's aggregate measure fell by 0.5 percentage points to 29.0%, which is the lowest level on record since the mid-1980s. This latest quarterly decline was a continuation of a trend in place since 2008. We have no doubt that such a healthy affordability backdrop has helped Halifax's market recovery gain more traction in the first quarter of 2016. Home resales increased by a robust 7.0% from the previous quarter, following a smaller 1.6% advance in the fourth quarter of 2015. Still, the level of activity remains quite soft from a historical perspective (nearly 12% below the 10-year average), which likely to continues to weigh on prices in the area. Property values softened further in both the single-detached and condo segments in the first quarter. A rise in local employment in more recent months, if sustained, would bode well for a further strengthening resale activity.

St. John's – Under pressure

The provincial recession and rising unemployment in St. John's pose substantial challenges for the area's housing market. Home resale activity, which has been sluggish since 2014, fell by 4.8% in the first quarter of 2016. New listings surged by more than 10% during the same period—no doubt reflecting a loss of confidence caused by the economic downturn. Demand-supply conditions sharply turned in favour of buyers this year, which has intensified downward pressure on prices. Indeed, home prices fell for all housing types in the first quarter (quite significantly in the case of condos). Normally, a drop in price benefits housing affordability. In St. John's case, however, this benefit was more than offset by a decline in household income—itself a product of weakening labour market conditions. RBC's aggregate affordability measure inched higher by 0.2 percentage points to 27.8%, although this small increase has had little effect on the generally improving trends in place since 2010.

How the RBC Housing Affordability Measures work

The RBC Housing Affordability Measures show the proportion of median pre-tax household income that would be required to service the cost of mortgage payments (principal and interest), property taxes, and utilities based on the average market price for single-family detached homes and condo apartments, as well as for an overall aggregate of all housing types in a given market.

Current home prices are sourced from Brookfield RPS, and established from sales prices from monthly transactions, which are filtered to remove extreme values and other outliers.

The aggregate of all categories includes information on prices for housing styles not covered in this report (semi-detached, row houses, townhouses and plexes) in addition to prices for single-family detached homes and condominium apartments. In general, single-family detached homes and condo apartments represent the bulk of the owned housing stock across Canadian markets.

The affordability measures are based on a 25% down payment, a 25-year mortgage loan at a five-year fixed rate, and are estimated on a quarterly basis for 14 major urban markets in Canada and a national composite. The measures use household income rather than family income to account for the growing number of unattached individuals in the housing market. The measure is based on quarterly estimates of this annual income, created by annualizing and weighting average weekly earnings by province and by urban area. (Median household income is used instead of the arithmetic mean to avoid distortions caused by extreme values at either end of the income distribution scale. The median represents the value below and above which lays an equal number of observations.)

The RBC Housing Affordability Measure is based on gross household income estimates and, therefore, does not show the effect of various provincial property-tax credits, which could alter relative levels of affordability.

The higher the measure, the more difficult it is to afford a home. For example, an affordability measure of 50% means that home ownership costs, including mortgage payments, utilities, and property taxes take up 50% of a typical household's pre-tax income.

Summary tables

Aggregate of all categories

Market	Price			RBC Housing Affordability Measure			
	Q1 2016 ($)	Q/Q % ch.	Y/Y % ch.	Q1 2016 (%)	Q/Q Ppt. ch.	Y/Y Ppt. ch.	Avg. since '85 (%)
Canada	477,200	1.7	8.0	**47.1**	0.8	2.4	42.6
Victoria	568,000	1.8	7.1	**47.4**	1.0	2.3	42.9
Vancouver area	992,200	8.0	24.1	**87.6**	6.5	14.8	59.2
Calgary	476,500	-0.7	-1.5	**35.1**	0.5	0.7	39.8
Edmonton	391,500	-0.5	-0.4	**31.2**	0.4	0.9	33.8
Saskatoon	378,600	0.6	1.0	**32.8**	0.1	0.0	32.5
Regina	312,000	-2.1	-4.2	**27.8**	-0.5	-1.1	27.3
Winnipeg	278,200	-1.2	-0.3	**29.7**	-0.4	-0.8	30.4
Toronto area	643,900	1.0	9.1	**60.6**	1.1	3.4	47.8
Ottawa	365,200	0.7	1.9	**33.0**	0.5	0.2	35.0
Montreal area	373,200	0.7	3.4	**42.9**	0.3	0.2	39.9
Quebec City	294,300	1.0	3.9	**32.1**	0.4	0.4	30.9
Saint John	217,000	2.3	0.7	**27.5**	0.3	-0.7	28.1
Halifax	289,600	-0.6	-0.6	**29.0**	-0.5	-1.2	33.1
St. John's	324,300	-0.6	-1.0	**27.8**	0.2	-0.4	27.9

