

# Upper-End

MARKET TRENDS 2011

RE/MAX®



## British Columbia

### Greater Vancouver Area

Price Point — \$2 million plus  
Upper-End Residential Sales — January to April

2010	2011	Percent Change
343	747	118%

Greater Vancouver's luxury market continues to show unprecedented strength, with the number of sales over \$2 million more than doubling in the first four months of 2011. Despite the robust activity, housing values in the top end of the market have climbed a nominal two per cent, rising from \$2,955,168 to \$3,025,947 year-over-year. Days on market have fallen to 48 from 54 one year ago, although some properties are moving within days in coveted neighbourhoods. Purchasers from the Greater Vancouver Area and Mainland China are driving sales in the top-end, with demand strongest for



properties in Vancouver’s Westside (447 sales), followed by West Vancouver (160), and Richmond (41). Detached properties remain the most popular type of housing, comprising the vast majority of luxury sales at 673 units. Condominiums are a very small percentage of the market, with 58 sales occurring over \$2 million.

## Victoria

**Price Point — \$1 million plus**  
**Upper-End Residential Sales — January to April**

2010	2011	Percent Change
91	78	-14%

Although luxury sales are slightly off peak levels reported in Victoria in 2010, more than 78 homes have changed hands so far this year, making 2011 the second best year on record for upper-end activity. While upscale single-family homes remain most coveted, the condominium market has bucked the trend, with year-to-date sales over \$1 million up notably (seven sales, including one close to \$3 million reported, up from two one year ago). Move-up buyers are in large part responsible for the strong demand out of the gate, with the lion’s share of purchasers from the Victoria area. Many are taking advantage of low interest rates and softer housing values at the top end of the market. A good selection of upper-end product is available for sale, and steady home-buying activity at the million-dollar-plus price point is expected to continue through to year-end.

# Alberta

## Edmonton

**Price Point — \$750,000 plus**  
**Upper-End Residential Sales — January to April**

2010	2011	Percent Change
87	70	-20%

Demand for luxury homes in the Edmonton area continues to fall short of last year’s levels, despite a marked improvement in economic performance. Just 70 homes—including condominiums—have changed hands over the \$750,000 price point, down from the 87 sales reported during January to April 2010. The vast majority of sales are occurring in Edmonton’s peripheral areas, with newer, turnkey product most popular with purchasers. Many are professionals and business people taking advantage of the more than ample supply of upper-end product on the market. Still, with 24 sales occurring over the \$1 million threshold, just two units shy of last year’s figure, it’s clear that Edmontonians believe in homeownership as both an investment and a roof over their heads.

## Calgary (Metro)

**Price Point — \$1 million plus**  
**Upper-End Residential Sales — January to April**

2010	2011	Percent Change
96	145	51%

Calgary’s luxury housing market has emerged relatively unscathed from the recent recession, thanks to affluent purchasers who continue to drive demand



for homes priced in excess of \$1 million across the Metro area. The top end of the market has bounced back with a vengeance as a result, particularly in recent months, with sales rivalling peak levels reported in 2007. Benchmark sales so far this year include the most expensive condominium ever sold in the Calgary area at \$4.1 million and two sales over the \$3 million price point. Million-dollar properties are becoming increasingly popular, with high-end pockets no longer limited to the inner city. Luxury areas are now spread throughout Calgary including suburban and outlying neighbourhoods such as Lake Bonavista, Aspen, Cranston, Discovery Ridge, Springbank Hill, Patterson, Rocky Ridge and Signal Hill. Traditional strongholds like Mt. Royal and Elbow Park are experiencing revitalization as older properties are renovated and/or rebuilt. Local businesspeople, entrepreneurs and professionals are behind the push for upscale properties and the trend is expected to continue as economic performance improves in both the province and the city.

