

2024 Real Estate Investor Outlook Report

Survey Reveals Canadian Investors Show Confidence in
Real Estate Over the Stock Exchange, Heading Into 2024

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TORONTO, January 10, 2024 - The desire to invest in Canadian Real Estate is evident, as Canadians continue to look to the property market as a means of building generational wealth and an additional source of income, and many are planning to try their hand at real estate investing within the coming years. According to a recent survey conducted by Valour Group, District REIT, and Pro Funds Mortgages, part of the One Real Estate Enterprise group of companies, Canadians are strongly engaged in real estate investing, illustrating the nation's strong inclination towards property ownership.

Canadian Investor Pulse

The findings from the survey provide a snapshot of the current real estate investor landscape in Canada. The results depict a thriving real estate landscape, with a positive outlook for 2024 onwards, positioning Canada as an attractive investment market. The survey showed that heading into 2024, 29% of Canadians express optimism, while 53% adopt a selective approach, and only 18% are taking a passive stance. Despite economic uncertainties and global challenges, the Canadian real estate market remains resilient, fueled by the steady desire for homeownership and investment. This is made evident by only 6% of investors not intending to reinvest, while an overwhelming 69% of Canadian investors plan to immediately reinvest their deployed real estate-related capital upon maturity.

Forward-Looking Investor Appetite

There is a keen interest by investors in purpose-built rentals at 73%; also, a strong preference for single-family homes, and condominiums is to be expected with the housing shortage being

faced across Canada. This is accentuated by the substantial percentage (62%) of Canadians expressing increased interest in Canadian real estate markets despite a slow 2023. Canadians are aware of the need for affordable housing to cater to Canada's increasing population and they are looking to capitalize as supply begins to meet demand.

Canada's real estate investors are also seeking more passive investment vehicles in 2024, rather than active ownership. 34% of investors share their preference to invest in private mortgage lending, while 47% favour real estate-focused equity or acquisition funds, two frequently overlooked avenues for prospective real estate investors. Surprisingly a low 19% of investors are considering expanding their direct real estate ownership portfolio in 2024.

The overwhelmingly positive sentiment is demonstrated by 87% of Canadians feeling more comfortable investing in real estate than publicly traded stocks, underscoring Canada's position as a highly sought-after, and safe destination for real estate investments. The stability and growth potential offered by the Canadian real estate market makes it an attractive choice for both seasoned and aspiring investors.

As Canada welcomes an increasing number of immigrants in the coming years, investors are expected to play a pivotal role in supplying funding for much-needed housing units, further solidifying their importance in the Canadian real estate ecosystem. For those considering real estate as a part of their investment portfolio, the survey emphasizes the importance of expert advice to navigate the dynamic landscape successfully.

Key Survey Highlights

Positive outlook for real estate investors heading into 2024

87%

Feel more **comfortable investing in real estate** compared to publicly traded stocks

76%

Of Canadian real estate investors **actively own properties** beyond their primary residence

82%

Express a **positive sentiment towards real estate investing** heading into 2024, with an optimistic or selective approach, while the remainder are taking a more passive stance

73%

Favour **purpose-built rentals**, which has emerged as the **most sought-after** real estate investment over single-family homes and condominiums

62%

Express an **increased interest in Canadian real estate markets**, and 15% in the US markets. The remainder indicate a decreased interest in real estate overall

69%

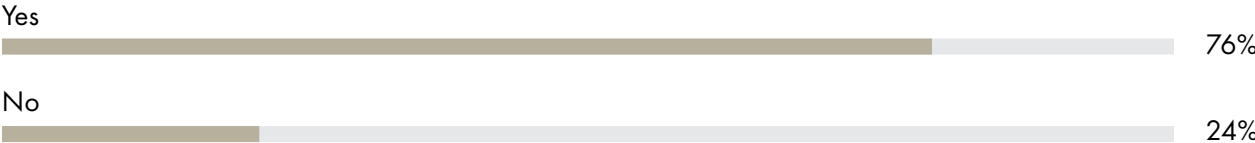
Plan to **reinvest real-estate profits upon maturity**, while 25% prefer to wait before reinvesting, and the remainder do not intend to reinvest

