

Genworth Canada Regional Market Report

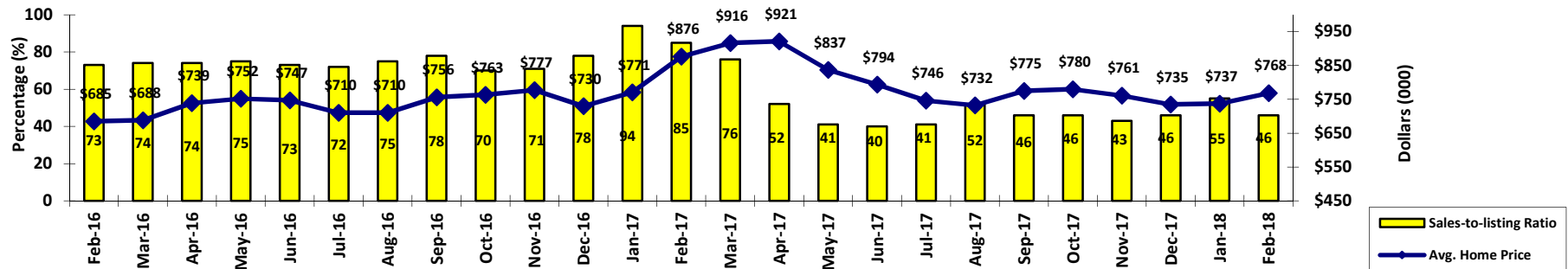
Province: Ontario

- Sales-to-listing ratio: 54%
- # of residential sales: 14,682 (-29% YoY)
- Average Home Price: \$569,290 (-10 %)
- Unemployment: 5.5%

Toronto

Note: Sales-to-listing ratio: a “Balanced” market is a ratio of between 40% & 60%, a “Seller’s market” >60% and a “Buyer’s market” <40%

Toronto Sales-to-listing ratio & Average home price Trend



- Sales to listing ratio: 46%
- # of residential sales: 5,175
- Average home price: \$767,818
- Unemployment: 5.8%
- Regional summary:

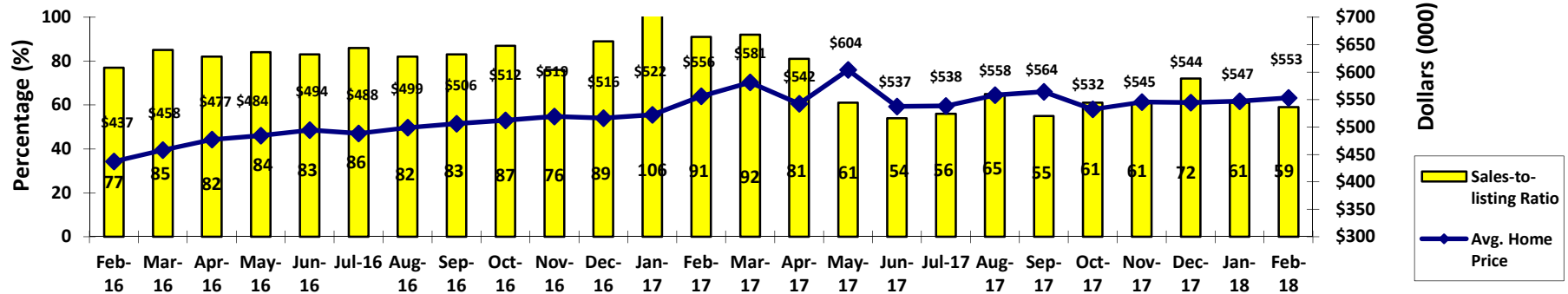
TREB reported 5,175 sales in February 2018. This result was down 35% compared to the record 7,955 sales reported in February 2017. The number of new listings totaled 10,520, a 7% increase compared to February 2017. However, the level of new listings remained below the average for the month of February for the previous 10 years. The overall average selling price for February sales was down 12% year-over-year to \$767,818. However, putting aside the price spike reported in the first quarter of 2017, it is important to note that February's average price remained 12% higher than the average reported for February 2016, which represents an annualized increase well above the rate of inflation for the past two years. The MLS® Home Price Index Composite Benchmark was up by 3.2 per cent on a year-over-year basis for the TREB market area as a whole. This growth was driven by the apartment and townhouse market segments, with annual benchmark price increases of 18.8 per cent and 7.5 per cent respectively. Single-family detached and attached benchmark prices were down slightly compared to February 2017.

