

Canadian home sales edge higher in June

Ottawa, ON, July 15, 2014

According to statistics¹ released today by The Canadian Real Estate Association (CREA), national home sales activity edged up almost one per cent on a month-over-month basis in June 2014.

Highlights:

- **National home sales rose 0.8% from May to June.**
- **Actual (not seasonally adjusted) activity stood 11.2% above June 2013 levels.**
- **The number of newly listed homes was little changed from May to June.**
- **The Canadian housing market remains in balanced territory.**
- **The national average sale price rose 6.9% on a year-over-year basis in June.**
- **The MLS® Home Price Index (HPI) rose 5.4% year-over-year in June.**

The number of home sales processed through the MLS® Systems of Canadian real estate Boards and Associations rose 0.8 per cent on a month-over-month basis in June 2014, marking the fifth consecutive monthly increase and the highest level for sales since March 2010. (Chart A)

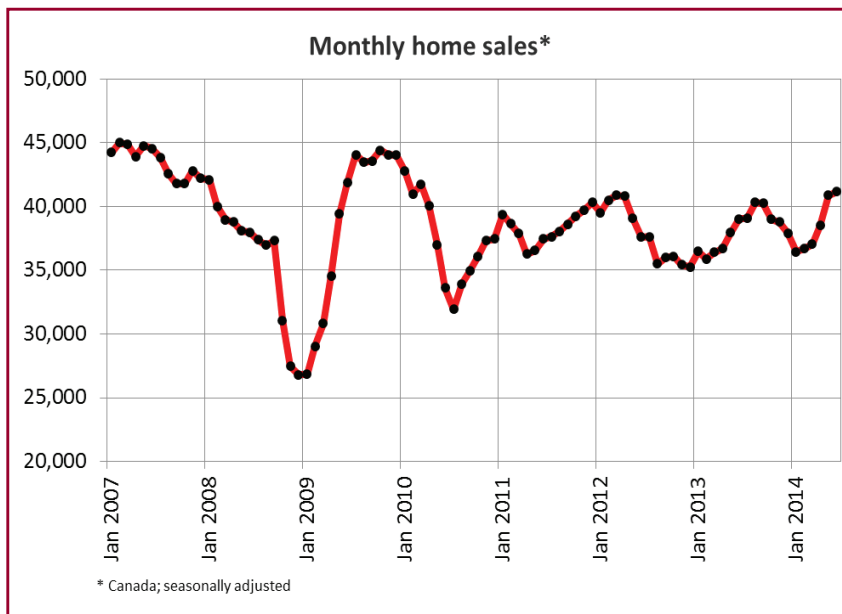
Sales rose in about half of all local housing markets in June, led by gains in Greater Vancouver where activity hit its highest level in more than three years, and Montreal where activity is now 10 per cent above post-recession lows reached earlier this year.

"Sales have improved compared to their slower start earlier this year," said CREA President Beth Crosbie. "That said, there are still important differences in how housing markets are faring depending on location, housing type and price point. Whether you're looking to buy or sell, your local REALTOR® is your best source of information on all the factors driving the market where you currently live or might like to in the future."

Actual (not seasonally adjusted) activity in June stood 11.2 per cent above levels reported in the same month last year. June sales were up from year-ago levels in three out of every four local markets, led by Greater Vancouver, Fraser Valley, Calgary, Greater Toronto and Hamilton-Burlington.

The number of newly listed homes was little changed in June, having eased by 0.1 per cent compared to May. In May, new listings reached their highest level since April 2010. On an actual (not seasonally adjusted) basis, new listings set a record for the month of June.

Chart A



* Data table available to media upon request, for purposes of reprinting only.

¹ All figures in this release except price measures are seasonally adjusted unless otherwise noted. Removing normal seasonal variations enables meaningful analysis of monthly changes and fundamental trends.

“At least some of the recent burst in new supply reflects the slow start to the year, when a harsh winter caused many sellers to delay listing their home in many parts of the country,” said Gregory Klump, CREA’s Chief Economist. “In markets with tight supply and strong demand, the strength of sales in recent months reflects how many properties were snapped up once they finally hit the market. Because the impact of deferred listings and sales has likely run its course, activity over the second half of the year may not be able to maintain the kind of pace we’ve seen over the past couple of months.”

The national sales-to-new listings ratio was 53.6 per cent in June, up slightly from 53.2 per cent in May but still well entrenched within the range between 40 and 60 per cent that marks balanced market territory. Just over half of all local markets posted a sales-to-new listings ratio in this range in June, with a fairly even split among the remainder between those in buyer’s market and seller’s market territory.

The number of months of inventory is another important measure of the balance between housing supply and demand. It represents the number of months it would take to completely liquidate current inventories at the current rate of sales activity.

