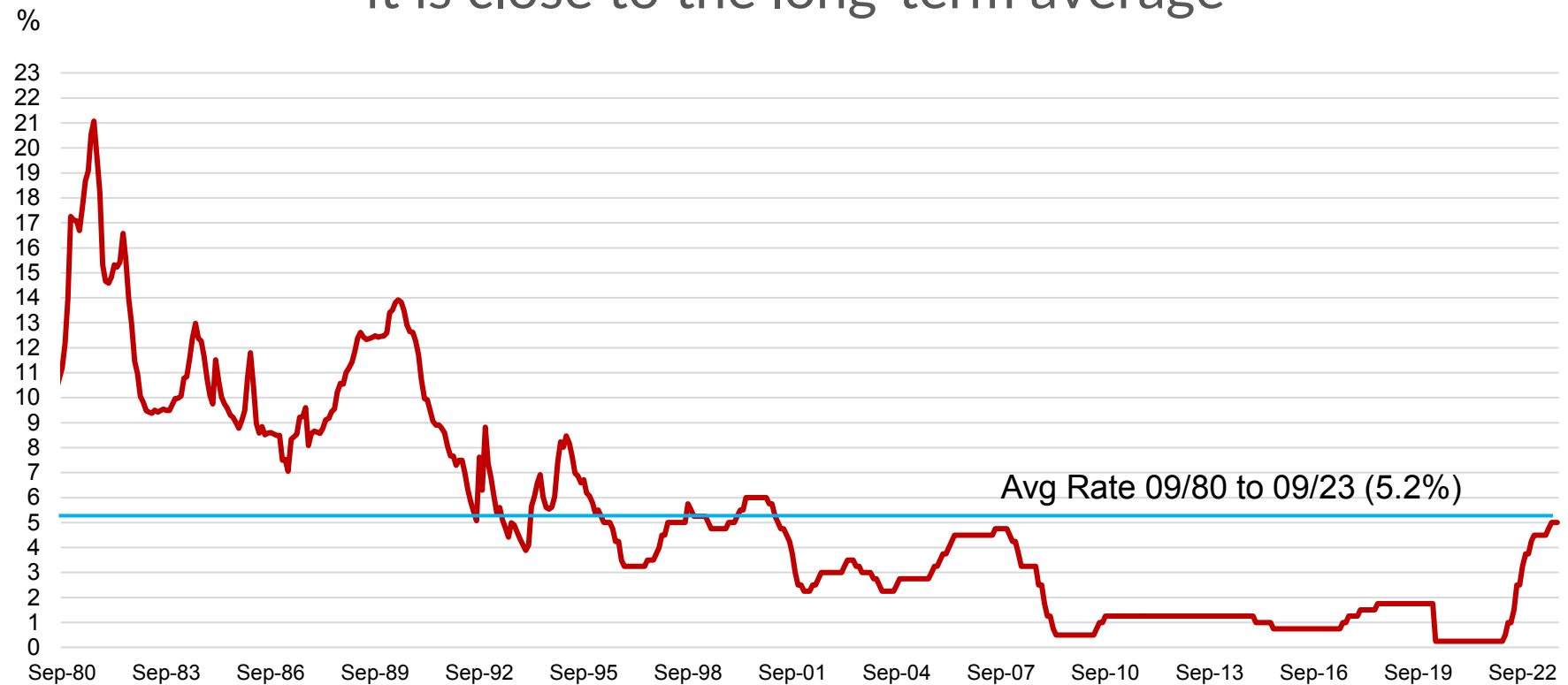




THE REAL ESTATE MARKET

Following Rate Hikes in June and July, the Bank of Canada Held its Benchmark Interest Rate at 5%

While today's rate seems high compared to record Pandemic lows, it is close to the long-term average