"As we move further into the spring and summer months, growth in sales and selling prices is expected to pick up relative to last year. Expect stronger price growth to continue in the comparatively more affordable townhouse and condominium apartment segments. This being said, listings supply will likely remain below average in many neighbourhoods in the GTA, which, over the long-term, could further hamper affordability," said Jason Mercer, TREB's Director of Market Analysis.

Genworth Canada Regional Market Report

Hamilton

Hamilton Sales-to-listing ratio & Average home price Trend



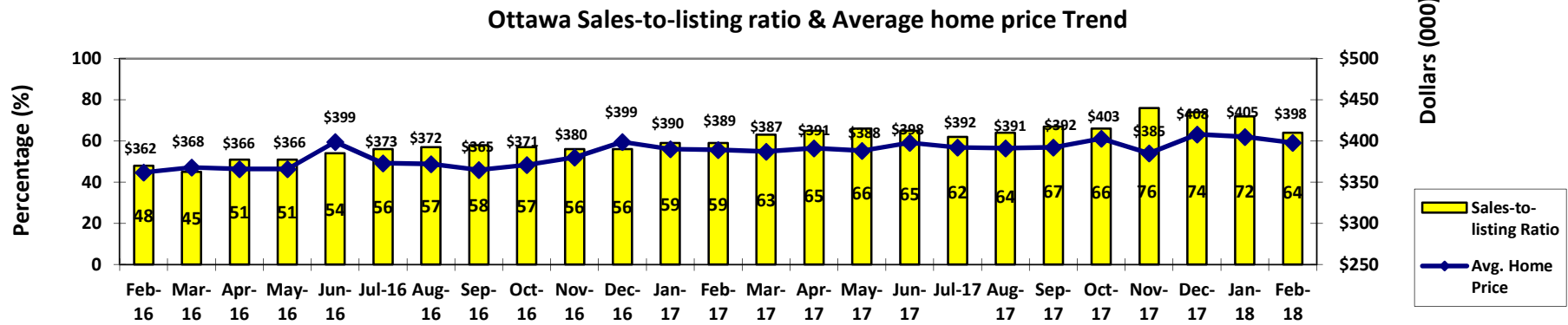
- Sales-to-listing ratio: 59%
- # of residential sales: 779
- Average home price: \$552,751
- Unemployment: 5.3%
- Regional summary:

Slowdown in February 2018 Market - **Hamilton-Burlington (RAHB)** reported 779 sales in February, 40% less than February 2017 and 25% lower than the 10-year average for the month. All property listings were 15% lower than last year and 21% lower than the 10-year. The average price of freehold properties was 4% lower than in February 2017; the average sale price of condos increased by 3% over Feb 2017. The average number of days on market increased to 37 days from 22 days in the freehold market and increased to 34 days from 21 days in the condominium market, compared to the same month last year.

“February’s real estate market experienced a significant slowdown, and that’s compared not just to last year, but to the last 10 to 15 years as well,” said RAHB CEO George O’Neill. “In fact, the number of new listings was the lowest in the last 15 years and the number of sales was the second-lowest in that same 15 year period. Prices in both the freehold and condominium markets have moderated from the year-over-year increases we saw through the last couple of years,” added O’Neill. “Condo prices showed gains, but the freehold market saw a dip in average sale price. While the days on market has increased substantially from last February, you have to remember that last February was a remarkably active month with record sales for the month. In fact, February 2017 sales were 27.7 per cent higher than the 10-year average.” noted O’Neill. “This February, the average time it took to sell a listed property actually followed the normal pattern for the month – that is, it was lower than it was in January. With the sales-to-new-listings ratio still in the low end of seller’s market, I expect that, like most years, we are seeing the sprouting of the spring market that we usually see in February.”