The number of months of inventory has firmed since the beginning of 2014. There were 6.0 months of inventory nationally at the end of June 2014. This was unchanged from May but half a month below where it stood at the beginning of the year. As with the sales-to-new listings ratio, the number of months of inventory continues to suggest that housing markets remain generally well-balanced.

The Aggregate Composite MLS® HPI was up by 5.40 per cent year-over-year in June following slower price gains in April and May. Price growth picked up in all Benchmark categories tracked by the index. (Chart B)

Two-storey single family homes continued to post the biggest year-over-year price gains (+6.19 per cent), followed closely by one-storey single family homes (+5.35 per cent) and townhouse/row units (+5.07 per cent). Price growth for apartment units remained comparatively more modest (+3.85 per cent).

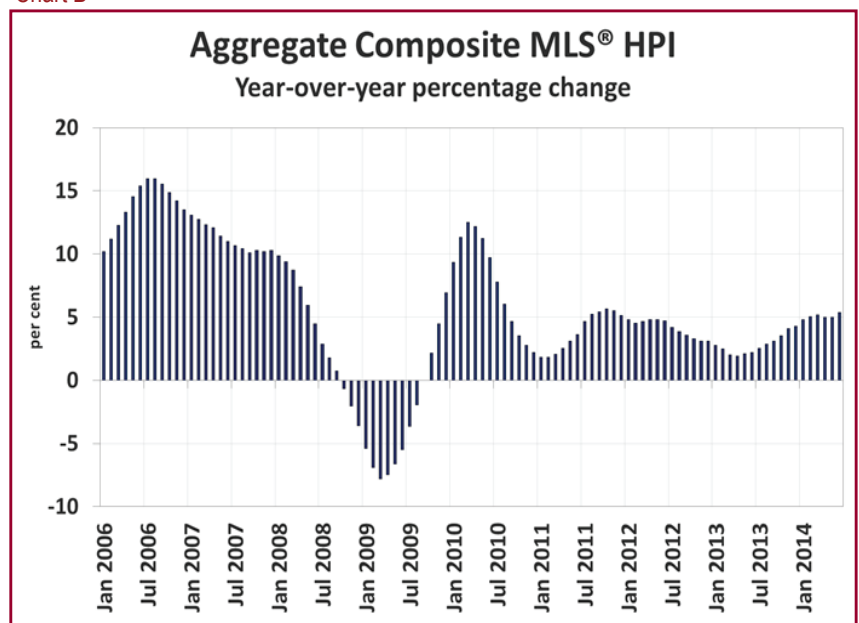
Year-over-year price growth varied among local housing markets tracked by the index, with the biggest gains having been posted by Calgary (+10.74 per cent), Greater Toronto (+7.77 per cent), and Greater Vancouver (+4.37 per cent). (Table 1)

The MLS® Home Price Index (MLS® HPI) provides a better gauge of price trends than is possible using averages because it is not affected by changes in the mix of sales activity the way that average price is.

The actual (not seasonally adjusted) national average price for homes sold in June 2014 was \$413,215, up 6.9 per cent from the same month last year.

The national average price continues to be skewed upward by sales activity in Greater Vancouver and Greater Toronto, which are among Canada’s largest and most expensive housing markets. Excluding these two markets from the calculation, the average price is a relatively more modest \$336,164 while the year-over-year increase shrinks to 5.2 per cent.

Chart B



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Table 1

MLS® Home Price Index							
January 2005 = 100		Percentage Change vs.					
Composite HPI:	June 2014	1 month ago	3 months ago	6 months ago	12 months ago	3 years ago	5 years ago
Aggregate	169.9	0.65	2.29	4.75	5.40	12.82	28.32
Lower Mainland	158.5	0.51	1.73	3.80	3.46	2.92	19.53
Greater Vancouver	164.7	0.67	2.11	4.11	4.37	2.94	22.82
Fraser Valley	145.3	0.14	0.69	2.83	1.32	3.27	12.37
Vancouver Island	150.0	1.15	1.90	3.59	2.18	-1.90	2.04
Victoria	141.0	0.21	1.22	3.52	1.08	-5.69	-0.35
Calgary	211.3	1.10	3.99	7.53	10.74	24.73	29.95
Regina	278.7	-0.75	-0.50	-0.92	-0.89	9.38	28.31
Saskatoon	234.6	0.43	0.64	2.09	1.47	11.24	20.31
Greater Toronto	167.9	0.96	2.94	6.00	7.77	19.67	42.29
Ottawa	149.6	0.27	1.98	2.96	0.13	4.18	20.16
Greater Montreal	156.6	-0.19	-0.06	1.42	0.64	5.95	21.02

Interactive tables and charts for MLS® Home Price Index data on Composite, Single family homes (including separate indices for one- and two-storey homes), Townhouse/row units, and Apartment units are available at www.homepriceindex.ca/hpi_tool_en.html.