Home Sales Activity Normalizing



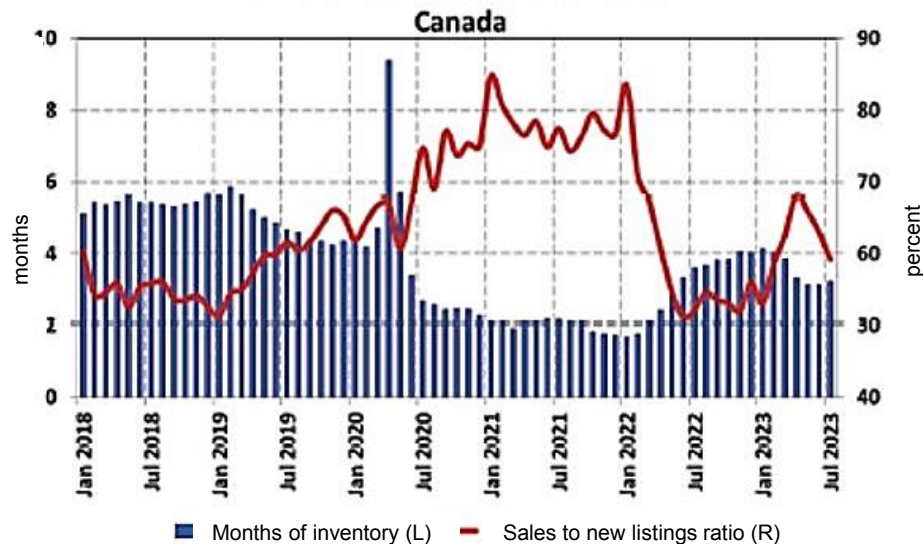
*Canada; Seasonally Adjusted

Source: CREA

Number of Newly Listed Homes Up 5.6% M/M in July

Building on gains in April, May and June, new listings have gone from a 20-year low in March to closer to (but still below) average levels

Residential Market Balance (seasonally adjusted)



Source: CREA

3.2 Months

INVENTORY IN JULY

Almost two months below the long-term average for this measure

CANADA'S POPULATION CONTINUES TO GROW

40,322,184
CANADIANS



In 2022, Canada's population grew by over 1,000,000 for the first time ever! (95.9% from immigration)

It also marked our highest annual growth rate since 1957 – 2.7%

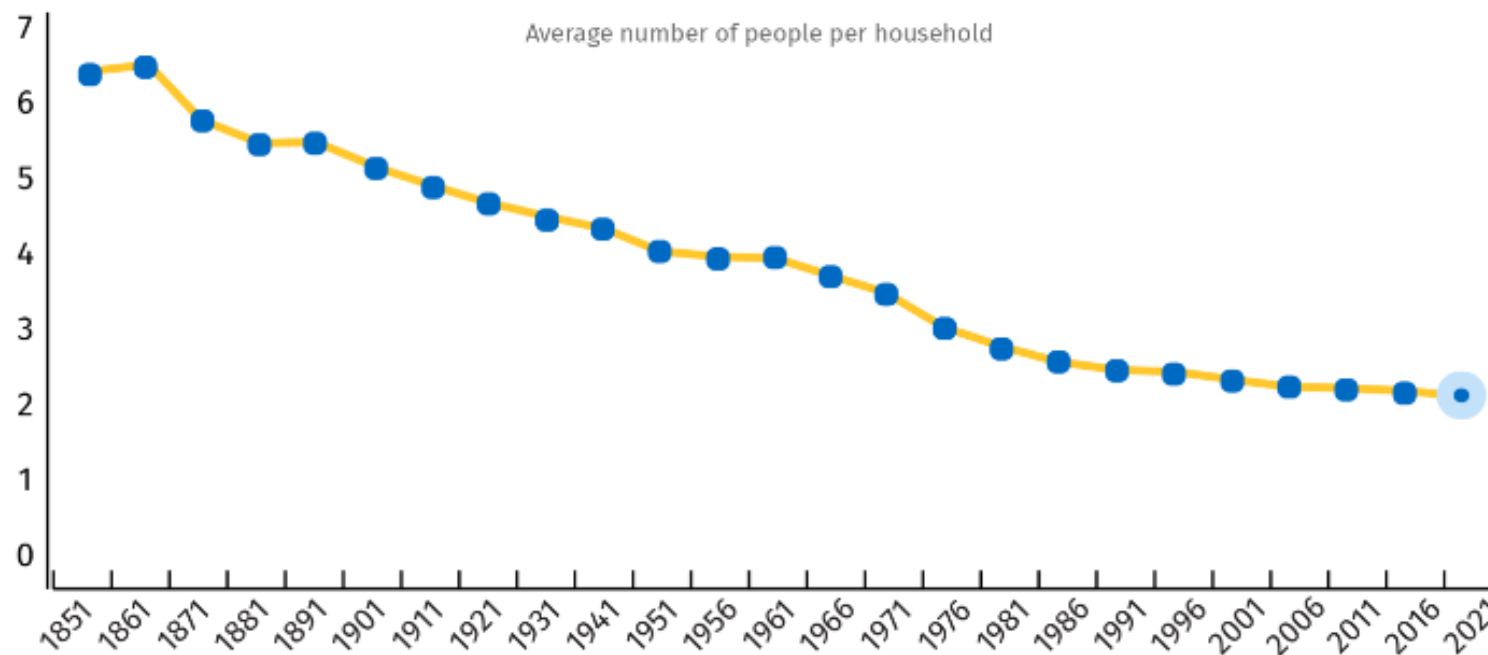


Canada's Housing Supply Crisis

Current Pace of Building Puts Country on
Track to Construct 2.3 Million Homes by
2030, 3.5 Million* Less Than Needed