# Saskatchewan

## Regina

Price Point — \$500,000 plus  
Upper-End Residential Sales — January to April

2010	2011	Percent Change
42	40	-5%

Purchasers continue to fuel strong demand for luxury homes priced over \$500,000 in Regina in 2011. Year-to-date sales remain virtually on par with year-ago levels as a positive employment picture and solid consumer confidence prompts buyers to trade up to larger properties. In-migration has also been a factor, as this 'have' province now

attracts a greater share of corporate executives and professionals with strong earning potential. Supply remains balanced, with 75 listings available over \$500,000, 10 of which are condominiums. Hot pocket areas continue to be shared among both new(er) subdivisions and older, established areas, including Lakeview, Albert Park, Wascanaview, Harbour Landing, The Creeks, The Greens and Lake Ridge, to name a few. The most expensive home sale to date, at \$932,000, actually took place in the suburb of White City, just outside of Regina. The most prestigious listing is available in Windsor Park, priced at \$1.148 million. Some discerning buyers are choosing to custom build. Lots are selling well and new housing starts are up 43 per cent in the city to date. Given current demand, Regina's luxury market remains on track to meet or exceed last year's record performance by year-end.

# Manitoba

## Winnipeg

Price Point — \$500,000 plus  
Upper-End Residential Sales — January to April

2010	2011	Percent Change
75	93	24%

Activity remains brisk in Winnipeg's upper-end real estate market, with luxury sales on track to set an all-time record this year. Equity gains, low interest rates and improved confidence in the future of Canada's economy have been the primary factors driving the market. While inventory remains fairly balanced, multiple offers are occurring on approximately 10 per cent of high-end sales and top quality product is moving in a matter of days. Newer homes and bungalows remain most sought-after in hot



pockets, including Linden Ridge, Linden Woods, Tuxedo, Royalwood, Waverley West and Pritchard Farm. The latter is home to the city’s most expensive sale to date at \$1.125 million. The highest priced listing on the market is a \$3.9 million home located in Tuxedo. Infill and custom building continues to bolster the city’s luxury housing stock, which will prove beneficial as demand rises in the years to come.

## Ontario

### London – St. Thomas

Price Point — \$500,000 plus  
Upper-End Residential Sales — January to April

2010	2011	Percent Change
118	107	-9%

The luxury home market in London-St. Thomas is performing at near-record levels, despite a slight decline in year-to-date sales. With more than 120 listings priced over \$500,000, inventory is adequate, although some high-demand areas could use additional product. The condominium segment is particularly tight, but that should improve with the introduction of a recent upscale development. With demand solid, properties that are priced correctly are moving at a steady clip. Locals continue to drive the lion’s share of sales, especially in the city’s north end near the hospital and university, where prices typically range from \$500,000 to \$1 million. The area was home to London’s most expensive home sale to date—a riverside property located in Tetherwood—that sold for \$1.3 million. The most expensive listing currently available is a Georgian manor, offering 17,000 sq. ft of living space, priced at \$2.7 million. Solid consumer confidence is expected to contribute to strength and stability in the upper-end through year-end.

### Kitchener – Waterloo

Price Point — \$500,000 plus  
Upper-End Residential Sales — January to April

2010	2011	Percent Change
133	122	-8%

Kitchener-Waterloo’s upper-end posted a solid performance in the first four months of the year, with luxury sales just slightly off year-ago levels. Locals continue to comprise the bulk of purchasers, yet corporate transfers from Britain, India, Europe and East Asia are also bolstering demand for high-end product. Balanced market conditions exist, with a good selection of product across all price ranges. Homes are taking slightly longer to sell than one year ago, but the average price continues to rise, propped up by new construction. Established neighbourhoods are attracting the vast majority of buyers. Popular neighbourhoods include Old Westmount, Deer Ridge, Hidden Valley and Kiwanis Park in Kitchener, Eastbridge, Colonial Acres, Beechwood and Upper Beechwood in Waterloo, and Conestoga, near the new RIM headquarters and the golf course. Demand has shown signs of improving over the last several weeks, particularly at the lower end of the luxury segment. Sales should edge up as a result, finishing the year on par with strong 2010 levels.