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PLEASE NOTE: The information contained in this news release combines both major market and national sales information from MLS® Systems from the previous month.

CREA cautions that average price information can be useful in establishing trends over time, but does not indicate actual prices in centres comprised of widely divergent neighbourhoods or account for price differential between geographic areas. Statistical information contained in this report includes all housing types.

MLS® Systems are co-operative marketing systems used only by Canada's real estate Boards to ensure maximum exposure of properties listed for sale.

The Canadian Real Estate Association (CREA) is one of Canada's largest single-industry trade associations, representing more than 111,000 REALTORS® working through some 90 real estate Boards and Associations.

Further information can be found at <http://crea.ca/statistics>.

For more information, please contact:

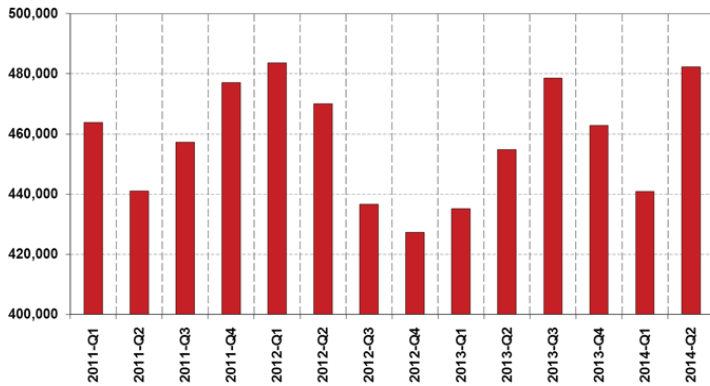
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Chart 1