Genworth Canada Regional Market Report

Ottawa



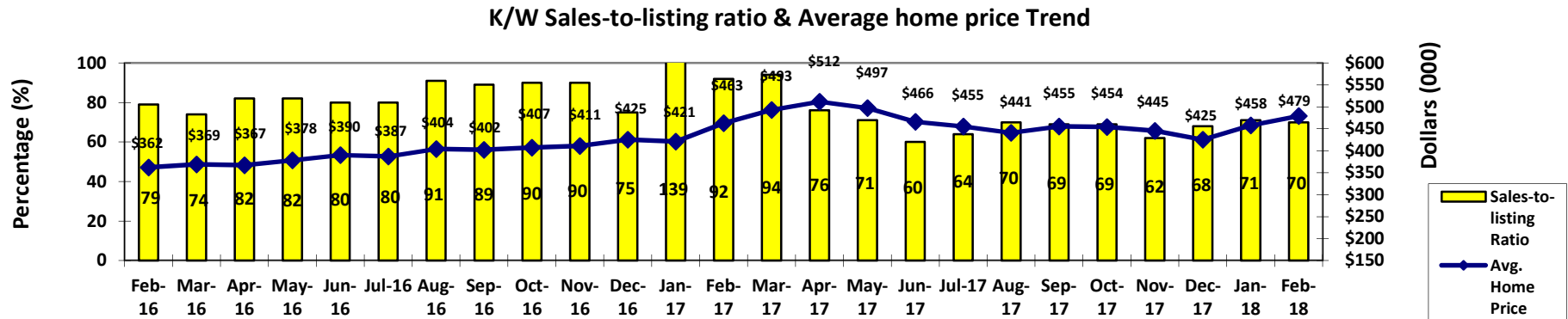
- Sales-to-listing ratio: 64%
- # of residential sales: 979
- Average home price: 398,290
- Unemployment: 5.3%

Wanted: Ottawa Homes for Sale - Ottawa Real Estate Board sold 979 properties in February, compared with 1,002 in February 2017, a decrease of 2.3 per cent. The five-year average for February sales is 922. February's sales included 250 in the condominium property class and 729 in the residential property class. The average price of a freehold property in February was \$429,600, up 3% above February '17. The average price for a condo was \$273,174, up 6% from February 2017.

"There is no doubt our sales numbers would have been much higher if we had more properties available for sale. Buyer demand is there, but our inventory in both residential-class and condos continues to decline. This is creating a supply side issue in the Ottawa real estate market," concludes Ottawa Real Estate Board President, Ralph Shaw. "If this trend continues, the market will move to favour sellers, and buyers will find themselves competing for a limited number of listings. Compounding the supply issue is the fact that after a record year last year, new construction is hindered getting to market because builders just cannot find enough land as a result of the urban boundary and land prices going up," Shaw points out. "Given this environment, it's a good opportunity for Sellers to get their property on the market," he advises. "The most active price point in the residential market continues to be the \$300,000 to \$449,999 range, accounting for 47 per cent of the market. While the most active price point in the condo market, between \$150,000 and \$249,999, accounts for 56 per cent of the market," Shaw notes. The reality is that condo sales are driving the number of properties sold at the moment. Due to demand, the condo market is experiencing some price recovery. Units in the lower price points of the condo market are likely moving rapidly because of the limited supply in the rental market which is yet another factor at play. The lack of availability is essentially forcing renters into condo ownership," he explains. "Ottawa is beginning to experience similar indicators that have ultimately led to challenging real estate markets in our larger metropolitan cities. It starts with supply shortages which eventually lead to affordability issues. The city in particular needs to have an intelligent vision about how to support and stimulate all aspects of the market from new construction through to the rental market availability," Shaw elaborates.