80%

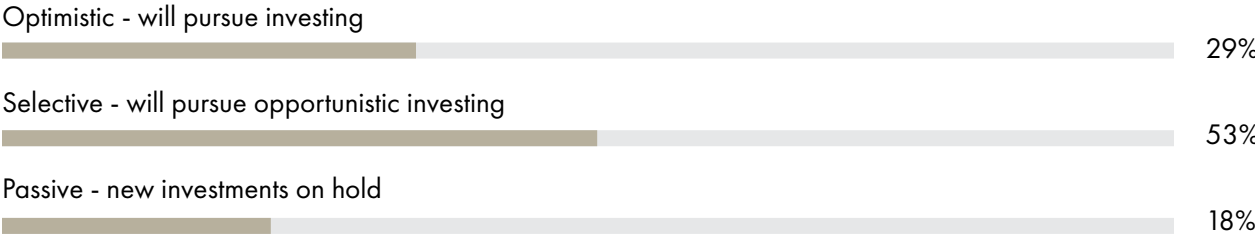
Prefer passive real estate investments including private mortgage lending, real estate-focused equity or acquisition funds, over active property ownership

Investor Survey Results

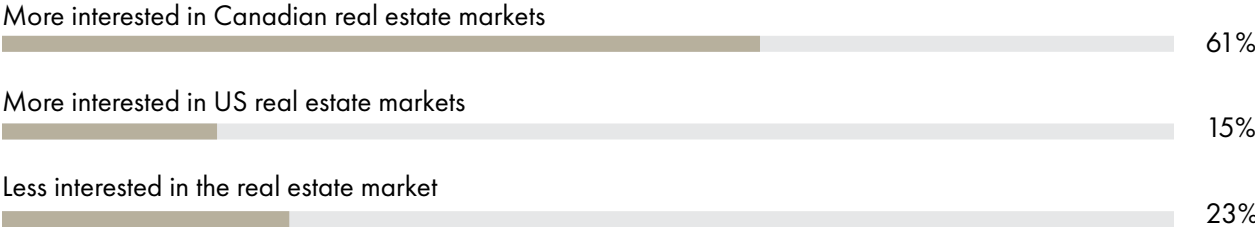
1. Do you actively have an ownership interest in real estate property other than your primary residence?



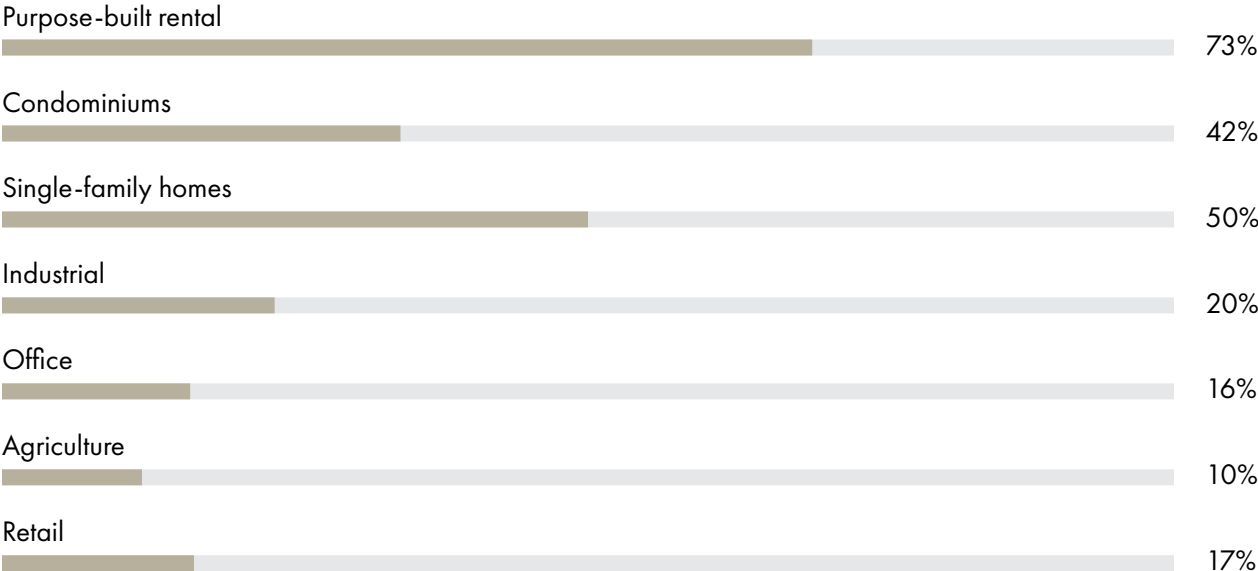
2. Which of the following best describes your investment strategy for Canadian real estate in 2024?