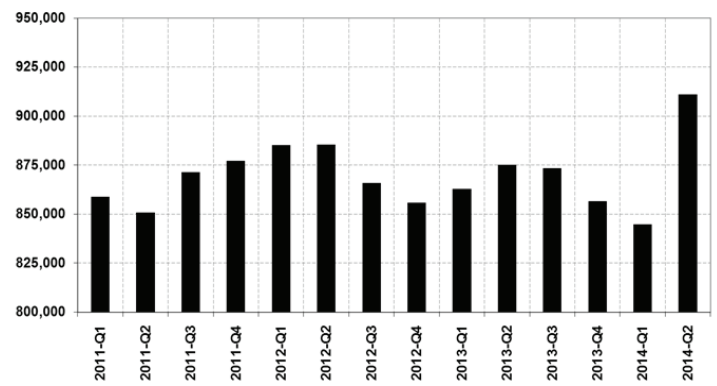
Residential sales activity* Canada



*Seasonally adjusted data at annualized rates

Chart 2

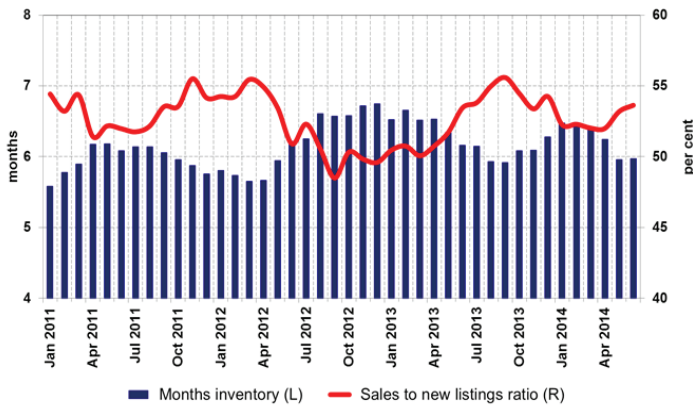
Residential new listings* Canada



*Seasonally adjusted data at annualized rates

Chart 3

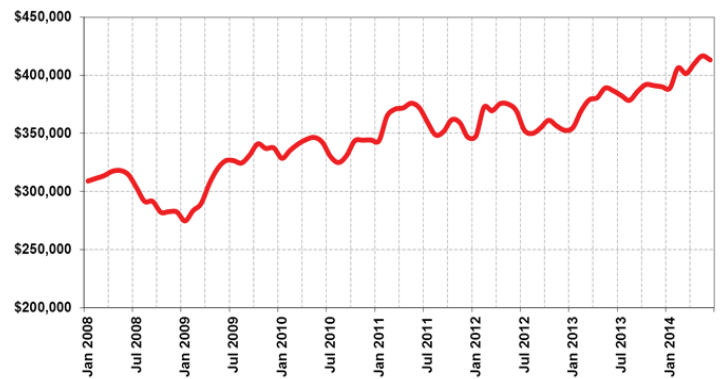
Residential market balance* Canada



*seasonally adjusted

Chart 4

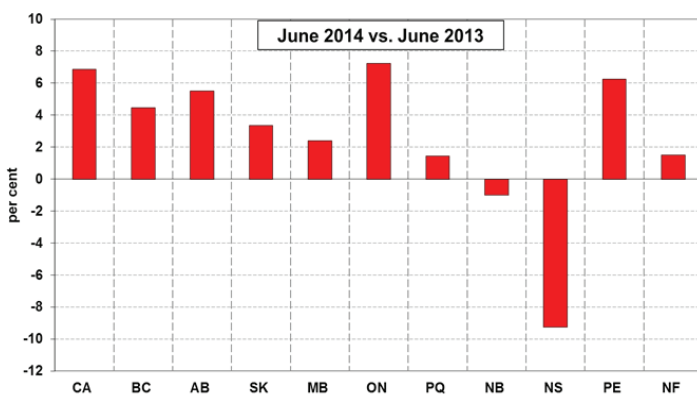
Residential average price* Canada



*actual (not seasonally adjusted)

Chart 5

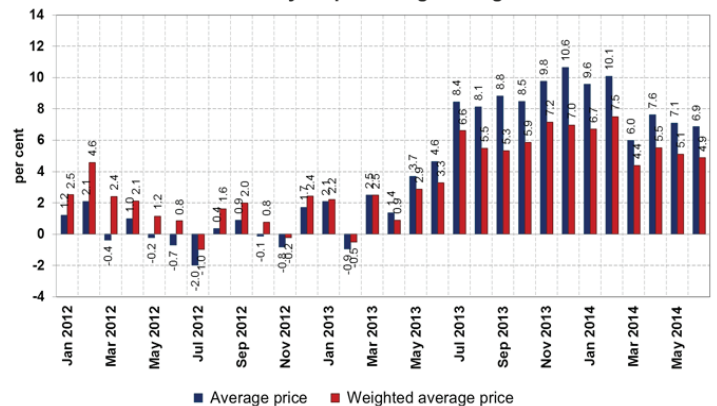
Residential average price* Year-over-year percentage change



*actual (not seasonally adjusted)