Genworth Canada Regional Market Report

Kitchener Waterloo



- Sales-to-listing ratio: 70%
- # of residential sales: 377
- Average home price: \$478,801
- Unemployment: 5.3%
- Regional summary:

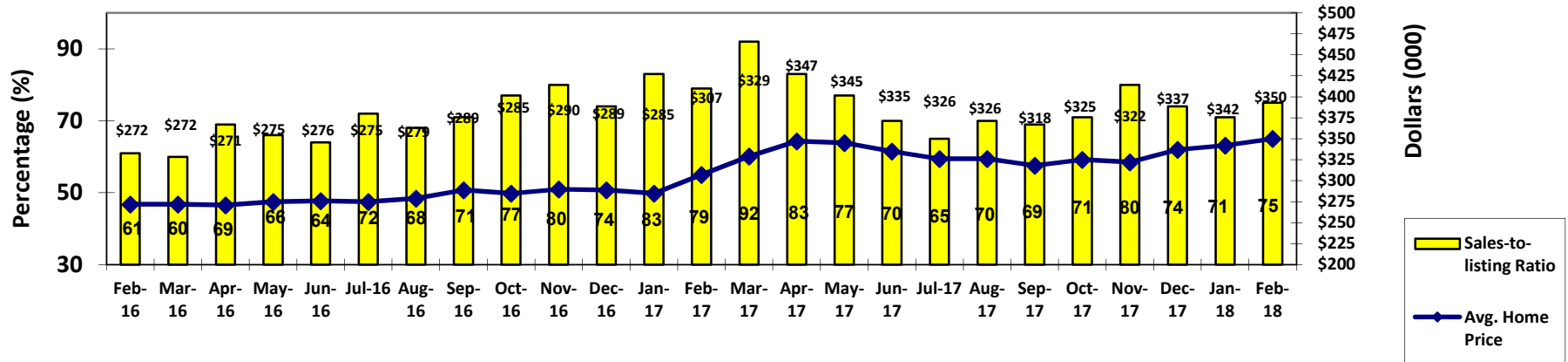
KW sold 377 properties in February, a decrease of 20% below February 2017. Sales in February included 212 detached (down 29%), and 118 condo (up 11%), 25 semi-detached (down 22%) and 17 freehold towns (down 45%). The average sale price of all residential properties sold in February increased 3% to \$478,801 compared to February 2017. Detached sold for an ave. of \$577,609 up 5% over February 2017. The ave. price for an apartment style condo was \$265,144 up 7%. Townhomes and semis sold for an ave. of \$386,515 (up 14%) and \$391,628 (up 6%) respectively. 551 new listings in K-W in Feb. up 0.5% over Last year. Active listings in February totaled 667, which up 62% from 2017, but still significantly below the 10-year ave. of 1445. Months of inventory continues to track at a low 2 months. The average days it took to sell a home in February was 22 days, compared to 18 days in February 2017.

“When we consider market activity we have to acknowledge that sales from the previous year or two were an anomaly”, says Tony Schmidt, KWAR President. “If you compare last February against the ten year average of sales, it was a pretty typical February. The market has certainly cooled from this time last year, which is to be expected with the government’s efforts to make home ownership more difficult for home buyers,” says Schmidt. “Sellers need to adjust their expectation in this evolving market and in order to sell quickly they must be priced and marketed appropriately.” Schmidt advises buyers to do their homework and come to the table knowing exactly what they can afford. “While listing inventory is increasing, this is a slow process and we expect home inventory to remain low for at least the remainder of the year.”

