



Carriage Trade Luxury Property Report Findings

Luxury Home Market Summary				
Market	Price Category	Units Sold January to September 2006	Units Sold January to September 2005	% Change
Halifax	\$600,000 +	43	17	152.9%
Montreal	\$1,000,000 +	121	92	31.5%
Ottawa	\$750,000 +	75	56	33.9%
Greater Toronto	\$1,000,000 +	1309	1088	20.3%
Winnipeg	\$500,000 +	45	36	25.0%
Calgary	\$1,000,000 +	237	91	160.4%
Edmonton	\$700,000 +	96	42	128.6%
Greater Vancouver	\$1,000,000 +	1935	1231	57.2%
Victoria	\$1,000,000 +	154	121	27.3%

Source: Data obtained from various real estate boards (REBGV, VREB, CREB, EREB, WREB, TREB, OREB, GMREB and NSAR)

Note: The price categories listed above correlate to the price criteria for a Carriage Trade home. Carriage Trade is a Royal LePage distinction for the most exceptional homes on the market. In Toronto, Vancouver, Victoria, Montreal and Calgary, the home's listing price must also be no less than four times the average residential sales price as determined by the local real estate board, or \$1-million. For homes located in all other markets the home's listing price must be three times greater than the average residential price as determined by the local real estate board.

The number of homes sold in **Halifax** priced at \$600,000 and above has more than doubled during the first nine months of 2006, increasing by 152.9 per cent, year-over-year, compared to the same period in 2005. From January to September 2006, 43 units were sold, compared to 17 units sold in 2005.

The balanced conditions that have characterized the entire Halifax market in 2006 have carried over into the luxury market, where homes are staying on the market on average for 90 days or longer. Inventory levels in the luxury market have increased, reducing the sense of urgency on the part of buyers and allowing them to be more selective when purchasing a home. Some properties have had to undergo price reductions in order to make them more attractive to purchasers.

The south end is considered the leading luxury neighbourhood in Halifax, for its close proximity to all of the city's amenities. Homes in the south end are typically older with a traditional façade and renovated interiors. Other popular areas include St. Margaret's Bay, which is coveted by purchasers seeking oceanfront homes.

Luxury-minded buyers in Halifax are typically seeking homes appointed with granite countertops, a large main-floor family room and a minimum of four bedrooms. In newer homes, built in home-theatres and large garages are popular features.

Sales of luxury homes priced at \$1-million and above in **Montreal** have increased by 31.5 per cent to 121 units sold during the first nine months of 2006, compared to 92 units sold during the same period in 2005.

Despite Montreal's market on the whole moving towards more balanced conditions in 2006, demand remains strong for luxury properties, while inventory is in relatively short supply. However, buyers are still sensitive to prices and are not willing to pay over value for luxury homes. Listing periods are slightly longer for luxury homes, generally selling in three to six months.

Established areas such as Westmount and Outremont remain the most popular areas, while older character homes that have been completely renovated with modern amenities are the most sought-after. Popular features in these homes are large two-car garages, marble and granite fixtures, and sound systems wired throughout the different rooms of the house.

Activity in the luxury homes market in **Ottawa** has been strong, with the number of units sold at or above \$750,000 increasing by 33.9 per cent, to 75 units sold in 2006, compared to 56 units sold over the same period last year.

A significant number of luxury buyers in Ottawa are international buyers or come from out of province. Luxury buyers in Ottawa have become increasingly discerning, seeking homes that are not in need of renovations or upgrades. Buyers favour an open concept kitchen and family room, fitness rooms, spa-style ensuite bathrooms, and large walk-in closets.

Rockcliffe Park is considered one of the leading neighbourhoods for luxury homes in Ottawa, and is home to many ambassadorial residences. Rothwell Heights is also popular, as well as Crystal Bay, which is popular among purchasers seeking waterfront homes. Luxury buyers in Ottawa are looking for newer construction with great curb appeal.

In **Toronto**, the number of luxury home sales at the price of \$1-million and above has increased by 20.3 per cent year-over-year, in the first nine months of 2006. During January to September 2006, 1,309 units were sold, compared to 1,088 units sold in the same period in 2005.

Rosedale and Forest Hill remain the most sought-after areas to purchase a luxury home within the city's downtown core, while areas such as Lawrence Park, Hoggs Hollow and Post Road offer luxury living slightly north of the city – providing homeowners with more land, usually used to accommodate outdoor amenities such as pools, elegant gardens, tennis courts or additional garage space.

Luxury homes in Toronto are redefining how people live. It is increasingly common for these properties to feature professional calibre kitchens equipped with high-end appliances, custom-built cabinets and flat screen televisions, providing a wonderfully indulgent spin on the ubiquitous kitchen party. Buyers also favour bathrooms designed as mini-spas with steam showers with benches.

