

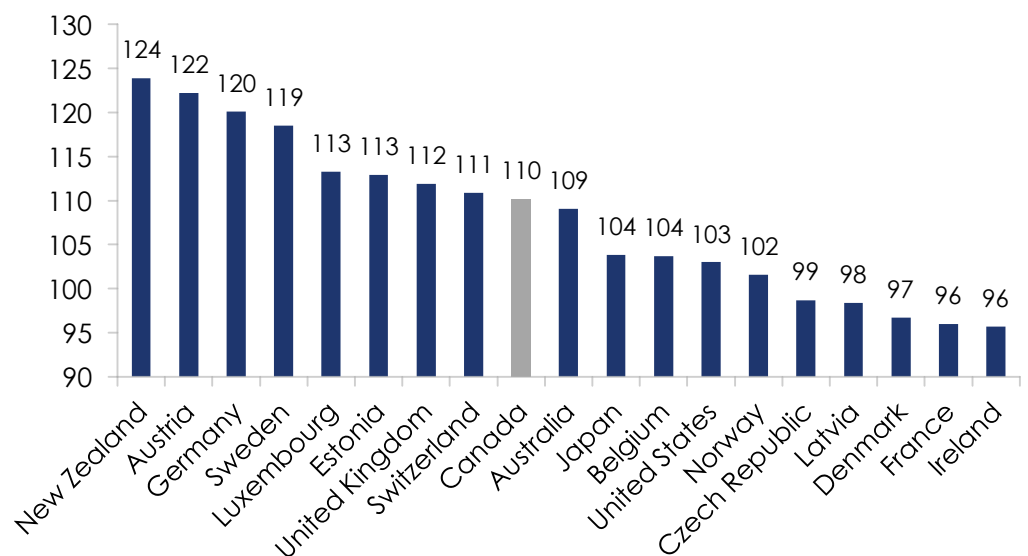
Chart of The Week

Analyzing the current macroeconomic environment is the foundation for all of SkyPoint's research

Worldwide home price-to-income ratio

Since 2010, house prices have outpaced incomes in a number of countries (those with an index value greater than 100). The home price-income ratio is a key measure of affordability that is often mentioned in the housing boom-bust conversation.

Price-to-income ratio, index, 2010 = 100



Source: OECD

According to the IMF, of the nearly fifty systematic banking crises around the world in the recent decades, more than two thirds were preceded by boom-bust patterns in housing prices.

Housing price growth that far exceeds wage growth is unsustainable in the long-term. As housing is a basic human need, individuals are forced to take on additional debt when the gap between home prices and wages grows. This leads to rapid credit growth, resulting in high levels of household debt and a potentially vulnerable to an economy's financial system. According to the IMF, of the nearly fifty systematic banking crises around the world in the recent decades, more than two thirds were preceded by boom-bust patterns in housing prices.¹

Despite the home price-to-income ratio suggesting an initial sign of overvaluation in many counties, the housing prices booms are restricted to specific cities in many cases. For example, in Canada, home prices have been fairly stagnant outside of the hot markets of Vancouver and Toronto.



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¹ "Seven Questions on the Global Housing Markets", IMF Research Bulletin



Inspired living in the heart of Toronto's Entertainment District

40 Widmer is located in the heart of Toronto's Entertainment District. A vibrant neighbourhood, the Entertainment District is home to some of the nation's most iconic landmarks including the CN Tower, Rogers Centre, Air Canada Centre, Princess of Wales Theatre, TIFF Bell Lightbox and many more. It is the city's cultural centre for sports, dining, nightlife, and the arts.

We're not making concessions by making a more traditional, suburban-type condo.

OpArt Lofts is located in the Kerr Village neighbourhood of Oakville, one of North America's fastest growing regions. OpArt Lofts features a stunningly modern design consisting of two, eight-storey towers atop a two-storey podium. Designed by the acclaimed firm of Teeple Architects, two white towers spangled with black-framed windows in jaunty patterns reflect the eye-popping Op Art painting style of the 1960s.



About SkyPoint

SkyPoint Realty Partners (SkyPoint) is the first company to bring institutional grade multifamily real estate investments to Asia. SkyPoint was formed to provide Asian investors access to Class A North American multifamily real estate opportunities. SkyPoint combines macroeconomic fundamentals with local in-depth market intelligence to deliver trusted research on current North American real estate trends and opportunities to the international market.



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