Chart 6

National residential average price* Year-over-year percentage change



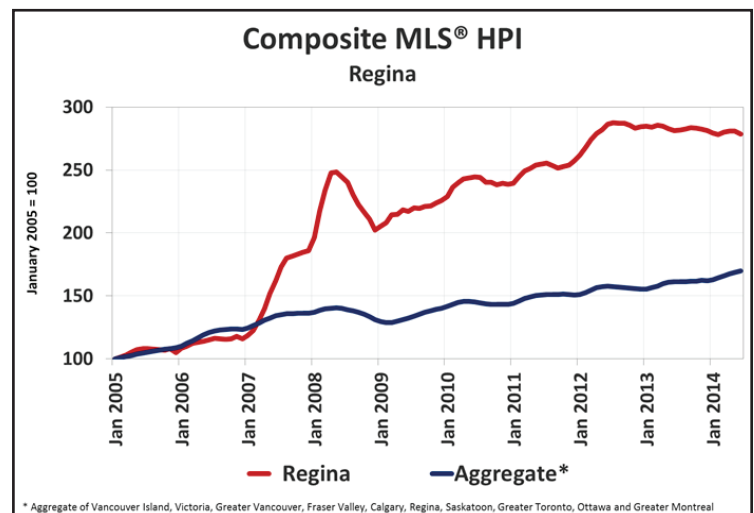
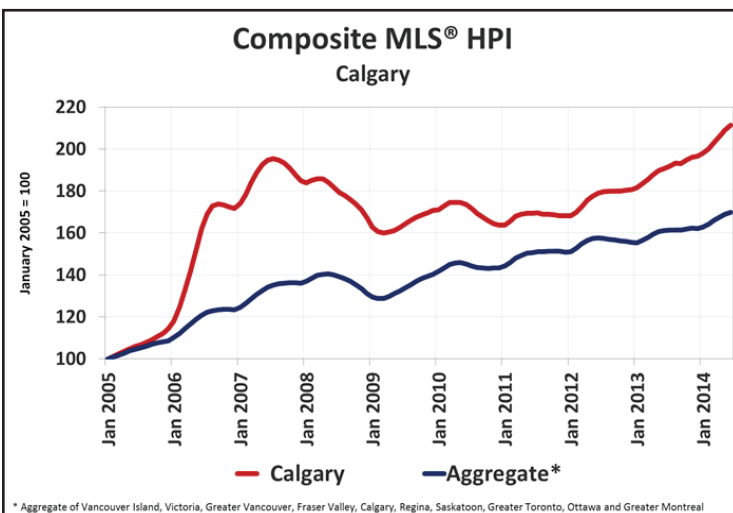
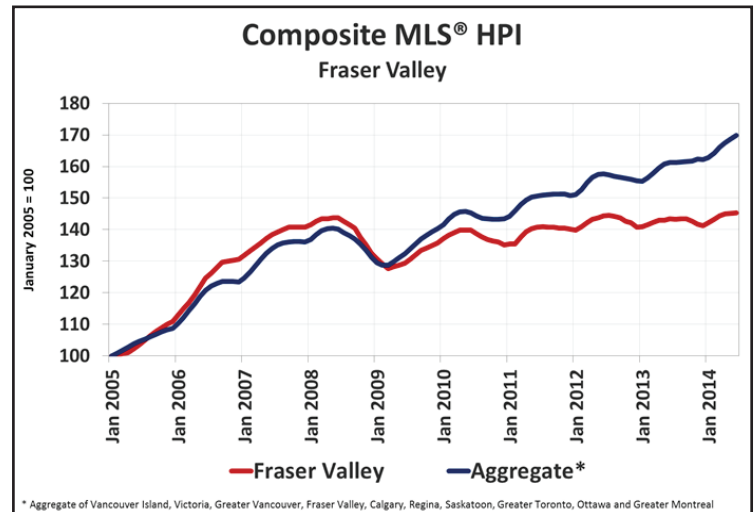
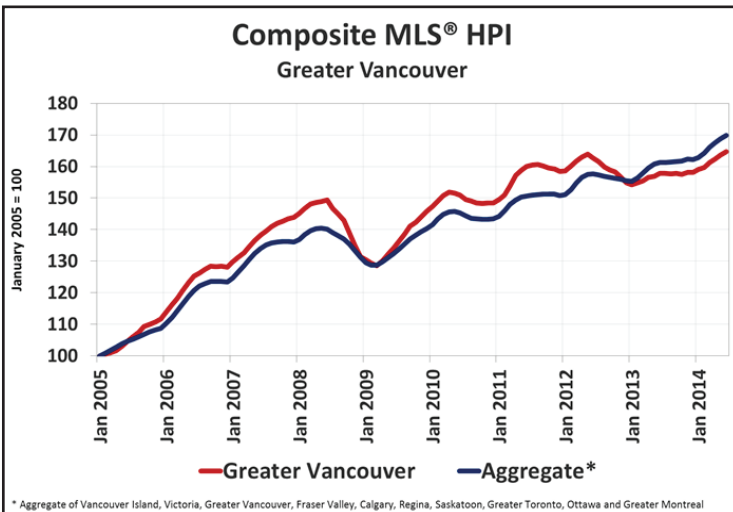
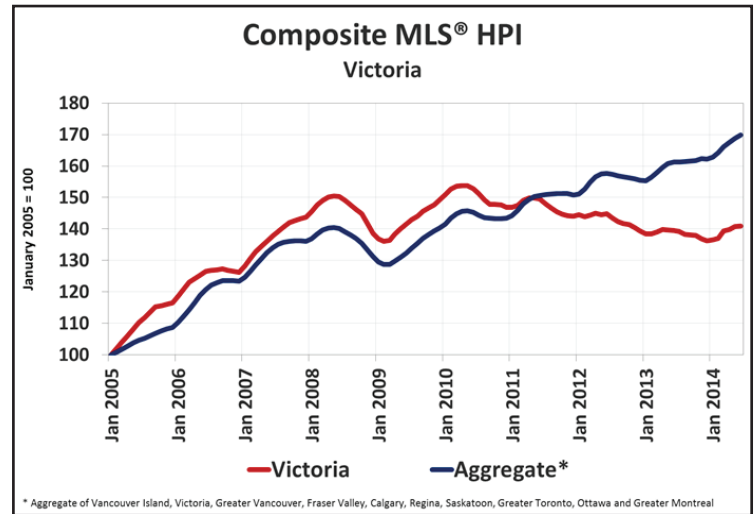
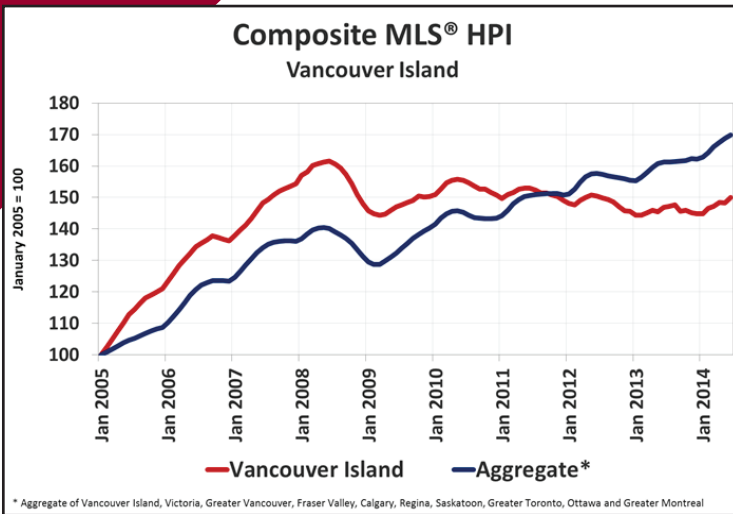
*actual (not seasonally adjusted)