Household Size is Shrinking a Significant Contributor to Increased Housing Demand

Household size has been shrinking for decades in Canada



Source: Statistics Canada, RBC Economics

July Housing Starts Decreased 10% M/M, but Were 7.4% Above 5-year Average

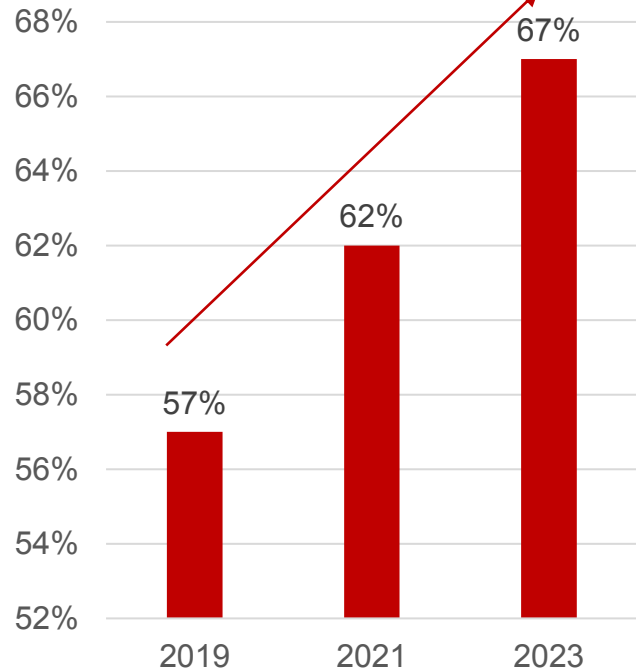


Source: CMHC

First-time Homebuyers Increasingly Worried They Will Miss Out on a Home They Really Want Due to Financial Constraints

Many Look to Family for Financial Assistance with Down Payment

Worry Increasing Given Recent Economic Realities



% Of first-time homebuyers who purchased in the last 2 year who fear they will miss out on the home they want because of an insufficient downpayment

35%

Received Financial Assistance in a Lump Sum Payment from Family

46%

of the Financial Assistance Received was in the Form of a Gift

34%

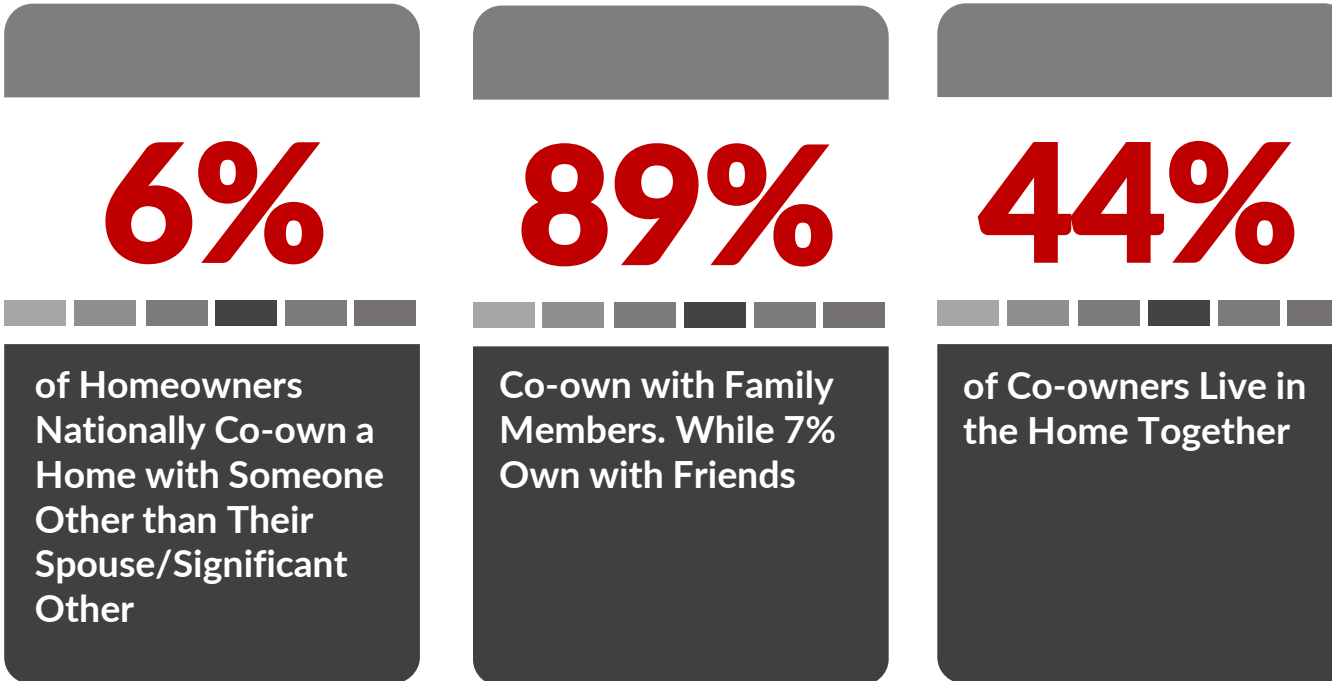
Purchased in a More Affordable Neighbourhood or Region than Originally Planned