Single-family detached

Market	Price			RBC Housing Affordability Measure			
	Q1 2016 ($)	Q/Q % ch.	Y/Y % ch.	Q1 2016 (%)	Q/Q Ppt. ch.	Y/Y Ppt. ch.	Avg. since '85 (%)
Canada	523,900	1.9	8.1	**52.0**	1.0	2.8	45.5
Victoria	648,100	2.4	9.0	**53.8**	1.5	3.4	46.6
Vancouver area	1,380,300	8.9	24.8	**119.5**	9.9	21.0	68.9
Calgary	513,900	-1.1	-2.4	**37.9**	0.3	0.4	42.5
Edmonton	418,500	-0.5	-0.7	**33.5**	0.4	0.9	35.8
Saskatoon	399,100	0.0	-0.2	**35.1**	0.0	-0.3	34.7
Regina	321,900	-2.3	-4.7	**29.4**	-0.6	-1.3	28.8
Winnipeg	289,400	-0.7	0.2	**31.6**	-0.2	-0.7	32.2
Toronto area	768,500	1.1	9.1	**71.7**	1.2	3.9	55.3
Ottawa	402,000	1.4	4.5	**36.8**	0.7	0.8	38.5
Montreal area	355,800	0.2	1.9	**42.4**	0.2	-0.2	39.6
Quebec City	297,600	1.0	3.5	**33.6**	0.4	0.3	31.7
Saint John	225,900	2.4	1.3	**29.4**	0.3	-0.7	31.5
Halifax	294,200	-1.0	-1.7	**30.2**	-0.6	-1.5	33.8
St. John's	342,000	-0.8	0.0	**29.8**	0.2	-0.1	29.4