## Hamilton – Burlington

Price Point — \$750,000 plus  
Upper-End Residential Sales — January to April

2010	2011	Percent Change
69	78	13%

Luxury home sales in Hamilton-Burlington have been robust in 2011, with sales 13 per cent ahead of last year’s levels. Purchasers have demonstrated a growing appetite for upper end real estate in Burlington, in particular, with 20 per cent more homes changing hands over \$750,000 to date. Inventory is adequate at present, but less selection exists closer to the upper-end starting price point. High-end homes in east Burlington, north and south of the QEW, remain most sought-after, although Ancaster and Flamborough have emerged as favoured hot pockets, accounting for 20 per cent of all sales in the region. In fact, Ancaster’s rising appeal was underscored with the recent sale of a \$3.25 million-dollar home—the highest ever recorded in the Hamilton Area. The priciest property to change hands overall in Hamilton-Burlington, at \$3.8 million, was located on Burlington’s lakeshore. The most expensive home currently listed—at \$5.9 million—is also a lakefront estate in Burlington. Locals are most active, although approximately one in four purchasers is coming from across the GTA. Older, established areas are coveted and buyers are not afraid to build to realize their dream home, driving the infill phenomenon in Hamilton, Burlington and Ancaster. Renovations are also pushing up prices, with applications for building permits very strong throughout Hamilton-Burlington.

## Greater Toronto Area

Price Point — \$1.5 million plus  
Upper-End Residential Sales – January to April

2010	2011	Percent Change
399	435	9%

Despite limited inventory levels and upward pressure on prices, sales of luxury homes in 2011 have surpassed last year’s record performance in the Greater Toronto Area. Four hundred and thirty five properties, including 10 priced in excess of \$5 million, have sold so far this year. The most expensive of which, a \$17.5 million estate situated in the prestigious Teddington Park area, set a new record for the highest priced sale in the city. Toronto’s core continues to draw the lion’s share of purchasers, with the vast majority of sales occurring in older, established neighbourhoods such as Rosedale, Forest Hill, South Hill, Annex, Lytton Park, Lawrence Park, Leaside, Bridle Path and Hogg’s Hollow in the central core, the Kingsway and Princess Anne Manor in the west end, and the Beach to the East. Ledbury Park, Cricket Club, and St. Andrews are also coming on strong in the \$1.5 million plus price point as infill pushes new construction values to new heights. Condominiums are also gaining ground, with 26 high-end units moving on MLS so far this year, up from just 20 one year ago. Serious equity gains in recent years have contributed to increased demand from local purchasers for luxury product across the board, although some foreign investment has been noted. Given strong demand and nominal supply of upscale properties within the Greater Toronto Area, the market is likely to continue to experience strong upward momentum for the remainder of the year.



## Oakville

**Price Point — \$1.5 million plus**  
**Upper-End Residential Sales — January to April**

2010	2011	Percent Change
23	37	61%

Luxury home sales have soared year-to-date, with the number of homes sold between January and April exceeding peak levels reported back in 2008. Professionals, entrepreneurs, and business people from the Greater Toronto Area are behind the push for luxury product. Empty-nesters are also having an impact in the market, with sales of high-end condominiums gaining momentum. The most expensive sale so far this year was a \$2.7 million penthouse unit, while the priciest condo is listed at just under \$5 million. The highest priced single-family home sold this year was \$8 million. One hundred and twenty-seven properties were available for sale on MLS in Oakville in early May—ranging in price from \$1.5 million to \$22 million for a three-acre lakefront estate—with key areas experiencing tight market conditions.