Royal LePage and Sagen First-time Homebuyer Survey May 2023

Canadians Buying Homes With Family, Friends to Combat Housing Affordability Woes

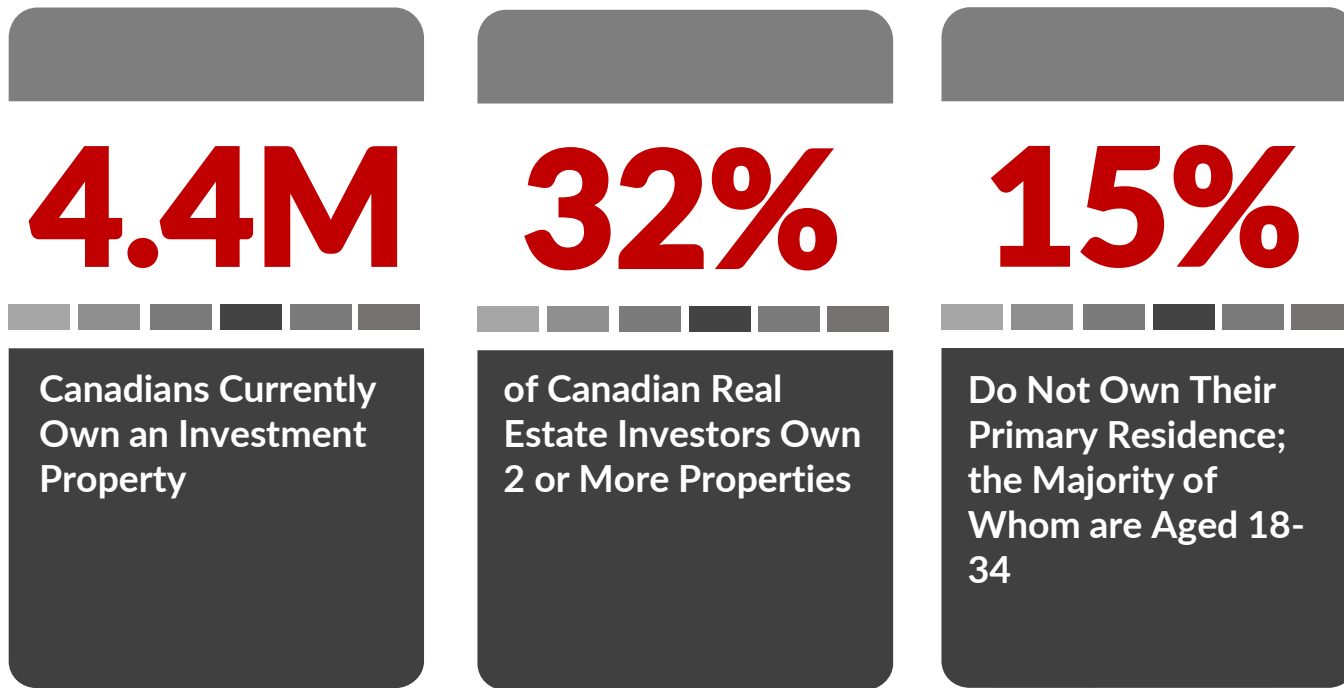
76% of Canadian co-owners cite a lack of housing affordability as a major motivator for choosing to co-purchase a property

32% of co-owners who were motivated by low affordability purchased their home after the Bank of Canada began raising interest rates in March of 2022



More than 1 in 4 Canadians Plan to Purchase an Investment Property in the Next Five Years

31% of investors have considered selling one or more of their investment properties due to higher lending rates



Royal LePage Investor Survey May 2023