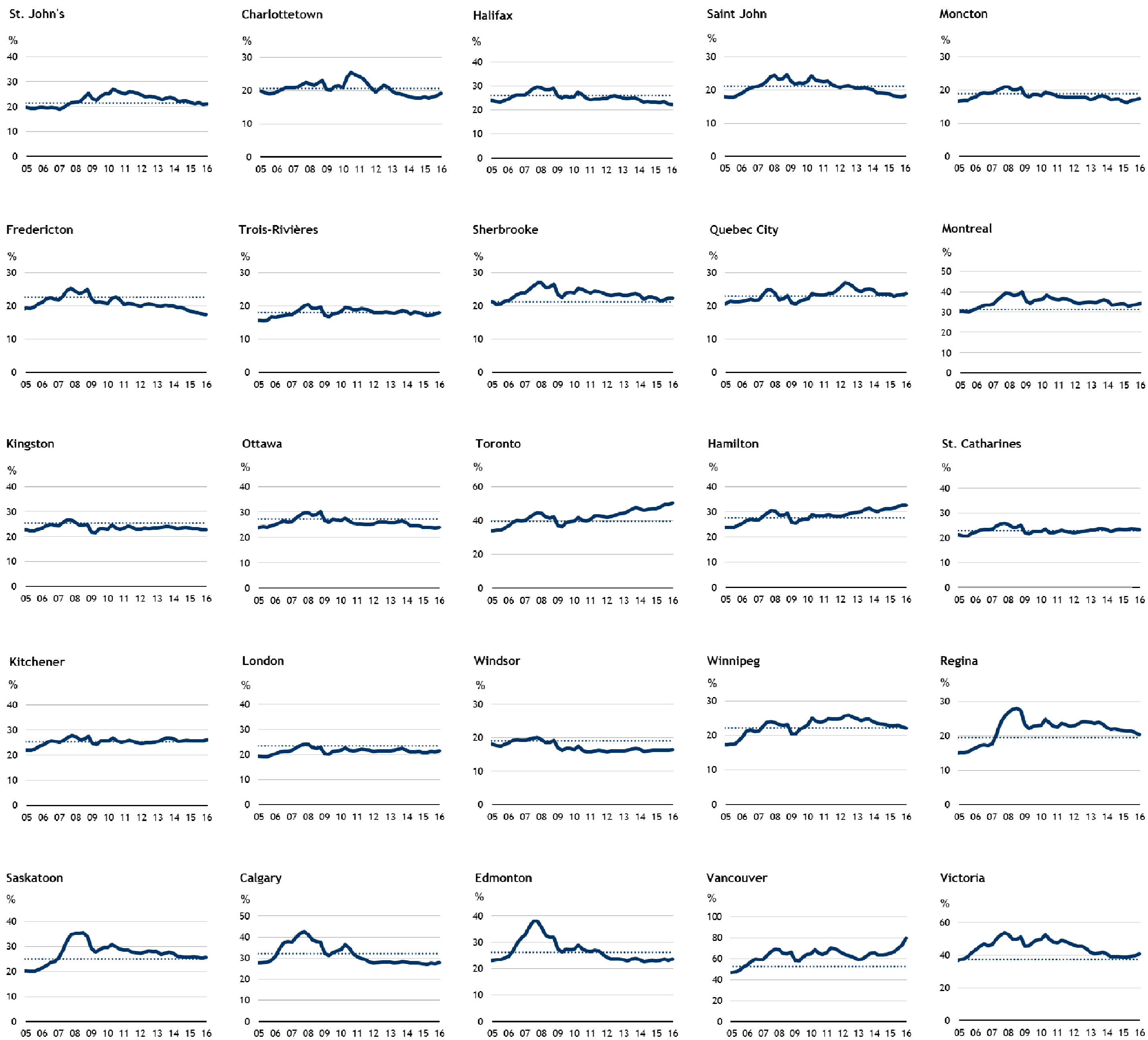
Condominium apartment

Market	Price			RBC Housing Affordability Measure			
	Q1 2016 ($)	Q/Q % ch.	Y/Y % ch.	Q1 2016 (%)	Q/Q Ppt. ch.	Y/Y Ppt. ch.	Avg. since '85 (%)
Canada	358,900	0.9	4.5	**35.4**	0.4	1.0	33.7
Victoria	368,900	-0.2	0.5	**31.9**	0.2	-0.1	32.8
Vancouver area	493,100	3.7	11.4	**46.0**	1.7	3.6	41.0
Calgary	307,000	-0.2	-0.2	**23.9**	0.4	0.7	26.8
Edmonton	247,400	0.7	2.2	**21.0**	0.5	1.1	21.9
Saskatoon	230,800	-4.4	-9.2	**21.0**	-0.7	-1.7	20.3
Regina	284,400	5.8	-1.0	**24.1**	0.9	-0.4	21.2
Winnipeg	201,200	-3.5	-6.6	**21.6**	-0.7	-1.7	23.3
Toronto area	371,800	0.1	3.2	**36.5**	0.4	0.4	30.9
Ottawa	300,600	1.3	2.2	**25.8**	0.5	0.2	23.6
Montreal area	286,200	-0.8	0.9	**32.7**	0.0	-0.4	32.5
Quebec City	215,800	-1.8	-6.6	**23.0**	-0.2	-1.6	23.8
Saint John	n/a	n/a	n/a	**n/a**	n/a	n/a	n/a
Halifax	300,500	-2.1	2.0	**28.2**	-0.7	-0.5	27.8
St. John's	283,100	-2.1	-5.6	**23.4**	-0.1	-1.2	23.7

Source: Brookfield RPS, Statistics Canada, Bank of Canada, Royal LePage, RBC Economics Research

