



2015 SPRING MARKET TRENDS REPORT

RE/MAX[®]

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NATIONAL SUMMARY

Low inventory in Vancouver and Toronto continue to drive prices as buyers find themselves in competition over the low supply of single-family homes. The average residential sale price in Toronto and Vancouver at the end of the first quarter grew 8 per cent and 7 per cent, rising to \$594,827 and \$874,869, respectively. In both markets, first-time buyers find themselves in competition with downsizers and investors with more resources to outbid. Condominiums are the only affordable option for many local residents looking to enter the market. Condominium buyers are attracted to more than just affordability: Buyers—especially Millennials—are attracted to a more urban, car-free lifestyle in the heart of the city. Vancouver's condominium inventory is also low, although higher than freehold properties.

The 2015 average residential sale price in Toronto and Vancouver was projected to increase by 4 per cent and 3 per cent, respectively. The 2015 price projection for Toronto has been revised to 7 per cent and 6 per cent in Vancouver, resulting in a revised national forecast of 3 per cent.

Regions outside of Vancouver and Toronto, such as Victoria, Hamilton-Burlington and Barrie have all reported an increase in spillover effect from Canada's highest priced regions. The three regions posted first quarter price gains of 2 per cent, 8 per cent and 6 per cent, respectively.

Another interesting trend that was reported in many Canadian housing markets such as Winnipeg, Saskatoon and Halifax is the increase of single buyers. This is also evident in Toronto's condo market. Typically, these buyers are young and motivated to get into the property market and create the lifestyle they are working hard to establish. This marks a shift in life milestones as previously home ownership often came after marriage.

As RE/MAX commented in December 2014, oil price volatility takes considerable time to show effect in house pricing. Calgary posted a modest first quarter 2 per cent decline in average residential sale price compared to the same quarter in 2014, while Edmonton posted a 2 per cent increase. However, market activity is down in both Calgary and Edmonton, while inventory is high.

Not all provinces have been negatively impacted by lower oil prices. Provinces with minor exposure to the oil industry and can benefit from the low cost of energy are poised to perform well, most notably Ontario and British Columbia. In addition, the average Canadian has more money in their pocket by saving at the pump.

Another oil economy, St. John's, witnessed a 6 per cent year-over-year increase in sales in the first quarter of 2015 compared to the same quarter last year. However, the average residential sale price has decreased 4 per cent over the same period. In contrast, St. John's upper-end market is proving resilient as activity remains healthy and quality listings are in demand.

In Ottawa, residential sales were up 2 per cent year-over-year, while the average residential sale price rose 1 per cent. Since the federal election is not until the fall, the usual market pause that would result is not expected to impact the spring and summer buying season.

Canada's housing market is expected to continue benefitting from record low interest rates for the remainder of the year motivating new buyers into the market and mitigating effects from modest economic growth and oil price volatility. Immigration will also continue to have a positive effect on both the Canadian economy as well as its housing markets. Canada is expected to welcome 260,000 to 285,000 new permanent residents in 2015.

VICTORIA



2% Average Residential Sale Price **\$569,070**

Victoria's housing market moves into a seller's market after a very active first quarter driven by low interest rates. Housing market activity was up across all housing types as the region witnessed a 23 per cent increase in sales.

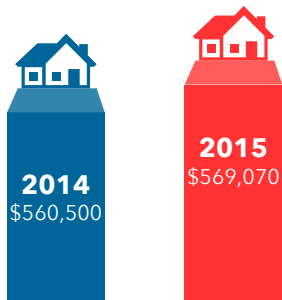
- *Region is seeing increased demand from Asian buyers and renewed interest from American buyers as a result of the low Canadian dollar*
- *Buyers who are priced out of Vancouver's housing market are investing in Victoria*
- *Excellent selection of inventory available in all housing types although listings are down 7 per cent from previous year with the exception of older townhouses*
- *New condos are in higher demand than older units*



FUTURE TRENDS

- The region is expecting that the low Canadian dollar will attract US buyers as it did less than 10 years ago when the exchange was favourable to US currency
- Market activity is expected to stay brisk and remain a seller's market. As inventory levels decrease, it will be increasingly difficult for buyers to find the 'right' property
- The RE/MAX 2015 average residential price expectation for Victoria remains unchanged at 4 per cent

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.

CONDO MARKET

New condominiums have benefited from a change in builder disclosure statements that allow for the removal of restrictions on rentals. Older units have lagged on the market after a recent depreciation report and an increase in maintenance fees.

FIRST-TIME BUYERS

First-time buyers in Victoria are benefiting from low interest rates and a good selection of inventory. There has been an increase in Millennial buyers who have been drawn to the region's emerging technology sector. Another

group that is becoming increasingly active is families purchasing property for their children while they attend post-secondary institutions.

UPPER-END MARKET

Buyers have been very active in Victoria's luxury market. Unit sales for this housing type have increased by 14 per cent from 54 sales in 2014 to 62 sales in 2015.

GREATER VANCOUVER AREA



7% Average Residential Sale Price **\$874,869**

Vancouver remains firmly in a seller's market as strong demand coupled with low interest rates continue to fuel price gains and sales activity. Sales activity increased 31 per cent in the first quarter of the year compared to last year in the Greater Vancouver Area. Detached homes are the most active property type and are attracting a high rate of multiple offers, followed by condominiums. Off-shore Asian buyers continue to drive demand and the incentive to buy in the region has been enhanced by the low Canadian dollar. In addition to off-shore Asian buyers, there has been a modest increase in potential US buyers, which is an emerging trend.

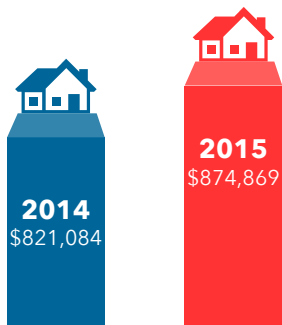
- *Despite a 13 per cent year-over-year increase, first quarter inventory remains low compared to strong demand*
- *Condo inventory is low, although not as low as detached houses, as their relative affordability is the only option for buyers looking to own property in the region*
- *All buyer types are active – first-time, move-up, upper-end and investor*
- *The upper-end market is active and as the price point increases, so does the likelihood that it is being targeted by investors*
- *Laneway houses and alternative housing types remain a growing segment of the housing market*



FUTURE TRENDS

- Low inventory is very likely to continue through 2015
- Vancouver's seller's market will continue through 2015; although it is expected to shift towards a more balanced market later in the year
- Low Canadian dollar is expected to continue to appeal to off-shore Asian buyers
- The RE/MAX 2015 average residential sale price expectation for Vancouver has been revised from a 3 per cent increase to a 6 per cent

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.