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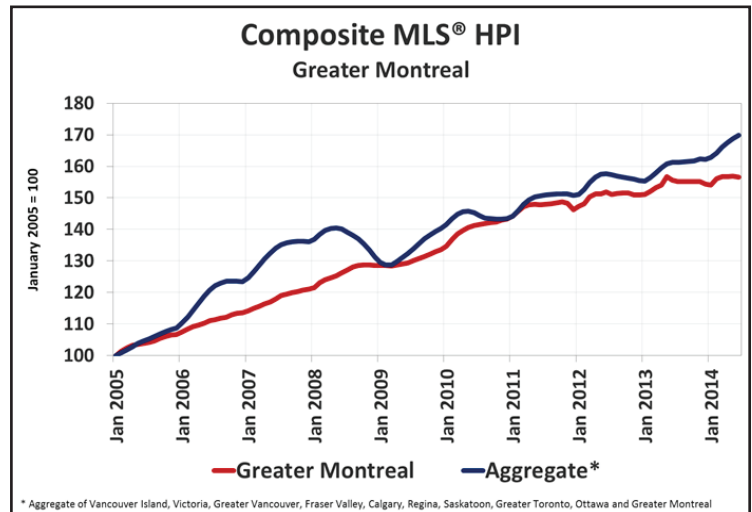
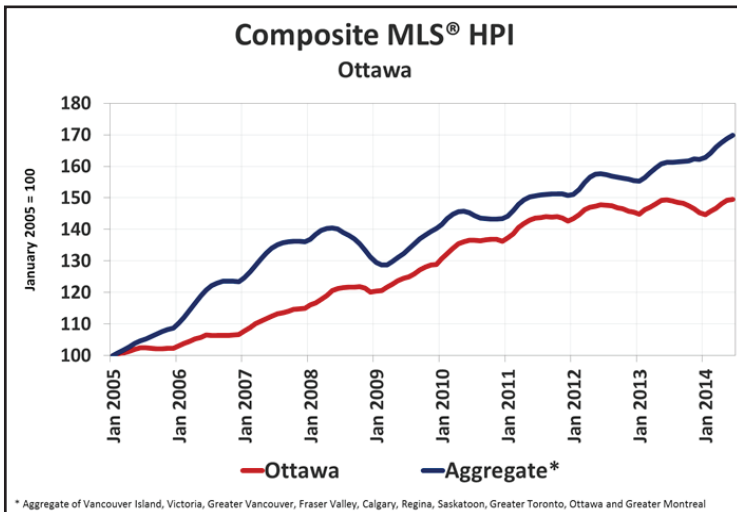
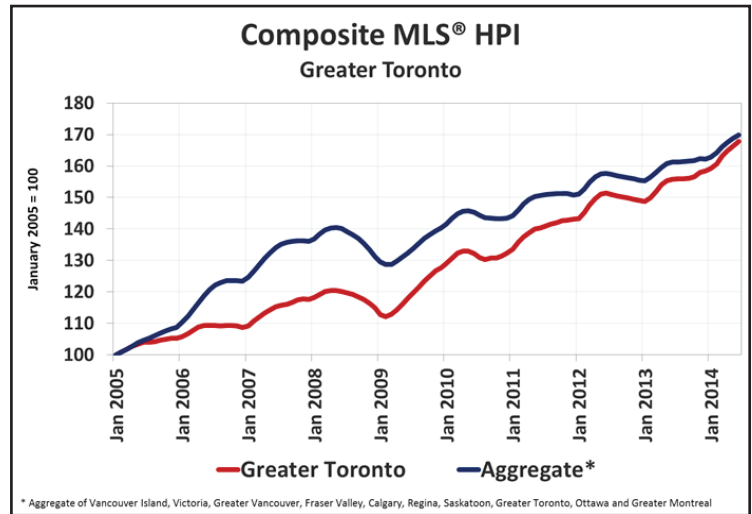
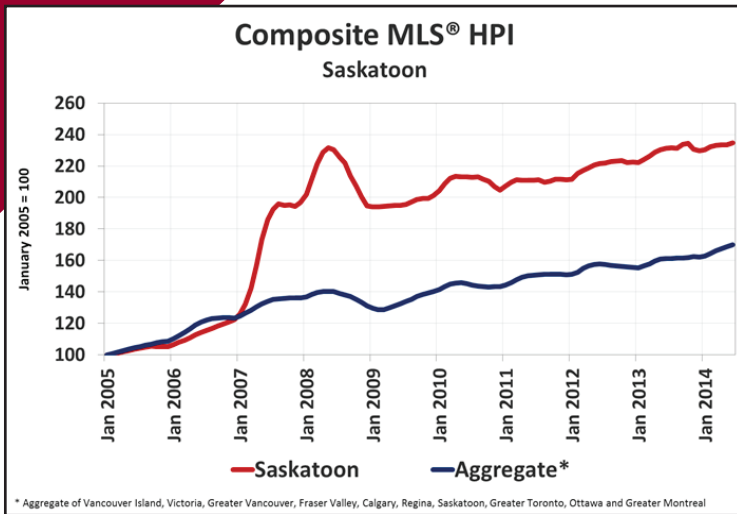
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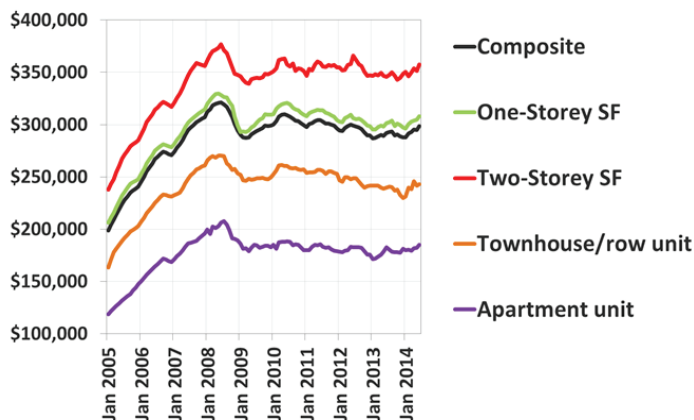
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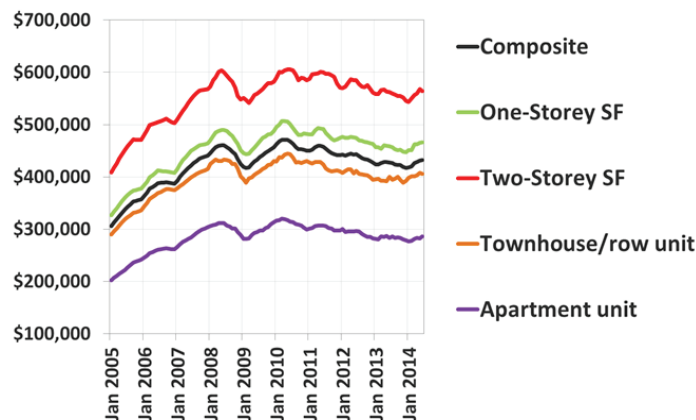
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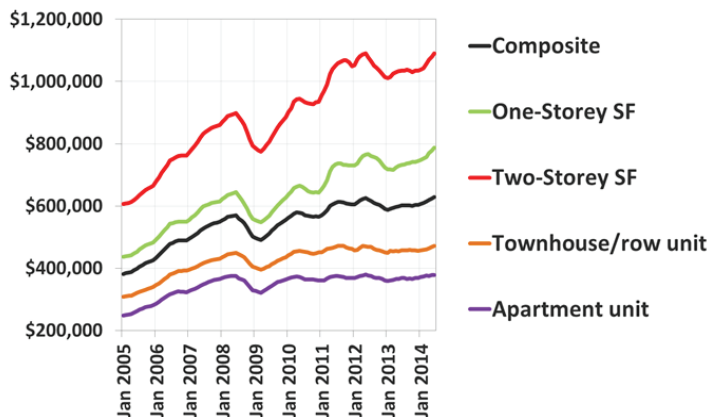
MLS® HPI Benchmark Price
Vancouver Island