Genworth Canada Regional Market Report

London

London Sales-to-listing ratio & Average home price Trend



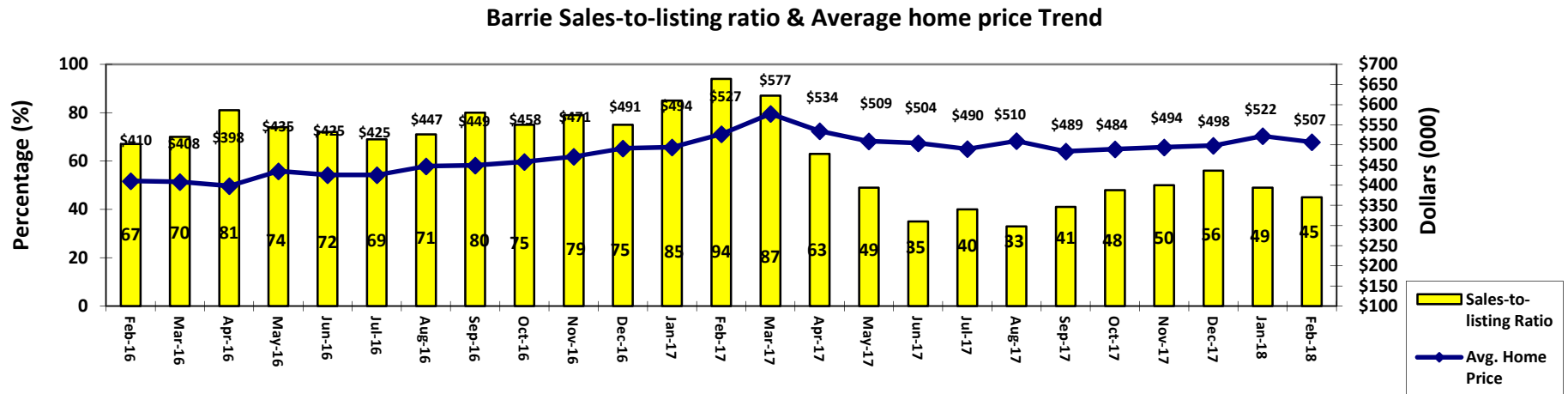
- Sales-to-listing ratio: 75%
- # of residential sales: 536
- Average home price: \$349,848
- Unemployment: 6.7%
- Regional summary:

February Home Sales Remain Steady, as Inventory Continues to fall - London saw 536 homes sold in February, down 33% below February 2017, which holds the record for best February results since LSTAR began tracking sales data in 1978. With inventory low, average home sales price in London and St. Thomas continues to rise. The average February sales price in the region was \$349,848, up 11% over February 2017. By geographic area, London South was \$375,329, up 15% from last February. In London North, average home sales price was \$424,959, up 14% compared to the previous year, while in London East, it was \$286,770, an increase of 10% from February 2017. In St. Thomas, it was \$307,383, up 27.4% over last February. St. Thomas saw a total of 52 homes sold in February, down 25.7% from the same period last year. When looking at inventory, there were 71 active listings, down 32.4% from last February.

"Inventory, or Active Listings, continues to experience a dramatic decrease compared to 2017, which is having a huge impact on sales," said Jeff Nethercott, 2018 LSTAR President. "There were 1,103 active listings, down 26% from this time last year. This is the lowest level of inventory we've had in the region over the last 10 years. One of the other factors we look at is the sales-to-new listings ratio," Nethercott said. "According to the Canadian Real Estate Association (CREA), a ratio between 40% and 60% is generally consistent with a balanced housing market. In February, London and St. Thomas had a sales-to-new listings ratio of 75%, which CREA says represents conditions in the marketplace that favour sellers. It illustrates the high demand and low supply trend currently happening in the region."

Genworth Canada Regional Market Report

Barrie



- Sales-to-listing ratio: 45%
- # of residential sales: 263
- Average home price: \$506,883
- Unemployment: 6.9%
- Regional summary:

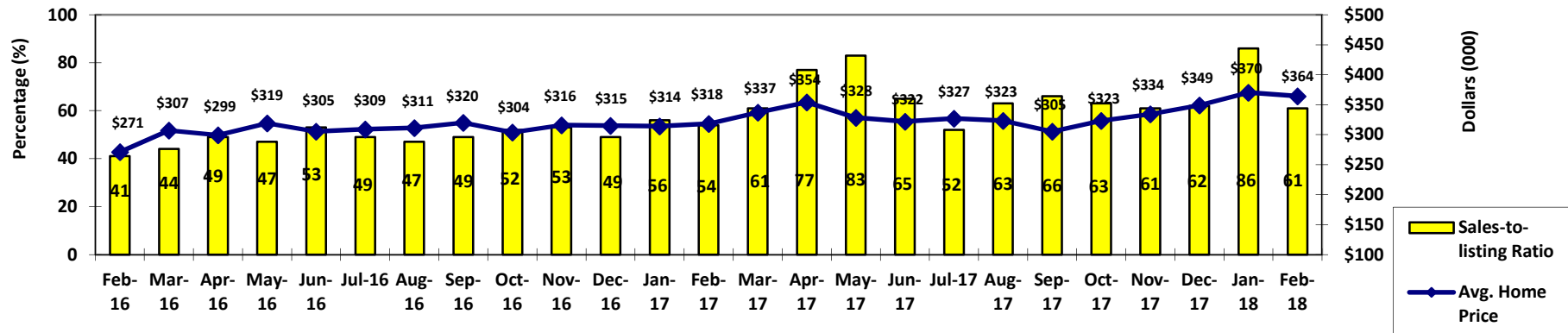
Barrie and District home sales post quiet February - Sales in the Barrie numbered 263 units in February 2018, down 43.2% from the record-smashing month of February in 2017. On a year-to-date basis home sales totaled 482 units over the first two months of the year. This was a decrease of 33.2% from the same period in 2017. The average price for all homes sold in February 2018 was \$506,883, down 5% from February 2017. The year-to-date average price edged down 0.1% from January and February 2017 to reach \$511,838. New residential listings rose 11% from February 2017 to 595 units in February 2018. Active residential listings numbered 938 units at the end of February 2018, rising 125% from extreme lows last February, and roughly in line with the average of the last decade. There were 3.6 months of inventory at the end of February 2018, up from just 0.9 months a year earlier but still below the long-run average for this time of year.

“Sales activity remained at subdued levels in February, adding to evidence that some buyers moved up purchases in advance of the new mortgage stress test,” said Geoff Halford, 2018 BDAR President. “It could take a few more months for the sales levels to return to traditional levels. In the meantime, year-over-year comparisons will likely continue to be rather unflattering given how extreme the market was last year, particularly last March.”

Genworth Canada Regional Market Report

Kingston

Kingston Sales-to-listing ratio & Average home price Trend



- Sales-to-listing ratio: 61%
- # of residential sales: 186
- Average home price: \$364,061
- Unemployment: 5.4%
- Regional summary:

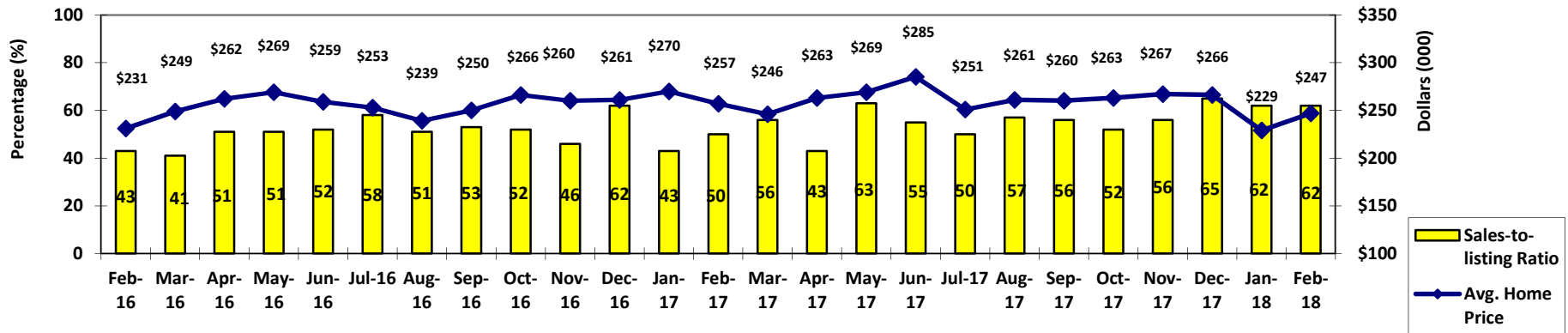
Kingston and Area home sales still below average in February, new listings mount partial rebound after plunging in January – February sales in Kingston numbered 186 units in February, down 21.2% from a strong February in 2017. On a year-to-date basis home sales totaled 344 units over the first two months of the year. This was a decrease of 14% from the same period in 2017. The average price in February 2018 was \$364,061, rising 13% from February 2017. The year-to-date average price rose 15.4% from January and February 2017 to reach \$367,359. There were 385 new residential listings in February 2018, down 22% from February 2017. This was the lowest level of new supply in the month of February since 2003. Active residential listings numbered 793 units at the end of February, dropping 38.9% from February 2017. This was the lowest number of listings on the market on record for this time of the year. There were just 4.3 months of inventory at the end of February 2018, down from 5.5 months at the end of February 2017 and the lowest level in over a decade for this time of year.