CONDO MARKET

High demand to own property in Vancouver has resulted in low condo inventory as this housing type has the most accessible price point. In Vancouver's west side, condos and townhouses are largely purchased by move-up buyers as first-time buyers are priced out of the market.

FIRST-TIME BUYERS

First-time buyers are often frustrated as these young potential buyers are often competing with investors and downsizers. Many first-time buyers have found success by looking in East Vancouver.

UPPER-END MARKET

The upper-end market is very active; although not as active as the entry-level market, allowing buyers more opportunities to successfully purchase property. Listings in the west side and suburbs are active and as the price point increases, so does the likelihood that the purchaser is an investor. Recently, the highest sold property in the region sold for 51 million in the west side.

KELOWNA



1% Average Residential Sale Price \$413,369

The Kelowna housing market had a very busy start to the spring season, with sales up across all property types. Low interest rates, high consumer confidence and the perception among local buyers that prices are only going to rise are motivating sales. The modest decrease in the region's average residential sale price reflects an increase in sales from first-time buyers, which includes a surge in condo sales.

- Unit sales are up across property types
- Inventory is stable year-over-year, but demand is higher
- The condo market is very active, with sales up 42 per cent year-over-year
- The upper-end market is stable and no change is expected this year



FUTURE TRENDS

- The low Canadian dollar is expected to boost activity in the resource sector
- The Kelowna market is balanced, but may shift toward a seller's market if high demand continues
- The RE/MAX 2015 average residential sale price expectation for Kelowna has been revised from a 7 per cent increase to a 5 per cent

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.

CONDO MARKET

The condo market is very active, with sales up 42 per cent year-over-year. Condos in Kelowna attract downsizers, who make up approximately 17 per cent of buyers in the area, as well as first-time buyers.

FIRST-TIME BUYERS

First-time buyers are the primary drivers of the market, making up approximately 25 per cent of the Kelowna housing market. Entry-level properties are in high demand, and single-family homes priced under \$400,000 receive multiple offers.

UPPER-END MARKET

The upper-end market is stable, with similar sales activity and prices to the same period in 2014. No change is expected in this market in 2015.

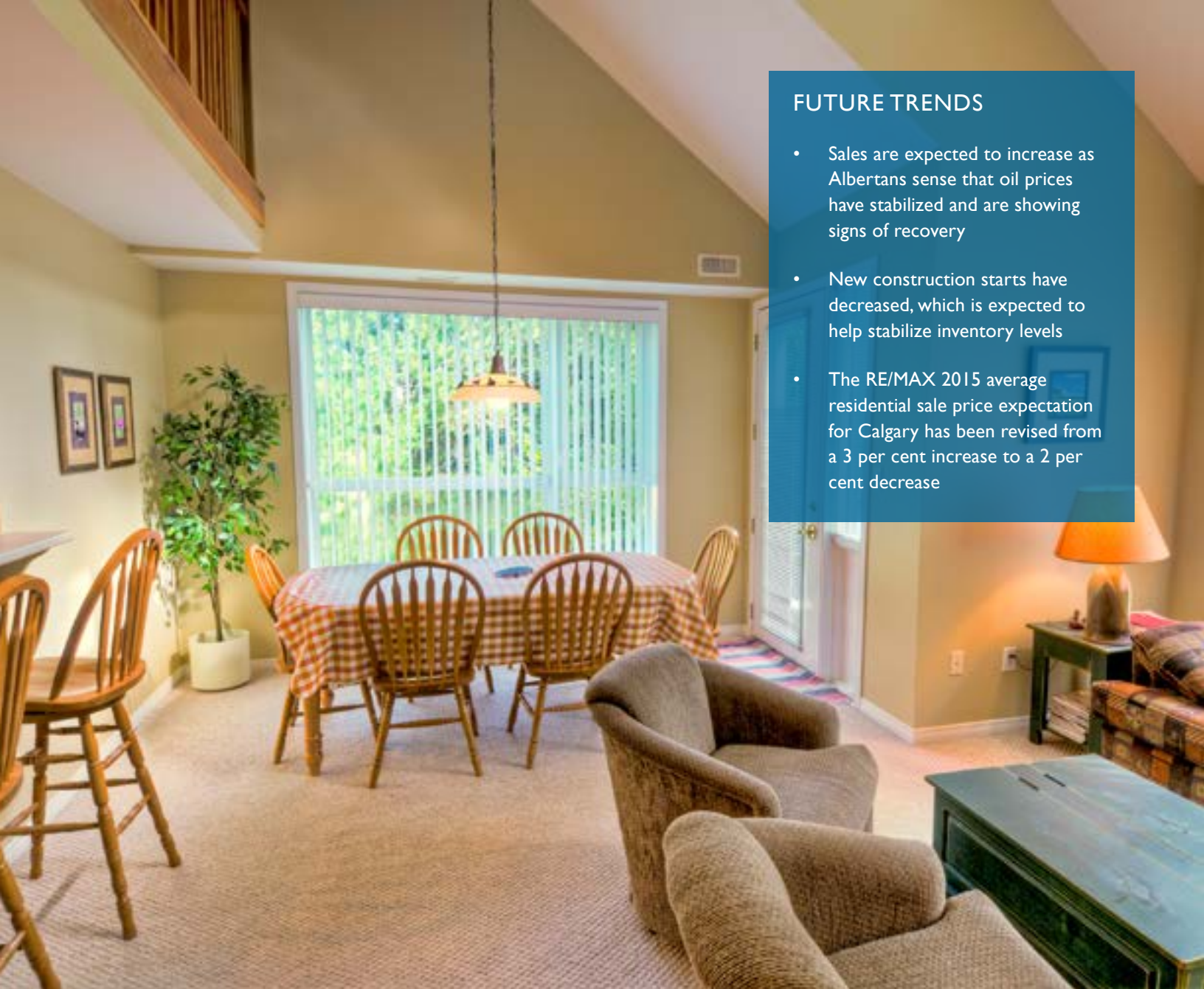
CALGARY



2% Average Residential Sale Price \$474,251

Despite oil price volatility, house prices in Calgary have been resilient, only depreciating modestly in the first quarter compared to the first quarter of last year. However, market activity has decreased and inventory levels are higher than last year. Lower sales activity is more reflected in houses priced above \$500,000, although properties in the right location are still in demand. Sales of houses priced below \$500,000 and entry-level condominiums are active as low interest rates continue to attract buyers.