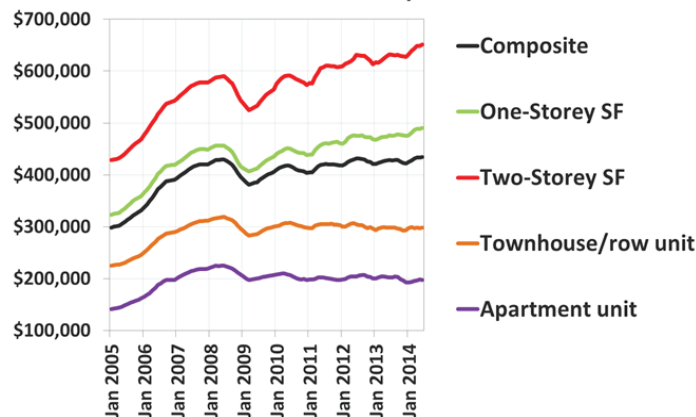
MLS® HPI Benchmark Price
Victoria



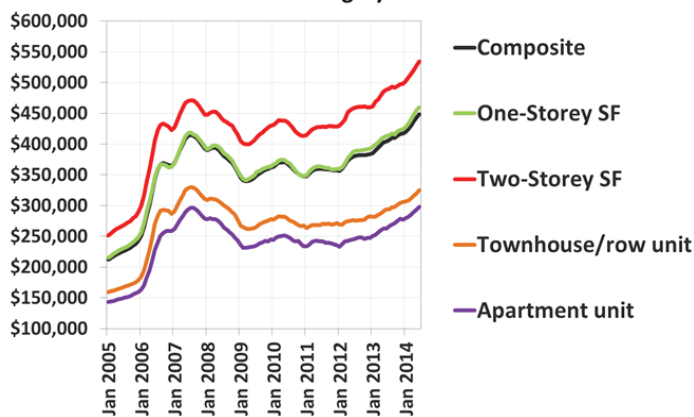
MLS® HPI Benchmark Price
Greater Vancouver