In Toronto, listing periods for luxury homes can last from three weeks to up to one year. Buyers who are investing in homes of this calibre have very discerning tastes and will wait until their ideal house becomes available.

Due to high consumer confidence in the market, a large number of executive transfers to leading blue-chip companies, and baby boomers looking to trade up, **Winnipeg's** luxury housing market has experienced a boom in the last year. Sales of homes priced at \$500,000 + have risen significantly in Winnipeg in the first nine months of the year. During the January to September time period, the number of unit sales of homes in this price category increased by 25.0 per cent, year-over-year.

Tuxedo and East St. Paul are among the city's leading areas that attract luxury home-buyers. Tuxedo is located within the city's perimeter and boasts homes with character that are approximately fifteen years old. East St. Paul is an emerging area just outside of Winnipeg and includes one of the city's most wealthy communities – Pritchard Farm Estates. Luxury homes in this area are situated on large lots and are close to the lake.

Among the favoured amenities in Winnipeg's luxury homes are exotic wood flooring throughout, custom-built kitchens, media rooms and very high-end fitness rooms.

In **Calgary**, sales of luxury homes priced at \$1-million and above have risen dramatically. Unit sales in the period of January to September 2006 have more than doubled when compared to the same period in 2005, from 91 to 237 units sold, an increase of 160.4 per cent.

Calgary's luxury home market has experienced phenomenal growth over the past few years – a direct result of the burgeoning oil and gas sectors. Many of the luxury homebuyers in the city are oil and gas executives or entrepreneurs with junior oil companies, a significant number of whom have relocated from other provinces or the U.S.

The city's areas that boast the majority of Carriage Trade luxury homes are Mount Royal, Elbow Park, Roxborough, Rideau Park and Brittany. Properties located in these tony neighbourhoods are typically older homes on mature lots, featuring top-of-the-line upgrades and sumptuous amenities. Buyers in the luxury market favour custom-built kitchens, granite countertops and exotic wood flooring. Among must-have rooms in the house is the media and entertainment room – a recreational-style room featuring a movie screen, theatre-style seating and often designed without windows to optimize viewing experiences.

In **Edmonton**, sales of homes priced at \$700,000 and above skyrocketed by 128.6 per cent, year-over-year, in the first nine months of 2006 to 96 units sold, compared to 42 units sold during the same period in 2005.

Demand for luxury homes has fiercely increased in Edmonton as corporate relocations to the city have expanded the pool of buyers searching for such homes. Demand has also been sustained by rising income levels fuelled by strong economic growth across the province. Average house prices in Edmonton have experienced unprecedented growth over the last year, resulting in luxury home prices reaching new heights.

The luxury housing market is characterized by more balanced conditions, compared to the tight inventory levels which have been the norm across Edmonton during 2006. Listing periods for luxury homes are also slightly longer than homes priced close to the average selling price. South West and West Edmonton are the most sought-after areas of the city among purchasers looking for luxury properties.

Buyers searching for luxury properties in Edmonton tend to favour newer homes with high ceilings and open-concept floor plans. Kitchens are often a focal point of the house, which are outfitted with commercial style appliances and custom cabinets. Other popular amenities are media rooms and Mediterranean style decks with an immense attention to detail throughout the home.

In **Vancouver**, the number of luxury home sales at the price of \$1-million and above has increased by 57.2 per cent year-over-year, from 1,231 sales from January to September 2005 to 1,935 units sold during the same period in 2006. Vancouver boasts being the city with the greatest number of homes sold over \$1-million + of any major urban centre in Canada.

Buyers seeking luxury properties in Vancouver favour newer construction that is ready to live in without renovations. Modern kitchens and spa-style bathrooms are popular features, as well as media rooms and ensuite bathrooms with every bedroom.

West Vancouver is a favoured area for purchasers seeking waterfront properties. The West Side is another popular area, particularly Shaughnessy, Mackenzie Heights, and Point Grey. Coal Harbor is also a popular area for purchasers seeking premier waterfront properties with spectacular views in close vicinity to Stanley Park. The pool of luxury buyers in Vancouver is comprised of both local and international buyers. Purchasers seeking luxury condominiums often have a luxurious primary residence located outside the city.

In **Victoria**, sales of homes priced at \$1-million and above rose by 27.3 per cent, year-over-year, in the first nine months of 2006 to 154 units sold, compared to 121 units sold during the same period in 2005.

The number of luxury home sales priced at \$1-million and above in British Columbia's **Central Okanagan** region has also experienced significant growth during the first nine months of 2006. A must-have for buyers in the area is for the home to be situated on the water, or have a view of the water. Buyers also favour a chef's kitchen, exotic hardwood flooring and a grand master bedroom retreat.

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