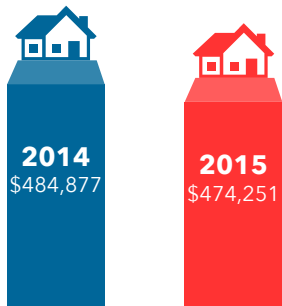
- Low interest rates have mitigated some of the effects of oil price volatility
- Inventory is high in the region creating buyer's market conditions; however, the rate at which it had been climbing has slowed considerably
- Average days on market has increased from 28 to 39 days
- Potential buyer pipeline is healthy as the average open house is attracting 10 to 30 visitors, although many buyers are waiting for the market to stabilize before making their purchase
- Properties priced appropriately in good neighbourhoods can attract multiple offers



FUTURE TRENDS

- Sales are expected to increase as Albertans sense that oil prices have stabilized and are showing signs of recovery
- New construction starts have decreased, which is expected to help stabilize inventory levels
- The RE/MAX 2015 average residential sale price expectation for Calgary has been revised from a 3 per cent increase to a 2 per cent decrease

AVERAGE RESIDENTIAL SALE PRICE (Q1, Year Over Year)



CONDO MARKET

Entry-level condominiums continue to attract buyers, while sales of more expensive units have decreased. However, overall condominium inventory has increased significantly.

FIRST-TIME BUYERS

First-time buyers continue to purchase property in the region; although, many are waiting on the sideline for the economy to stabilize. Mortgage brokers have noticed a lot more interest in

buyers wanting to be pre-qualified for mortgages as buyers are eager to take advantage of the low interest rates once they regain confidence that the market is stable.

UPPER-END MARKET

The upper-end market has been affected by oil price volatility. Sales in properties over \$600,000 has slowed, and higher-end homes in the inner core have witnessed a slowdown.

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



ALBERTA

EDMONTON



2% Average Residential Sale Price **\$368,002**

Edmonton's average residential sale price proved resilient despite the drop in oil prices that led to a slower spring market in Edmonton. Layoffs and job uncertainty in the oil industry, as well as potential cuts to the provincial budget, have made potential buyers cautious as they wait for signs of stability. Inventory has increased and sales have decreased as Albertans wait to see how the overall economy is impacted over the next few months.

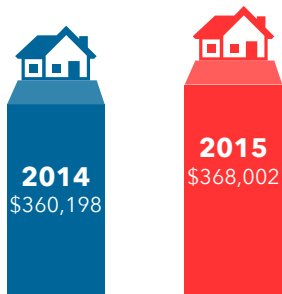
- *Condominiums remain a popular housing type, particularly for younger first-time buyers*
- *The upper-end market has remained resilient*
- *Sales in the first quarter of the year have decreased approximately 15 per cent compared to the same period in 2014*
- *Inventory is up approximately 26 per cent year-over-year, creating buyer's market conditions*



FUTURE TRENDS

- The downturn in the oil industry is expected to slow interprovincial migration, bringing fewer people from Eastern Canada to the city for jobs
- Over \$5 billion in construction in downtown Edmonton is expected to continue to provide ample employment
- The Royal Alberta Museum, a \$360 million project, is expected to reach completion in 2016. Two other significant projects in the region are the Delta Hotel and the Stantec Building - both mixed-use developments
- Provincial budget cuts could lead to job loss for government employees in Edmonton
- The RE/MAX 2015 average residential sale price expectation for Edmonton has been revised from a 4 per cent increase to no increase

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.

CONDO MARKET

Edmonton's condo market continues to attract younger first-time buyers, who are drawn to a downtown lifestyle and affordable entry point into the market. Over ten high-rise condo buildings are currently under construction in downtown Edmonton.

FIRST-TIME BUYERS

First-time buyers continue to be the primary drivers of Edmonton's housing market, and starter homes in the \$250,000 to \$400,000 range are quick

to sell. These buyers are increasingly attracted to a more urban lifestyle, choosing location and amenities above yards and square footage.

UPPER-END MARKET

The upper-end of the market has been resilient, with those properties priced at over \$1 million still selling very well. Sales between \$500,000 and \$1 million have been hit harder by the recent downturn, and there is considerable inventory on the market in that price range.

SASKATOON



0% Average Residential Sale Price \$351,849

Harsh winter weather and consumer uncertainty regarding the economy kept buyers away from the market in early spring. Sales were down 16 per cent year-over-year at the end of the first quarter of 2015. However, they started to recover in March, and as the spring market picks-up and inventory levels off, the Saskatoon market is expected to finish the year with similar sales volume to 2014 and no change in average residential sale price.

- Sales are down 16 per cent in the first quarter. However, as the quarter progressed, sales picked-up
- Inventory is up 15 per cent: There were 2,269 listings at the end of March, compared to 1,978 last year
- Condominiums continue to attract young couples, and increasingly, single buyers as well
- High inventory in the upper-end market is putting downward pressure on prices, though this impact is expected to lessen throughout the year



FUTURE TRENDS

- The Saskatoon market is fairly balanced, somewhat favouring the buyer, and those conditions are expected to prevail throughout the year
- An increase of approximately one to two per cent in average residential sale price is expected
- The job market is stable and diverse, and a good availability of well-paying jobs is expected to continue to retain residents and draw newcomers
- The RE/MAX 2015 average residential price expectation for Saskatoon is unchanged and is expected to remain flat

AVERAGE RESIDENTIAL SALE PRICE (Q1, Year Over Year)



CONDO MARKET

Saskatoon's condo market continues to draw first-time buyers. Most of these buyers are young, professional couples, though increasingly, singles are choosing to buy as well. High rental rates and low vacancy, coupled with low interest rates, makes buying instead of renting an attractive option for many in this market.

FIRST-TIME BUYERS

First-time buyers make up approximately 30 per cent of the market in Saskatoon, and they are typically young, professional couples from Saskatoon. Though some choose condos as their first home,

most still purchase small single-family homes. Move-up buyers represent approximately 40 per cent of the market, and the remainder is people relocating into the city.

UPPER-END MARKET

The upper-end market started the year with higher than normal inventory: There were approximately 25 homes listed for over \$750,000, as well as several build spec homes on the market. This put some downward pressure on price, though that effect is expected to lessen as the market picks up in the late spring and summer and inventory reduces.

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.

REGINA



6% Average Residential Sale Price \$308,355

The buying season was slow to start in Regina, which is typical for the city's cold, late springs. Activity is expected to pick-up in the late spring and early summer. Higher than normal levels of inventory on the market going into the new year softened the average residential sale price by 6 per cent. As the market picks-up, inventory is expected to decline keeping prices fairly stable.