“Home sales remained at subdued levels in February, which is not unexpected since we are still in the wake of the introduction of stricter OSFI mortgage qualification rules,” said Barb Guiden, President of the Kingston and Area Real Estate Association. “New supply mounted a partial rebound in February after plunging in January. That said, the number of new listings in February was still the lowest for that month in 15 years so the market is still tight. Given how low inventories are, some sellers may be holding off strategically hoping for more competition among buyers later this year.”

Genworth Canada Regional Market Report

Sudbury

Sudbury Sales-to-listing ratio & Average home price Trend



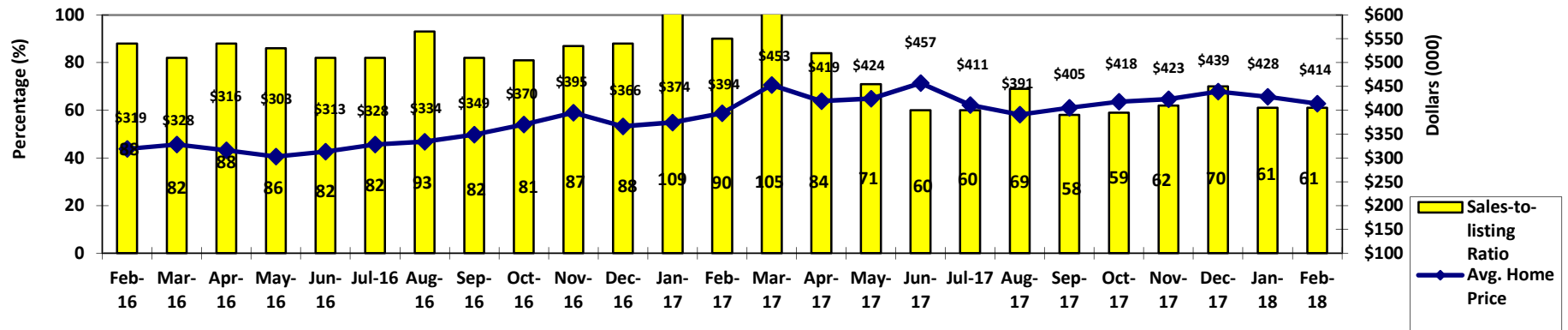
- Sales-to-listing ratio: 62%
- # of residential sales: 128
- Average home price: \$246,596
- Unemployment: 6.7%
- Regional summary:

Sudbury home sales up year-over-year in February – Sudbury February sales numbered 128 units in February 2018. This was up 6% from February 2017. February 2018 sales stood close to, but slightly below, both the five and 10-year averages for the month. On a year-to-date basis home sales totaled 260 units over the first two months of the year. This was an increase of 14.5% from the same period in 2017. The average price in February 2018 was \$246,596, down 2% from February 2017. The year-to-date average price fell 9% from January and February 2017 to reach \$232,890. There were 233 new residential listings in February 2018, falling 12% from February 2017. This was the lowest level of new listings on record for the month of February. Active residential listings numbered 882 units in February, down 21.3% from February 2017. This was a decade-low for this time of the year. There were 7 months of inventory at the end of February 2018. This was down from the 9 months recorded a year earlier and stood below the long-run average for this time of year.