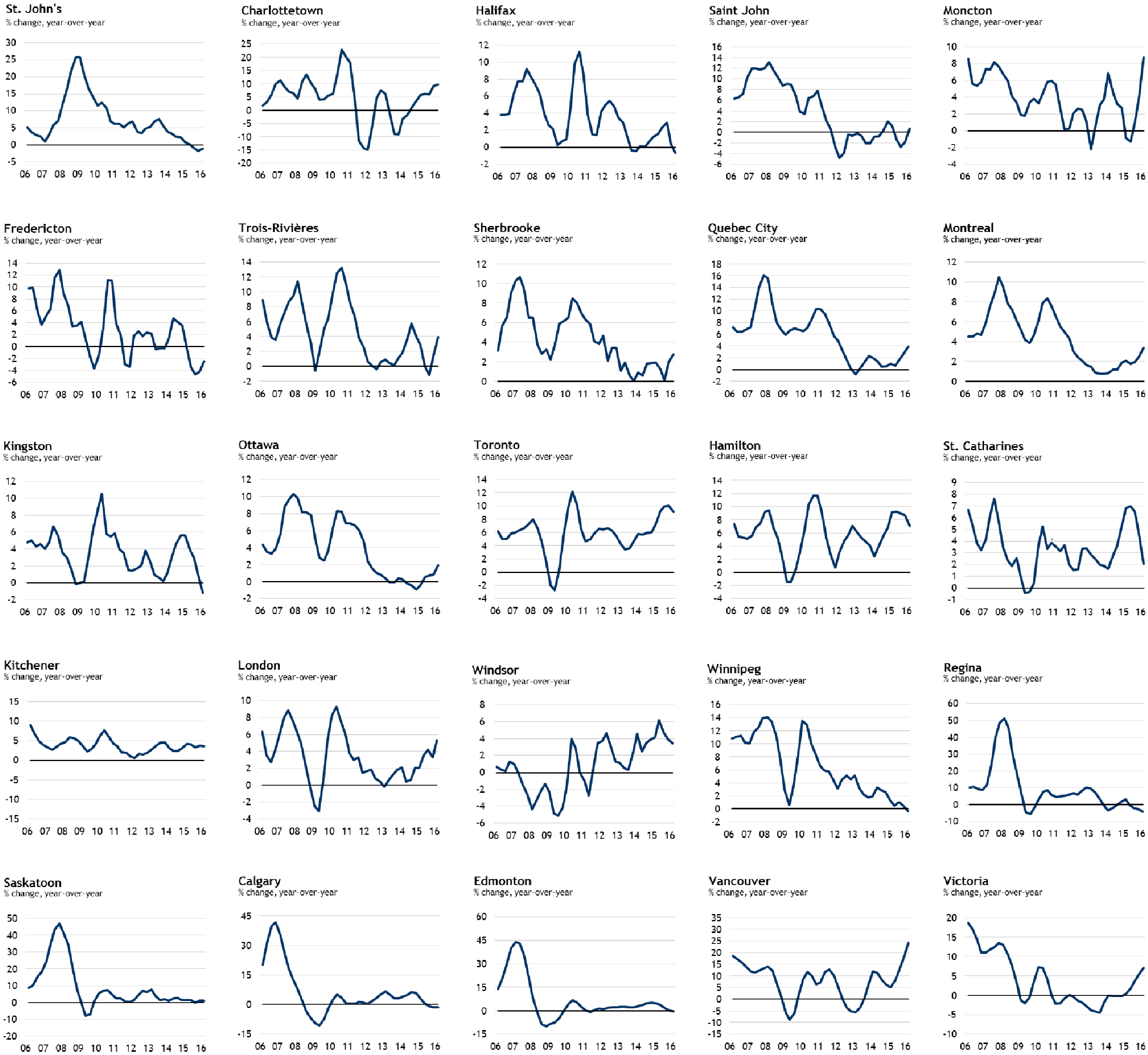
Mortgage carrying costs by city

Our standard RBC Housing Affordability Measure captures the proportion of median pre-tax household income required to service the cost of a mortgage on an existing housing unit at market prices, including principal and interest, property taxes and utilities; the modified measure used here includes the cost of servicing a mortgage, but excludes property taxes and utilities due to data constraint in the smaller CMAs. This measure is based on a 25% down payment, a 25-year mortgage loan at a five-year fixed rate, and is estimated on a quarterly basis. The higher the measure, the more difficult it is to afford a house.