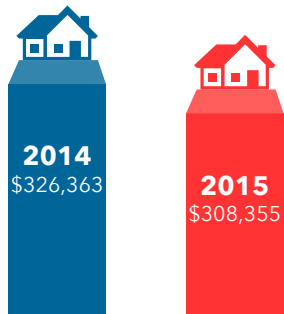
- *Demand remains steady, with sales modestly down by 4 per cent year-over-year*
- *Inventory is up 6 per cent compared to the first quarter of last year, and is expected to rise moderately over the next few months*
- *New, high-quality condo developments are attracting first-time buyers and downsizers*
- *Upper-end market is active with move-up buyers driving sales*



FUTURE TRENDS

- A stable market is expected in Regina this year
- Regina's diverse economy and steady employment rates are expected to continue to fuel demand in the housing market
- The RE/MAX 2015 average residential sale price expectation for Regina has been revised from a 4 per cent increase to a 2 per cent increase

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.

CONDO MARKET

The condo market is fairly new in Regina and is increasing in popularity. Newly built condos are appealing to young professional singles and couples as well as downsizers. Most of these units are priced in the \$250,000 to \$450,000 range. New upper-end condos in the \$750,000 to \$900,000 range are selling well and are appealing to empty nesters.

FIRST-TIME BUYERS

First-time buyers in Regina are typically young professionals in their 20s and 30s. They typically enter the market

by purchasing a single-family detached house in the \$350,000 to \$450,000 range. Increasingly, however, singles and couples are choosing condos as their first home. New developments mean that there are now a lot of high-quality, affordable options for these buyers.

UPPER-END MARKET

The upper-end market in Regina is active, with demand for luxury homes strong among move-up buyers and new transfers into the city. While low oil prices could put downward pressure on prices in this market, the impact is expected to be minimal.

WINNIPEG



1% Average Residential Sale Price \$284,000

A milder winter and low interest rates drove demand in the late winter and early spring market. Sales remained on par with the previous year, despite nearly 25 per cent more inventory in freehold properties. Sales volume and average price are stable year-over-year, and are expected to remain so throughout 2015.

- Demand is stable, with consistent sales year-over-year
- The diverse condo market is drawing a range of buyers
- A growing luxury market, consisting primarily of new builds



FUTURE TRENDS

- The Winnipeg market is expected to stay balanced for the remainder of 2015
- Investment in the province, such as the Centreport transport terminal, is expected to provide healthy job growth
- Expansions of the University of Manitoba and Red River College are expected to increase density in downtown Winnipeg
- The RE/MAX 2015 average residential price expectation for Winnipeg is unchanged and expected to remain flat

CONDO MARKET

The Winnipeg condo market has become very diverse in the past few years. Downtown living has grown in appeal to younger first-time buyers, while bedroom communities just outside of Winnipeg are drawing downsizers and retirees.

A new condo act has slowed the process of conversions, meaning properties take longer to come to market. The absorption rate for condos is two to four months.

in the \$175,000 to \$275,000 range.

New Canadians make up a significant segment of the first-time buyers' market. A lot of these buyers are families with school-aged children, which is fuelling new construction in areas with good schools.

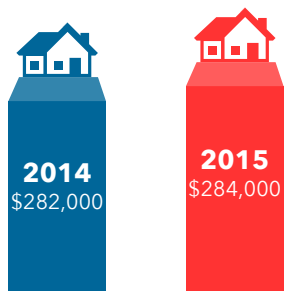
UPPER-END MARKET

Winnipeg has seen an increase in properties in the \$1 million and up range due to affordable borrowing rates. Most of the properties in this range are new developments. While there are some older luxury properties, Winnipeg's high property taxes tend to push buyers toward new builds just outside city limits.

FIRST-TIME BUYERS

First-time buyers continue to drive the Winnipeg market, and they typically enter the market by buying a property

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.

