

# House Price Forecasts

The RPS - Moody's Analytics House Price Forecasts simulate the path of Canadian house prices to help measure, manage and mitigate residential real estate risk.

## What Are the Forecasts

The Forecasts are recognized as the most comprehensive and authoritative house price forecast solution available in Canada. They enable clients to benefit from forward-looking insight into the performance of residential house prices for a variety of predictive applications.

## Ideal Clients for this Solution

- Schedule 1 Banks and Financial Institutions
- Credit Unions, Alt and Mid Sized Lenders
- MICs, Small Regional Lenders, Brokerages
- Government, Economists, Associations

## Key Features

- ✓ Includes a baseline forecast and nine alternative scenarios
- ✓ Covers 3,500 discreet local markets and property types
- ✓ Updated monthly, reflecting the latest expectations and data, and is for a 30-year horizon

RPS and Moody's Analytics have partnered together to deliver the Forecasts leveraging the RPS House Price Index (HPI) and the extensive global economic modelling expertise, financial intelligence and datasets of Moody's Analytics

## Common Use Cases

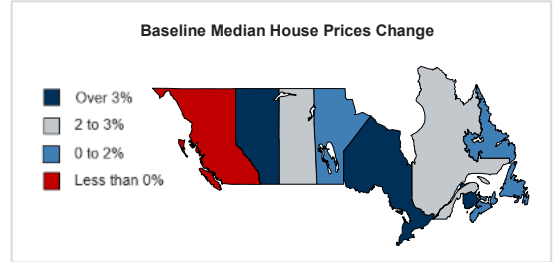
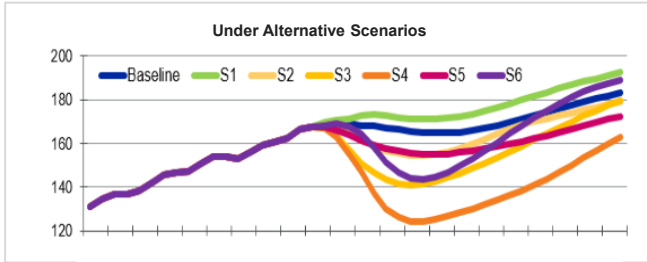
- Stress-test mortgage portfolios against a range of shocks to assess the impact of real estate downturns
- Validate internal models as well as calculate IFRS and capital allocations to better determine management actions and distributions
- Use as an input for reporting to regulators, executives, board of directors and investors
- Identify opportunities to target growth areas, improve customer retention as well as conduct more localized and precise analyses

## Methodology

The Forecasts are based on a fully specified model that accounts for supply and demand dynamics and long-term influence. The Forecast Methodology is available upon request.

**Contact your RPS Account  
Executive to learn more**

## Sample Charts Using the House Price Forecasts



## Dataset Details for the Forecasts

FEATURES	DATASET DETAILS
<b>SCENARIOS</b>	BL – Baseline (most likely scenario) CF – Consensus Forecast S0 – Upside – 4th Percentile S1 – Upside – 10th Percentile S2 – Downside – 75th Percentile S3 – Downside – 90th Percentile S4 – Downside – 96th Percentile S5 – Slower-Trend Growth Scenario S6 – Stagflation S8 – Low Oil Price
<b>GEOGRAPHIES*</b>	<ul style="list-style-type: none"> <li>National Composite</li> <li>Metro 13 Composite</li> <li>10 Provinces</li> <li>33 Metros (CMAs)</li> <li>100+ Census Agglomerations (CAs)</li> <li>1,000 Cities / Towns (CSDs)</li> <li>1,500 Neighbourhood (FSAs)</li> </ul>
<b>PROPERTY STYLES</b>	<ul style="list-style-type: none"> <li>Aggregate</li> <li>Condo Apartments</li> <li>Single Family Detached</li> </ul>
<b>HORIZON</b>	• 30 year
<b>FREQUENCY</b>	• Updated monthly
<b>DELIVERY METHOD</b>	• Download as a CSV via secure SFTP or Data Buffet service

## The RPS – Moody’s Analytics Partnership

- ✓ **Global and Canada Forecasts:** The Forecasts combine data from the RPS HPI with nearly 13,000 economic and financial time series data of Moody’s Analytics
- ✓ **Local Market Forecasts:** The Forecasts are delivered for thousands of discreet local markets and property types across the nation, delivering the most authoritative, detailed and robust forecast solution available in Canada
- ✓ **Alternative Scenarios:** The Forecasts provide various scenarios that enable more time spent on ‘what if’ analyses, generating insights into your business and focusing on predictive applications to optimize and drive your business’ success

\* The boundaries used in the datasets are based on Statistics Canada and Canada Post boundaries. Census Metropolitan Areas (CMAs) and Census Agglomerations (CAs) formed by one or more adjacent municipalities centred on a population centre (known as the core). Towns and cities are Census Subdivisions (CSDs) and neighbourhoods are Forward Sortation Areas (FSAs). Geographies and property styles provided as available.

## Related RPS Valuations Solutions

- RPS House Price Index (HPI)
- RPS Portfolio Valuation Update
- RPS On-Market Alert

**Contact your RPS Account Executive to learn more**

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