Genworth Canada Regional Market Report

St Catharines

St. Catharines Sales-to-listing ratio & Average home price Trend



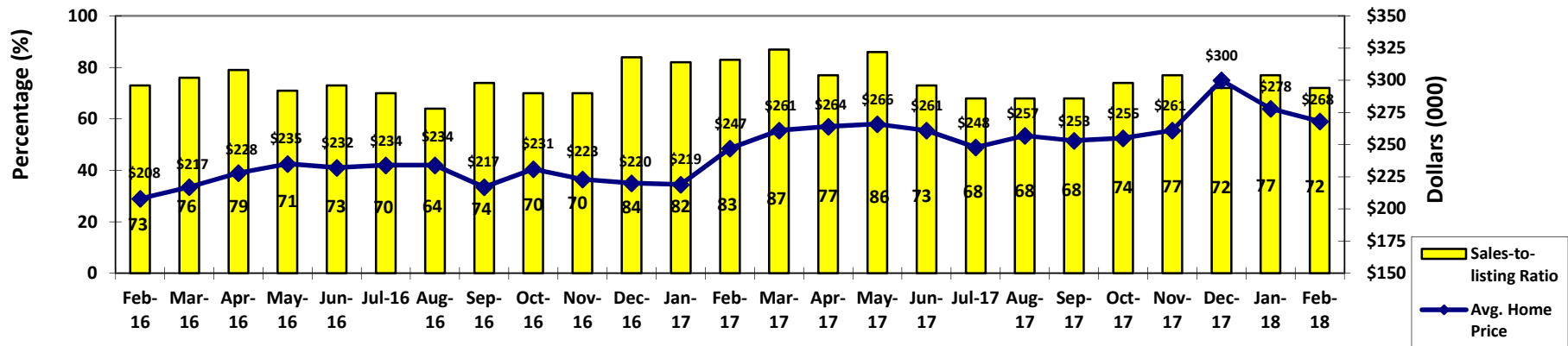
- Sales-to-listing ratio:61%
- # of residential sales:389
- Average home price: \$414,463
- Unemployment: 5.2%
- Regional summary:

While St Catharines Real-Estate Board has not reported last month's results in time for this report we have been able to access the CREA data above.

Genworth Canada Regional Market Report

Windsor

Windsor Sales-to-listing ratio & Average home price Trend



- Sales-to-listing ratio: 72%
- # of residential sales: 286
- Average home price: \$267,848
- Unemployment: 4.9%
- Regional summary:

Sales for the month of February 2018 decreased by 26% from the same month last year from 465 to 344 properties, while average prices were up 8% over the same month last year to \$267,848.00.

Genworth Canada Regional Market Report

"Word on the Street"

Canadians rush to restructure debts - and stave off bankruptcy - but cost can be ghastly; 'Proposals' can be a cure for consumers with credit fever, but be wary of the medicine

<https://www.theglobeandmail.com/report-on-business/top-business-stories/canadians-rush-to-restructure-debts---and-stave-off-bankruptcy---but-cost-can-be-ghastly/article38142878/>

Ontario's Top 10 Cities for Real Estate Investment Report Released

<https://www.newswire.ca/news-releases/ontarios-top-10-cities-for-real-estate-investment-report-released-675839223.html>

RBC Home Value Estimator

<https://online.royalbank.com/cgi-bin/tools/home-value-estimator-fp/start-down-mf.cgi#/>

Inventory slump has real estate markets in a slumber across Ontario; A sense of thwarted expectations stretches beyond the Toronto area to Prince Edward County and Ottawa

<https://www.theglobeandmail.com/real-estate/toronto/inventory-slump-has-real-estate-markets-in-a-slumber-acrossontario/article38231631/>

How rampant development and poor planning left residents of this Etobicoke neighbourhood stuck in traffic

<https://www.thestar.com/news/gta/2018/03/11/how-rampant-development-and-poor-planning-left-residents-of-this-etobicoke-neighbourhood-stuck-in-traffic.html>

Longer mortgages would expand consumer choice: C.D. Howe Institute

<https://cdhowe.org/media-release/longer-mortgages-would-expand-consumer-choice>

In mortgages, what's old is new again

<https://www.theglobeandmail.com/globe-investor/personal-finance/household-finances/in-mortgages-whats-old-is-new-again-the-one-weeks-salary-rule/article38287522/?cmpid=rss1>