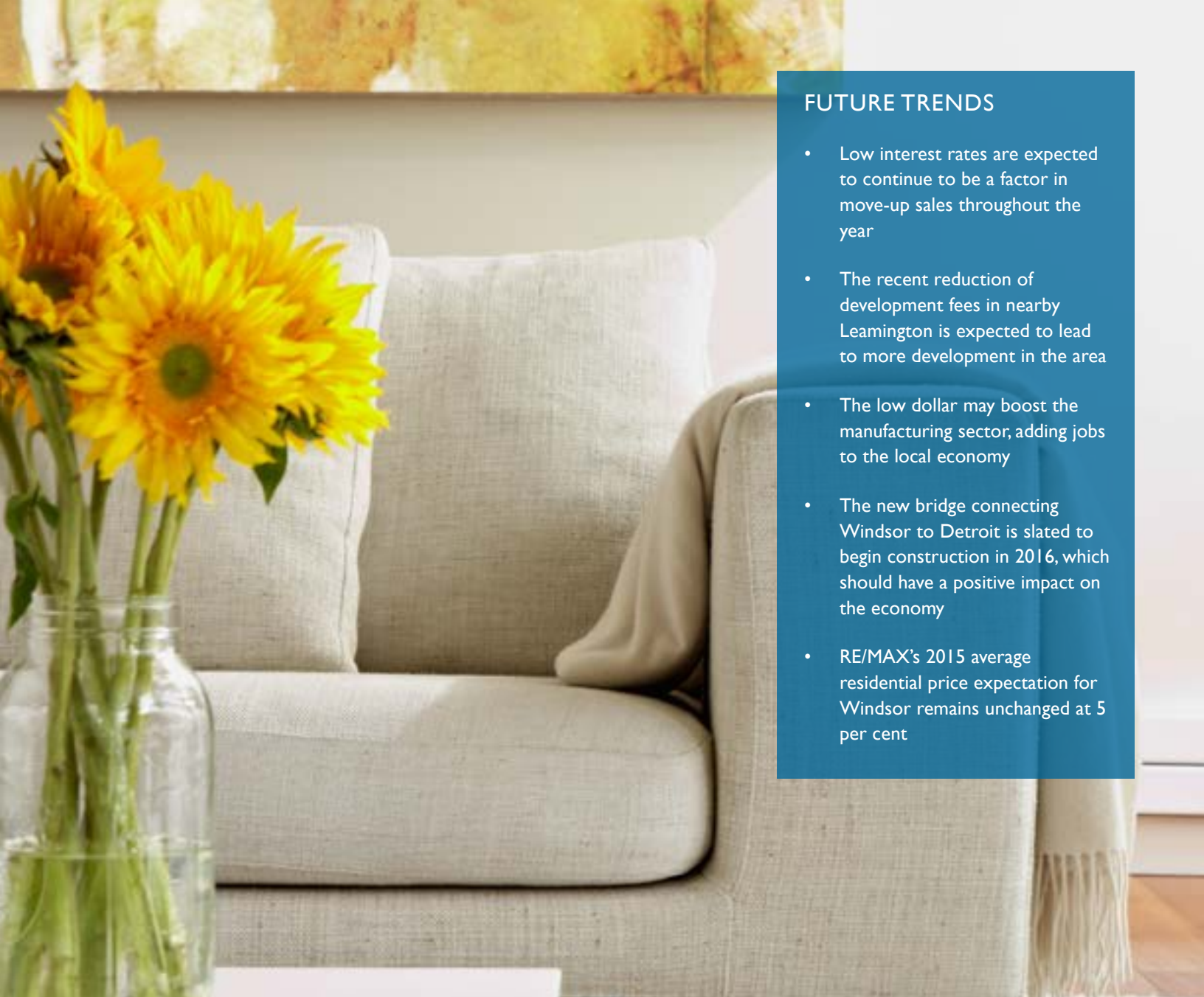
WINDSOR-ESSEX



7% Average Residential Sale Price \$189,433

An increase in sales in the early spring season – up 27 per cent year-over-year – was mainly due to a much earlier start to the spring buying season compared to the previous year, in which the market was held back by a cold, late winter. Demand in Windsor is driven primarily by move-up buyers and retirees from metropolitan areas. These buyers are attracted to the affordability of Windsor and Essex as well as its warmer summer weather.

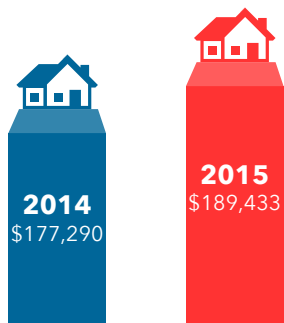
- Sales in the first quarter of 2015 are up 27 per cent year-over-year
- Demand is outstripping supply, and multiple offers are not uncommon
- Seller's market conditions are expected to shift into a balanced market as more inventory comes on the market
- The upper-end market is very active, with low interest rates fuelling demand



FUTURE TRENDS

- Low interest rates are expected to continue to be a factor in move-up sales throughout the year
- The recent reduction of development fees in nearby Leamington is expected to lead to more development in the area
- The low dollar may boost the manufacturing sector, adding jobs to the local economy
- The new bridge connecting Windsor to Detroit is slated to begin construction in 2016, which should have a positive impact on the economy
- RE/MAX's 2015 average residential price expectation for Windsor remains unchanged at 5 per cent

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.

CONDO MARKET

Windsor hasn't had a significant condo market in the past, but a new high-rise condo development is expected to be met with pent-up demand when it comes on the market. Townhouses have been an increasingly popular choice in the last several years.

FIRST-TIME BUYERS

Low interest rates combined with relatively low prices compared to other areas of the country have made it

affordable for first-time buyers to enter the market.

UPPER-END MARKET

The upper-end market has been very active this year. This high level of activity is expected to continue as newly-built high-end housing comes on the market.

LONDON



3% Average Residential Sale Price **\$255,786**

With more cooperative weather than last year and buyers eager to take advantage of low interest rates, the spring market got off to a busy start. Sales were up 13 per cent in the first quarter year-over-year, and average residential sale price was up 3 per cent.

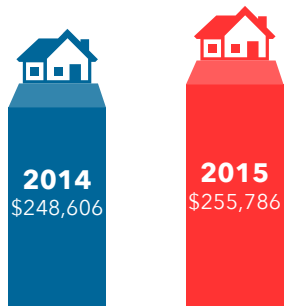
- *Sales activity is up 13 per cent year-over-year, as the harsh winter weather that dampened the start to the 2014 season was less of a factor this year*
- *Sales in February were at an all-time high, despite record low temperatures*
- *Inventory is up a modest 4 per cent*
- *The upper-end market is stable*
- *The market is balanced, with enough inventory to fulfil demand*



FUTURE TRENDS

- Interest rates and stability in the job market are expected to continue to fuel demand
- London is seeing increasing numbers of new Canadians, particularly from China, who initially moved to Toronto and are now relocating to the area
- The impact of 2008-2009 layoffs in the automotive industry is no longer being felt in the local economy, and stability is expected in the year to come
- An expansion of Fanshawe College in downtown London is expected to draw more people to the city's downtown core
- RE/MAX's 2015 average residential price expectation for London remains unchanged at 2.5 per cent

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.

CONDO MARKET

The condo market in London is small, with most buyers preferring two-storey houses, bungalows or town houses with yards. While high rise condominiums are not common, new high rise rental buildings are being constructed, primarily as accommodation for students at the University of Western Ontario and Fanshawe College.

the market by purchasing a single-family home for under \$250,000. Well-priced listings are in demand and it is common for them to attract multiple offers. Move-up buyers represent the other half of London's buyers and they generally choose properties in the \$250,000 to \$400,000 range.

FIRST-TIME BUYERS

First-time buyers represent approximately half of the market in London. These buyers typically enter

UPPER-END MARKET

The upper-end market in London is small but steady, and sales this year have been similar to previous years. There is good availability of high-end properties, particularly newly-built homes.

HAMILTON-BURLINGTON



8% Average Residential Sale Price \$443,706

Affordable options for buyers coupled with unprecedented capital appreciation for sellers have created a unique position for Hamilton's housing market. High demand has created a seller's market, yet the area remains an excellent value proposition for buyers from the nearby GTA, who are drawn to Hamilton's old-stock housing and revitalizing neighbourhoods.

- Hamilton's historic homes continue to be in high demand among value-conscious buyers from the GTA seeking better value for money by looking farther west
- Year-to-date sales are up 11 per cent in the region compared to the first quarter of 2014
- Inventory is up 15 per cent, but an increase in demand means properties are quick to sell
- New condo development in Hamilton is expected to increase density in the downtown core
- Burlington's stable upper-end market continues to attract move-up buyers



FUTURE TRENDS

- Hamilton's older housing stock is expected to be improved over the next few years as owners spend money to restore, preserve and enhance their historic homes. Whereas in the past, there wasn't the capital appreciation to warrant costly renovations, it is now worthwhile for owners to put money into their homes
- Stable growth is expected in the more mature housing markets in Burlington and Ancaster, while the effect of Hamilton's ongoing development and revitalization on its housing market is harder to anticipate
- The job market is healthy, with growth in the food manufacturing and technology sectors expected to bring more employment to the area over the next few years
- RE/MAX's 2015 average residential sale price expectation for Hamilton-Burlington has been revised from a 3 per cent increase to a 6 per cent

CONDO MARKET

Hamilton's condo market is still emerging compared to Burlington, which is more mature. Downtown Hamilton in particular is seeing an influx of new development, and those units will come on the market in a few years. Burlington's condo market appeals primarily to retirees and empty-nesters; these buyers are downsizing into condos later in life. Smaller units are appealing to a younger demographic and investors in both markets.