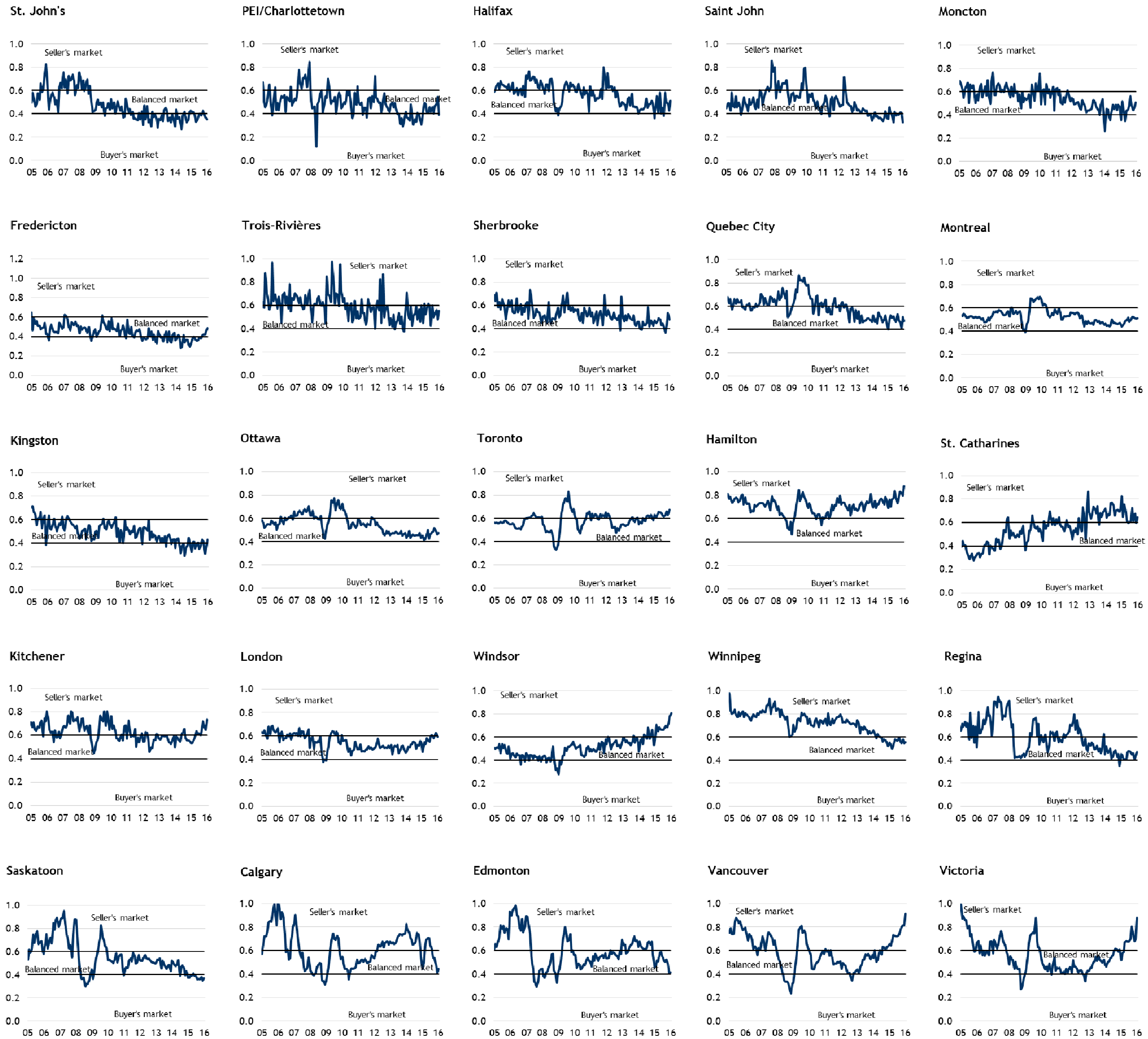
The dashed line represents the long-term average for the market.
Source: Brookfield RPS, Statistics Canada, Bank of Canada, Royal LePage, RBC Economics Research

Aggregate home price



Source: Brookfield RPS, RBC Economics Research

Home sales-to-new listings ratio



Source: Canadian Real Estate Association, RBC Economics Research