## Mississauga

**Price Point — \$1.5 million plus**  
**Upper-End Residential Sales — January to April**

2010	2011	Percent Change
42	17	-60%

Limited inventory levels have seriously hampered luxury sales in Mississauga, with just 17 homes changing hands so far this year. Multiple offers have become commonplace, especially in the Lorne Park, Port Credit, and Mineola areas, as more and more purchasers enter the top-end, hoping to take

advantage of interest rates while they are still low. Buyers from Toronto, as well as Oakville and Burlington, are most active, drawn to the close proximity to the downtown core. The most expensive property currently listed for sale is priced at just under \$8 million and features more than 18,000 square ft. of living space, including an indoor pool. Tangible assets remain most coveted, given recent volatility in the commodities markets, but with just under 100 homes available for sale over the \$1.5 million price point, the ideal property is increasingly elusive.

## Thornhill – Richmond Hill

**Price Point — \$1.5 million plus**  
**Upper-End Residential Sales — January to April**

2010	2011	Percent Change
25	32	28%

The appetite for luxury product extends north of Toronto, with purchasers in Thornhill and Richmond Hill driving demand for upper-end real estate. Sales have risen 28 per cent year-to-date, despite the fact that demand currently exceeds supply. Inventory remains limited, particularly closer to the upper-end starting price of \$1.5 million. Multiple offers are commonplace, especially in sought-after areas along Bathurst St. where for every sale, two or three buyers walk away empty-handed. Solid equity gains have allowed many to trade up. While some empty-nesters are downsizing in square footage (but not price), others are moving to expand their living space. Immigration is also supporting the luxury market, although most foreign-born, upper-end purchasers are very well-established in Canada. The highest-priced home to sell this year, at \$3.2 million, was located on Richmond Hill's picturesque Lake Wilcox. The most expensive listing currently available is situated in Bayview Glen, priced at \$9.38 million.



## Ottawa

Price Point — \$750,000 plus  
Upper-End Residential Sales — January to April

2010	2011	Percent Change
63	100	59%

Improved economic conditions and solid consumer confidence levels continue to drive luxury home sales throughout Ottawa in 2011. Sales reached 100 units during the first four months of the year, an increase of nearly 60 per cent from one year ago—the highest gain amongst any segment of Ottawa’s real estate market. Strong demand exists in established neighbourhoods, including Glebe, Ottawa South, The Golden Triangle, Alta Vista, Manor Park, Rockwell Heights and Rockcliffe Park, as well as in newer, more suburban areas in the east, west and south ends of the city. Inventory remains balanced, with a good selection at all price points, although less product is available in the older, more sought-after neighbourhoods. Rockcliffe Park is home to the most expensive home sold so far this year, at \$2.9 million, as well as the priciest listing currently available—a custom-built English manor-style home listed at \$6.99 million. Infill remains a factor that continues to change the character of both prime and peripheral neighbourhoods. With the Federal election now complete, political stability is expected to help buoy demand through year-end, with Ottawa on track to set a new record for upper-end sales in 2011.

## *Nova Scotia*

### Halifax – Dartmouth

Price Point — \$500,000 plus  
Upper-End Residential Sales — January to April

2010	2011	Percent Change
60	76	27%

Halifax-Dartmouth’s upper-end continues to demonstrate tremendous resilience, countering the downward trend in the residential housing market overall this year. Improved economic performance, an upswing in consumer confidence levels, and substantial equity gains have all contributed to increasing demand for properties over the \$500,000 price point. Some affluent purchasers are taking advantage of softer values at the top end of the market, particularly in new subdivisions in the city’s peripheral areas where inventory has climbed. Halifax’s older, established neighbourhoods, such as the Peninsula and the South End, continue to hold their value as a limited supply of homes available for sale keeps prices in check. So far this year, five homes have sold over \$1 million, the most expensive of which—a 3,000 sq. ft. modernistic home in the South End with spectacular views of the ocean and harbour—moved for \$1.8 million. The highest priced condominium sale this year, overlooking Halifax harbour, was \$1.09 million.



## RE/MAX® UPPER-END MARKET TRENDS 2011

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