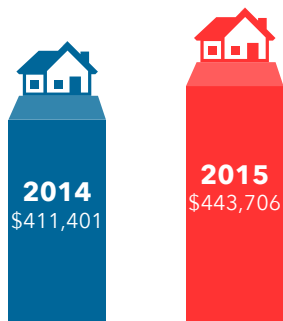
what they would cost in the GTA.

Younger first-time buyers tend to be very neighbourhood conscious, choosing areas for lifestyle rather than as an investment. They tend to value walkability and proximity to local restaurants, shops and public transportation.

UPPER-END MARKET

At the upper-end of the market, buyers tend to be locals moving up within Hamilton or Burlington. There are few buyers from the GTA buying at the \$1 million and up price point, as at that budget they typically stay in the GTA. Most of these higher end properties are in Burlington, and that market has been quite stable year-over-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.

FIRST-TIME BUYERS

Value-conscious buyers from the Greater Toronto Area are a key demographic of first-time buyers in Hamilton. These buyers are drawn to Hamilton's supply of beautiful, 100-year-old single-family homes – at a fraction of

SUDBURY



3% Average Residential Sale Price **\$247,448**

Sudbury started the year in a buyer's market, but is expected to shift into a more balanced market as the spring buying season picks up and inventory levels off. While sales for the first quarter overall were fairly stable, there was a lot more activity in March 2015 than the previous year, as better weather and low interest rates encouraged an earlier start to the season.

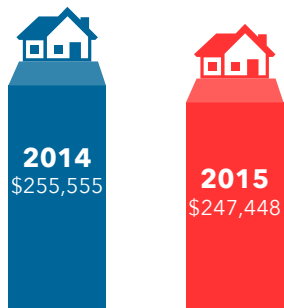
- *Sales activity is stable year-over-year, although this reflects an increase of sales in the outlying areas and a decrease in the city*
- *First quarter inventory was up 12 per cent compared to the same period in 2014*
- *Upper-end market is active*



FUTURE TRENDS

- The current five-year collective bargaining agreement between the steelworkers' union and Vale will come up for renewal in May, and the low Canadian dollar is expected to work in the union's favour and have a positive effect on local salaries
- While the lower price of oil is not expected to have a direct impact on the Sudbury market, it could have an effect on consumer confidence
- The Sudbury market tends to be quite stable, and this year is expected to be no exception
- RE/MAX's 2015 average residential price expectation for Sudbury remains unchanged at 1.6 per cent

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.

CONDO MARKET

Sudbury's condo market is small and fairly new. Most buyers in this market prefer detached houses, and with a good availability of affordable properties on the market, can generally find one that meets their needs. However, demand for strata properties could increase with new garden home developments that are coming online.

FIRST-TIME BUYERS

First-time buyers continue to drive demand in the Sudbury market. They

typically enter the market by purchasing a single-family home in the \$160,000 to \$200,000 range. Larger, mid-range family homes, priced in the \$220,000 to \$300,000 range, are popular with move-up buyers.

UPPER-END MARKET

The upper-end market is stable and fairly active. Fourty houses priced over \$400,000 sold in the first quarter of 2015 – the same number as in that period in 2014. No significant changes are expected in this market this year.

BARRIE



6% Average Residential Sale Price \$365,201

Located just north of Toronto, Barrie's housing market is tied to activity in the GTA. The high demand and increase in house prices in the GTA had a spillover effect in Barrie, with buyers moving farther north in search of more value for their money.

- Demand has been high, partly because sellers have been slower to get their homes on the market, likely because of the cold weather
- Inventory is low, as buyers took advantage of low interest rates early in the year, eliminating carry-over listings from 2014
- The condo market is emerging in Barrie, and new developments are expected to increase density downtown
- The upper-end of the market is healthy, with properties priced above \$600,000 selling well



FUTURE TRENDS

- The Royal Victoria Hospital and the Little Lake Retirement Community are in the process of expanding, which is expected to draw residents to the area
- The City of Barrie is expected to deliver a policy about homes containing a second suite. This could spur owners of homes with legal in-law apartments to get them on the market before this announcement, since a fresh supply of income properties could soften values
- RE/MAX's 2015 average residential price expectation for Barrie has been revised from a 0.7 per cent increase to a 3 per cent increase

CONDO MARKET

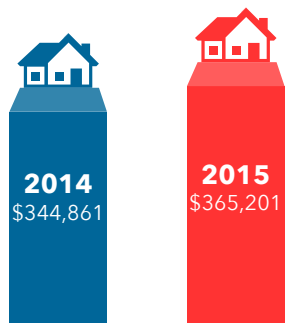
Barrie's condo market is emerging, and new developments, either in construction or in the planning phase, will increase density in the downtown area. These new units are expected to appeal to young, first-time buyers as well as empty-nesters and retirees.

though the GO Train has made the commute into downtown Toronto much easier.

UPPER-END MARKET

The upper-end market is healthy, and properties priced above \$600,000 are selling briskly. High-end waterfront properties on Lake Simcoe are very popular, particularly with buyers from the GTA. Whereas this was once a popular recreational property market, these houses are now being purchased for year-round living. Upper-end estate lot subdivisions are also in demand, appealing to professional move-up buyers from within Barrie.

AVERAGE RESIDENTIAL SALE PRICE (Q1, Year Over Year)



FIRST-TIME BUYERS

First-time buyers from the Greater Toronto Area are significant drivers of demand in Barrie. These buyers typically enter the market by purchasing a two or three bedroom house in the \$320,000 to \$340,000 range. Many of these buyers drive into the north end of the GTA,

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.

GREATER TORONTO AREA



8% Average Residential Sale Price **\$594,827**

The Greater Toronto Area housing market had a busy first quarter in 2015. Sales were up by 9 per cent over the same period last year, despite very low inventory. The average residential sale price was up 8 per cent year-over-year, an increase driven by lack of supply and low interest rates.

- Demand remains strong, with sales in the first quarter up 9 per cent over 2014
- Inventory is very low, with less than a month's supply on the market
- Condos are an increasingly popular choice, particularly for first-time buyers looking to get into the market at a more affordable price point
- The upper-end market is very active, with strong demand for properties priced above \$1.5 million



FUTURE TRENDS

- High demand and low supply is expected to continue to characterize the GTA housing market in the foreseeable future
- The lower Canadian dollar is expected to attract foreign investment
- Low interest rates and limited inventory are expected to put continued upward pressure on price
- RE/MAX's 2015 average residential sale price expectation for Greater Toronto Area has been revised from a 4 per cent increase to a 7 per cent

CONDO MARKET

The condo market in the GTA is very active, with investor interest in pre-builds continuing to spur new development. Two bedroom units with parking on the subway line are in highest demand, and these are typically resale units in older buildings. Most of the available inventory is in newly built condo buildings.