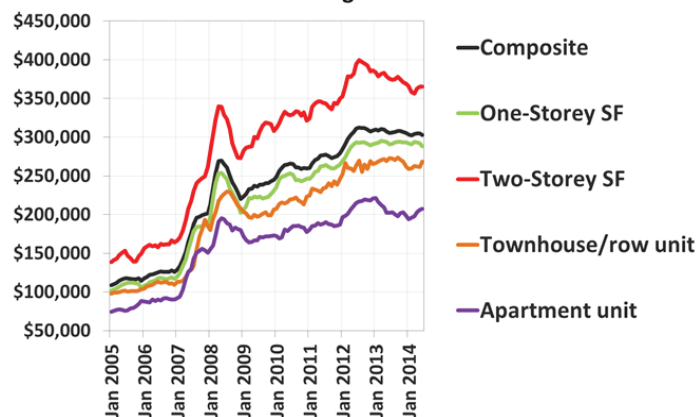
MLS® HPI Benchmark Price
Fraser Valley



MLS® HPI Benchmark Price
Calgary



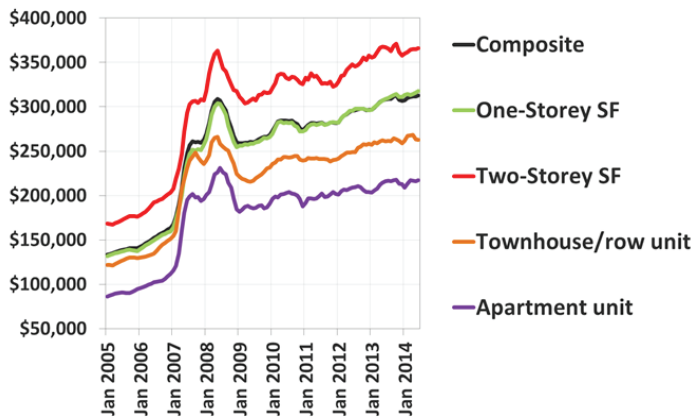
MLS® HPI Benchmark Price
Regina



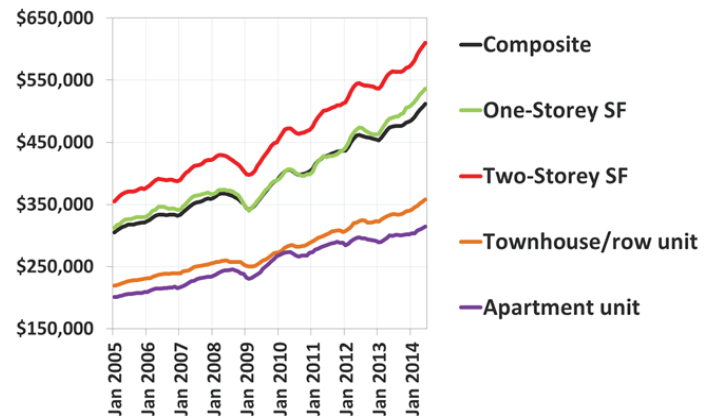
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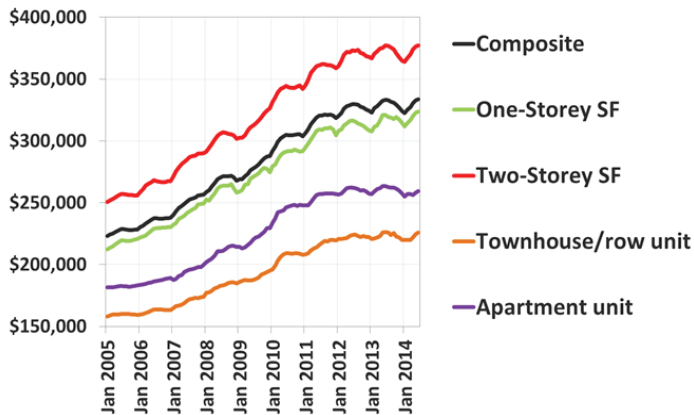
MLS® HPI Benchmark Price
Saskatoon



MLS® HPI Benchmark Price
Greater Toronto



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Ottawa



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