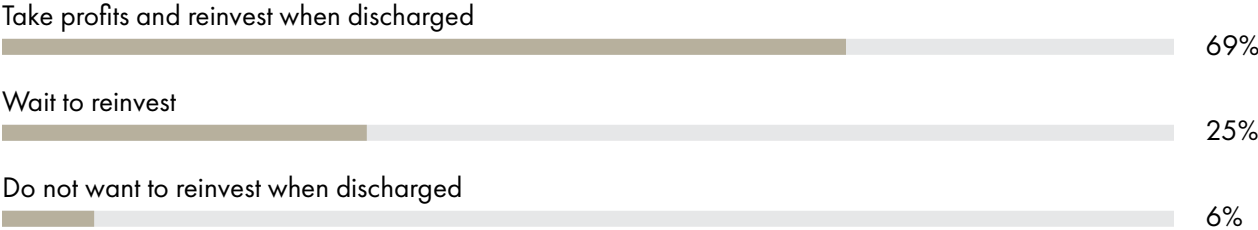
3. How has your view on real estate investment changed in 2023?



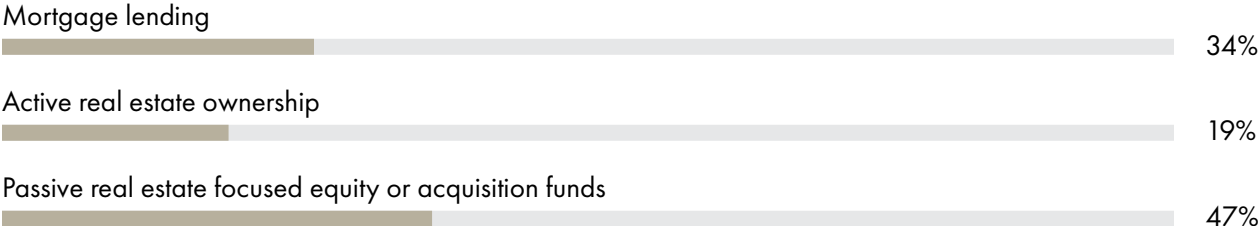
**4. What type of properties are you most interested in investing in?
(Select all that apply)**



5. What do you intend to do with your real estate-related investment?



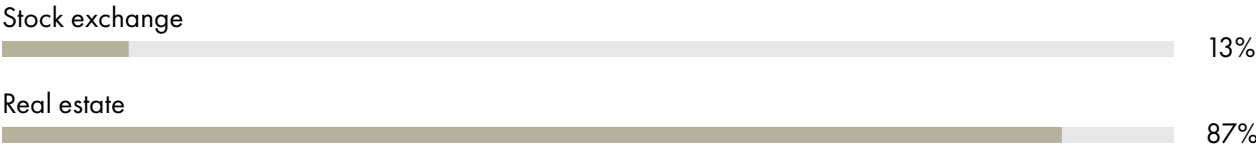
6. What type of investment are you looking for in 2024?



7. How much are you comfortable investing in real estate, or real estate-backed investment products in 2024?



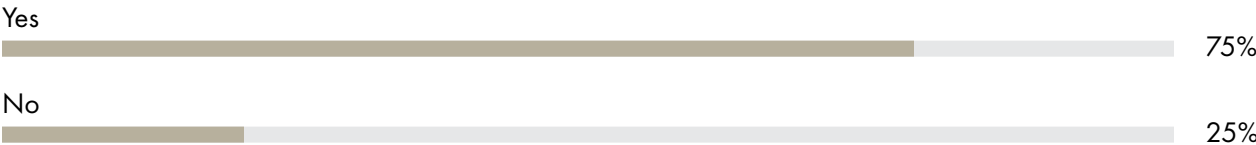
8. Do you feel more comfortable investing in the stock exchange or real estate?



9. Do you have a preferred type of investment return?



10. Are you interested in registered fund-eligible products? (RRSP, TFSA, etc.)



About the Authors

Pro Funds Mortgages, Valour Group, District Property Trust

Pro Funds Mortgages, Valour Group, and District Property Trust are part of One Real Estate Enterprise, a vertically integrated group of companies that provide a wide range of real estate-focused services and products. Valour Group is an integrated team of companies that manages, develops, constructs, and operates residential and commercial real estate. Pro Funds Mortgages is a mortgage brokerage that specializes in mortgage investments, commercial financing, and private lending. District Property Trust is a privately held Real Estate Investment Trust (REIT) specializing in income-generating real estate across residential, commercial, and industrial properties. This vertically integrated, 360-degree structure enables management to maintain a pulse in each aspect of the industry while controlling cost and profitability, ensuring continued success.

Learn More at OneEnterprise.ca



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