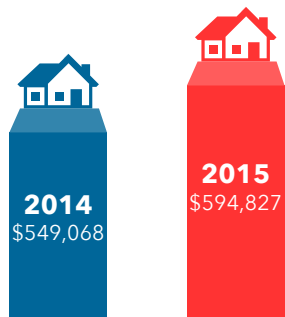
typical first time buyer. Buyers range from singles purchasing small condos, to young families buying semis and detached houses outside of the city centre. A steady stream of newcomers both from within Canada and from other countries fuels demand.

UPPER-END MARKET

The upper-end of the market was busy in the first three months of the year, with very strong demand for properties in the \$1.5 million and up range.

Two key groups drive demand in the upper-end market. One is trade-up buyers from within the GTA. The other is investors, often from Mainland China, who typically buy houses outside of the city either for a family member to live in or for rent as executive accommodation.

AVERAGE RESIDENTIAL SALE PRICE (Q1, Year Over Year)



FIRST-TIME BUYERS

First time buyers in the GTA are primarily entering the market by purchasing condos or townhouses. This is particularly the case in the core of the city, while in the suburbs, many first time buyers can afford a detached or semi-detached house.

In large, diverse Toronto there is no

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.

KINGSTON



2% Average Residential Sale Price \$295,576

Low interest rates, consumer confidence and milder weather resulted in increased activity as sales were up 5 per cent by the end of the first quarter compared to the previous year. Move-up buyers and retirees continue to be the more common buyer types in Kingston's balanced housing market.

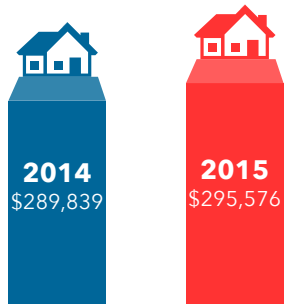
- *Inventory is up approximately 11 per cent year-over-year as a result of a late start to the buying season*
- *Largest sales volume is in single-family homes ranging from \$260,000 to \$350,000*
- *Military posting announcements are expected to be the most significant factor affecting market activity this spring*
- *Upper-end market is stable and activity remains similar to previous years*



FUTURE TRENDS

- A new gas plant is under construction and creating approximately 50 fulltime jobs as well as bringing transfers to the area
- Napanee has been shortlisted for a potential Goodyear plant
- Strathcona Solar is building in the Quinte area
- RE/MAX's 2015 average residential price expectation for Kingston remains unchanged at 2 per cent

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.

CONDO MARKET

Condo activity in the Kingston area is minimal and activity is limited to the downtown core. However, this housing type is slowly gaining popularity and growing its share of the market.

FIRST-TIME BUYERS

First-time buyers don't have a significant impact in housing activity in the region. Although, those that are looking in the region are motivated by low interest rates and Kingston's stable housing market.

UPPER-END MARKET

Despite several sales over \$1 million in the first quarter of 2015, the upper-end market has had a slower start to the year. As a result, inventory is growing, offering excellent selection for those seeking a luxury property. This level of activity for luxury properties is common in the region.

OTTAWA



1% Average Residential Sale Price \$357,347

The market in Ottawa tends to be strongly influenced by weather conditions; however, despite a harsher winter than last year, sales were up year-over-year in the first quarter of 2015. This momentum is expected to continue throughout the spring market and into the summer.

- Sales are up two per cent year-over-year in the first quarter of 2015
- Inventory is up 7.4 per cent for condos and 10 per cent for freehold houses offering buyers more selection
- The upper-end market has been steadily gaining momentum in the past few years
- Move-up buyers drive the market for freehold properties in the core of the city creating a lot of demand in this market
- New condo developments are attracting Millennial buyers and downsizers



FUTURE TRENDS

- Ottawa's housing market is balanced and is expected to remain balanced throughout 2015
- As the capital city, federal elections have a significant effect in Ottawa; however, the fall election is not expected to impact the spring and summer markets
- RE/MAX's 2015 average residential price expectation for Ottawa remains unchanged at 2 per cent

CONDO MARKET

The last several years have seen a lot of new construction in Ottawa's condo market. Several developments in older, well-established neighbourhoods are being built to meet the demand of a growing retiree community, who are looking to downsize without leaving their neighbourhood.

In the areas around the universities, some projects are slower to sell. However, the low Canadian dollar is expected to increase demand for these units among Ottawa's large foreign student population.

good amenities, and demand good design rather than large spaces. These buyers tend to choose condos or row houses in the city centre. A shift to high density building in the suburbs is also appealing to this demographic, resulting in more diversity in these areas.

Two-storey houses and bungalows in the \$300,000 to \$400,000 range, located in the suburbs, are a popular choice for first-time buyers as well.

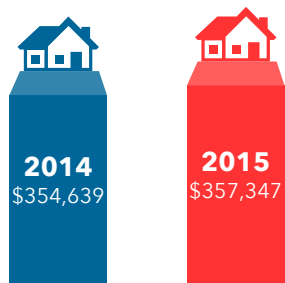
UPPER-END MARKET

Luxury homes have been steadily gaining momentum over the past few years. Sales in the \$750,000 to \$1 million range have been especially brisk. Whereas five years ago sales over \$1 million were rare in Ottawa, there were 25 sales over \$1 million in the first three months of this year, compared to 17 the previous year. This momentum is expected to continue throughout 2015.

FIRST-TIME BUYERS

Millennial buyers are entering the real estate market in Ottawa, which is affecting new property types coming on the market. These first-time buyers prefer walkable neighbourhoods with

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.



SAINT JOHN



5% Average Residential Sale Price \$167,000

Saint John had a very harsh winter, with massive snowfalls causing several closure days throughout the city. Despite this, sales were up 14 per cent year-over-year in the first quarter of 2015. Many first-time buyers who had been biding their time took advantage of the low interest rates and good availability of affordable product on the market.

