

JANUARY HOME SALES SNOWED UNDER BY LOW INVENTORY

KITCHENER-WATERLOO, ON (Feb 2, 2018) — There were 270 residential sales in January through the Multiple Listing System (MLS® System) of the Kitchener-Waterloo Association of REALTORS® (KWAR), a decrease of 18 per cent compared to January 2017.

“On the surface, activity appears to be somewhat sluggish in January, says Tony Schmidt, KWAR President. “However if we set aside the past two years, it was a very typical January in terms of the number of sales. What is less typical is that listing inventory is still at historic low levels, and we continue to see multiple offers on properties putting upward pressure on prices.”

Total residential sales in January included 149 detached (down 23.6 per cent), and 70 condominium units (down 11.4 per cent) which includes any property regardless of style (i.e. semis, townhomes, apartment, detached etc.). Sales also included 27 semi-detached homes (down 18.2 per cent) and 22 freehold townhouses (up 10 per cent).

The average sale price of all residential properties sold in January increased 9 per cent to \$458,750 compared to January 2017. Detached homes sold for an average price of \$554,857 an increase of 10.7 per cent compared to January of last year. During this same period, the average sale price for an apartment style condominium was \$246,821 for an increase of 4 per cent. Townhomes and semis sold for an average of \$371,095 (up 14.5 per cent) and \$388,974 (up 9.7 per cent) respectively.

The median price of all residential properties sold last month increased 6.8 per cent to \$431,143, and the median price of a detached home during the same period increased 4.2 per cent to \$495,000.

“While the tougher mortgage rules that came into play on Jan. 1 have sidelined some homebuyers, the reality is we’re still experiencing more demand than supply right now,” says Schmidt.

REALTORS® listed 486 residential properties in K-W and area last month, an increase of 10.45 per cent compared to January of 2017. The number of active residential listings on the KWAR’s MLS® System to the end of January totalled 588, which is 56 per cent more than January of last year, but still well below the previous ten-year average of 1507 listings for January. Months of inventory continues to track at a low 2 months.

The average days it took to sell a home in January was 32 days, compared to 23 days in January 2017.

While the majority of MLS® System activity is properties for sale, REALTORS® also represented landlords and tenants in 51 residential leases in January, an 18.6 per cent increase compared to January 2017.

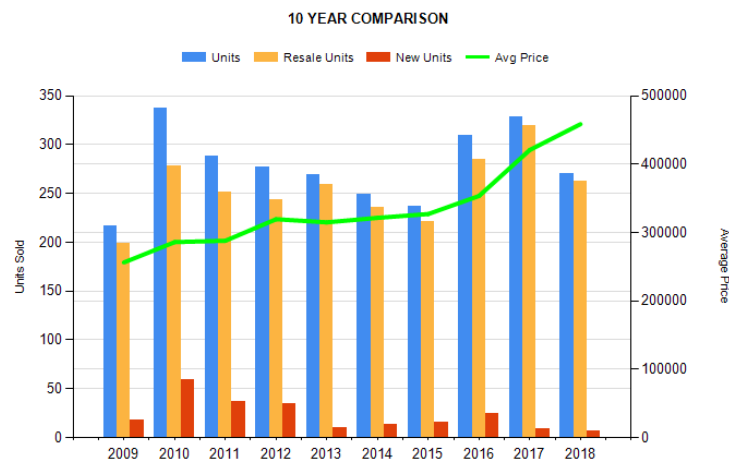
Schmidt says, “There is no question that the expansion of the stress test on mortgages is going to be hard on consumers. For those entering the market, the stress test combined with higher borrowing costs is going to push some buyers out of their desired market. Some homebuyers will be looking to other areas, and more affordable housing types, which is a vicious circle. For some home hunters, Waterloo region is still seen as one of the more affordable markets.”

The KWAR cautions that average sale price information can be useful in establishing long term trends, but should not be used as an indicator that specific properties have increased or decreased in value. The average sale price is calculated based on the total dollar volume of all properties sold. Those requiring specific information on property values should contact a local REALTOR®. REALTORS® have their fingers on the pulse of the market. They know the questions to ask, the areas to probe and what to look for so that you get a complete picture of the property and community you’re considering.

Media Contact: Tania Benninger, Communications Manager, 519-576-1400 ext. 227 Established in 1937, the Kitchener-Waterloo Association of REALTORS® (KWAR) operates the local Multiple Listing Service® (MLS®) and provides ongoing professional education courses for over 1,300 REALTOR® members who serve the communities of Kitchener-Waterloo and outlying areas. The term REALTOR® is a trademark identifying members in good standing of the Canadian Real Estate Association (CREA) who provide real estate brokerage services in compliance with CREA's By-Laws and Rules, the REALTOR® Code, and all applicable federal and provincial laws and regulations. The MLS® System of the KWAR is operated in association with the MLS® Marks owned by CREA. An MLS® System includes an inventory of listings of participating REALTORS®, and ensures a certain level of accuracy of information, professionalism and co-operation amongst REALTORS® to affect the purchase and sale of real estate.

Residential Sale Price and Total Units Sold in January over the last 10 years:

	Units Sold		K-W Only Sales		All Area Sales	
	K-W Only Sales	All Area Sales	Average Price	Median Price	Average Price	Median Price
2009	206	217	\$252,820	\$235,000	\$256,253	\$235,000
2010	307	337	\$278,148	\$249,900	\$285,998	\$258,400
2011	254	288	\$279,824	\$258,000	\$288,003	\$262,000
2012	244	277	\$307,669	\$277,225	\$319,545	\$280,000
2013	233	269	\$307,597	\$282,000	\$314,965	\$284,500
2014	219	249	\$309,832	\$285,000	\$321,591	\$290,000
2015	220	237	\$322,144	\$302,549	\$327,163	\$305,000
2016	279	309	\$347,099	\$316,500	\$353,608	\$325,000
2017	290	329	\$407,543	\$395,000	\$420,904	\$403,800
2018	233	270	\$437,492	\$421,000	\$458,750	\$431,143



Source: Kitchener-Waterloo Association of REALTORS®

Definitions:

K-W Only= MLS® transactions through the KWAR within the cities of Kitchener and Waterloo.

KW & Area= K-W Only plus the townships of Woolwich, Wellesley and Wilmot

The use of average price information can be useful in establishing long term trends, but does not indicate actual prices in centres comprised of widely divergent neighbourhoods or account for price differential between geographic areas. Statistical information contained in this report includes all housing types. Those requiring specific information on property values should contact a REALTOR®.

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