- Demand is strong, particularly among first-time buyers
- Inventory is fairly high but is moving faster than last year
- Condominiums are not a significant factor in this market, but garden homes are becoming an increasingly popular option for retirement
- There were fewer upper-end market sales, but those that sold were the higher-priced properties



FUTURE TRENDS

- Saint John is in a buyer's market, and while inventory is expected to level off somewhat, buyer's market conditions are expected to prevail throughout 2015
- A new \$7.5 million barge terminal that will begin construction this spring and proposed waterfront redevelopment are spurring optimism in the region, as is the Energy East Pipeline project, slated to begin in 2020
- The recent cancellation of a credit aimed at encouraging recent university grads to remain in the province, as well as a cut in teaching jobs, is expected to negatively impact employment
- RE/MAX's 2015 average residential sale price expectation is unchanged for Saint John at 1 per cent

CONDO MARKET

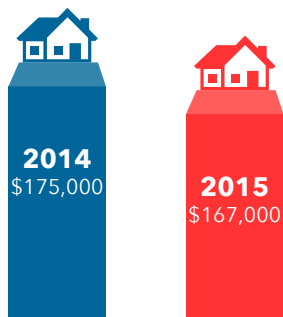
Condos are not a significant factor in this market, as many buyers prefer detached homes with yards, and these types of properties are quite affordable. However, garden homes are becoming an increasingly popular option for retirees, for whom home ownership without maintenance is appealing.

While the majority of first-time buyers are couples, increasingly single individuals and single parents are choosing to buy. New rental properties in Saint John are relatively expensive, and with affordable house prices and low interest rates, buying is a practical option for many.

UPPER-END MARKET

In the upper-end market, there were fewer sales in the first quarter of 2015 than in the same period the previous year, which was likely due to a lack of high-end inventory on the market. However, the properties that did sell were those in the upper range. In 2015, seven upper-end homes sold at an average price of \$505,000, while in the same period last year, 20 homes sold at an average price of \$425,000. The upper-end market in this region starts at \$350,000.

AVERAGE RESIDENTIAL SALE PRICE (Q1, Year Over Year)



FIRST-TIME BUYERS

Activity in the first-time buyers' market picked up in early spring, as potential buyers who had been watching the market for a while took advantage of the lower interest rates and took the plunge. These buyers typically choose bungalows or split-levels in the \$140,000 to \$200,000 range. Continued activity is expected throughout the year, though a lack of availability of entry-level homes could slow sales by the fall if high demand continues.

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.

HALIFAX & DARTMOUTH

 **2%** Average Residential Sale Price \$271,677

Buyers are coming back to Halifax's housing market as prices stabilize signaling a shift from a buyer's market to a balanced market. The largest demographic driving demand is young families purchasing for more space and to live in family-friendly neighbourhoods.

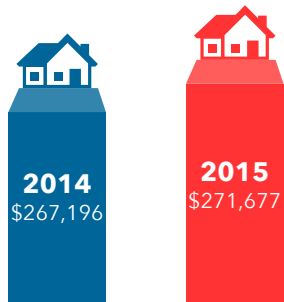
- Sales were flat year-to-date compared to the same period last year
- Inventory in the first quarter decreased by 4 percent compared to last year as sales increased
- Condo market witnessed a shift in demand as Millennials drove sales for downtown condos
- Upper-end market activity is increasing as confidence returns to luxury market
- Demand in north end strong as investors are looking for rental units for workers who are anticipated to create demand in the region



FUTURE TRENDS

- New demand in the north end will continue as employment grows from the nearby Irving shipbuilding project and residential areas flourish with new restaurants, more small businesses, and high quality eco-friendly condos
- Overall demand in the region is expected to grow modestly as a result of upgraded consumer confidence, readiness of first-time buyers, and from new jobs created by shipbuilding activities and off-shore investment
- RE/MAX's 2015 average residential price expectations for Halifax & Dartmouth remains unchanged at just under 1 per cent increase

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.

CONDO MARKET

Millennials, searching for an urban car-free lifestyle, are driving condo sales in Halifax and their purchases are revitalizing the downtown core. This is a recent shift away from retirees who long drove condo sales. Millennials are most attracted to smaller units ranging from 700 square feet to 1,100 that are close to work and easy to maintain.

FIRST-TIME BUYERS

Many first-time buyers, who had been watching the market waiting for prices to stabilize and adjusting to new lending criteria, have been making purchases

this spring. The typical first-time buyer is between 23 and 30 years old and likely purchasing as a couple. However, single first-time buyers have become a growing demographic and female first-time buyers are increasingly common, often seeking a condo or a townhome.

UPPER-END MARKET

After modest price depreciation and low sales activity in previous years, activity in the upper-end market has begun to increase as confident buyers take advantage of excellent selection and value. Homes priced over a million in the south end are selling well.



ST. JOHN'S



4% Average Residential Sale Price **\$299,415**

St. John's housing market had a brisk first quarter resulting in a 6 per cent increase in sales compared to the same period last year. Oil's price volatility has slightly decreased consumer confidence. However, the region has made very significant price gains during the past ten years and off-shore oil companies like Hibernia are still hiring. The region's population, income levels and employment levels are stable.

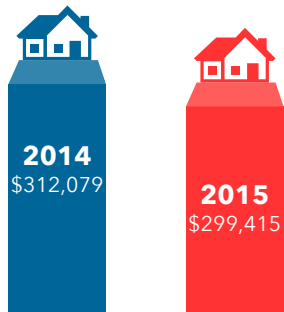
- *Low interest rates and excellent selection of inventory are benefiting buyers*
- *Retirees are increasingly selling their houses and moving into rentals to release equity in their home*
- *Buyer activity among parents purchasing property for their university-age children is high*



FUTURE TRENDS

- Region is expected to stay in a buyer's market throughout the remainder of 2015
- As oil prices stabilize, St. John's housing market is also expected to stabilize
- Although the lower Canadian dollar has greatly enhanced American tourism to the area, the favourable exchange rate is not expected to draw US buyers to the region
- Potential provincial budget cuts, which are expected after the federal budget, are creating uncertainty in local market confidence
- RE/MAX's 2015 average residential price expectation for St. John's is unchanged and expected to remain flat

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.

CONDO MARKET

Entry-level condominiums have been popular with downsizers. Currently, there is ample supply offering excellent selection. Development projects, built to meet the demand caused by the oil industry, have resulted in high condo inventory. Building has been scaled back, reducing the number of new specs from 12 to 4.

FIRST-TIME BUYERS

First-time buyers represent 50 per cent of the region's market activity. A growing trend for first-time buyers in the region is buying in suburban areas that offer

more space. A popular location is Conception Bay South, where young buyers can get a home for \$240,000 if they are willing to do the 15 to 20 minute daily commute into the city.

UPPER-END MARKET

The upper-end market is fairly active showing a modest year-over-year decrease in inventory. Quality listings are in demand as potential luxury buyers are proving resilient while other housing types are firmly in a buyer's market. Low interest rates and stable professional employment are both significant drivers of demand.

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