

KITCHENER WATERLOO HOME SALES RETURN TO MORE TYPICAL LEVELS IN 2018 **Home Sales Dip in December, While Prices Increase**

KITCHENER-WATERLOO, ON (Jan 4, 2019) — There were 5,823 residential homes sold through the Multiple Listing System (MLS® System) of the Kitchener-Waterloo Association of REALTORS® in 2018, a decline of 11.1 per cent compared to 2017.

With 263 transactions taking place last month, December's home sales were down 13.2 per cent from this time last year and slightly behind the previous 10-year average of 268 sales for the month of December.

"The combination of rising interest rates and the mortgage stress test definitely took some steam out of the market relative to what we saw in the previous two years," says Brian Santos, President of KWAR. "These types of impediments are most impactful on first-time as well as other buyers entering the housing market."

Total residential sales in 2018 included 3,355 detached (down 16.2 per cent), and 1,553 condominium units (up 6.4 per cent) which includes any property regardless of style (i.e. semis, townhomes, apartment, detached etc.). Sales also included 417 semi-detached homes (down 23.6 per cent) and 431 freehold townhouses (down 7.7 per cent).

The average sale price of all residential properties sold in 2018 increased 3.4 per cent to \$483,537 compared to 2017. Detached homes sold for an average price of \$575,412, an increase of 4.8 per cent compared to 2017. During this same period, the average sale price for an apartment style condominium was \$304,676 for an increase of 12 per cent. Townhomes and semis sold for an average of \$373,307 (up 5.5 per cent) and \$396,391 (up 4.7 per cent) respectively.

The median price of all residential properties sold last year increased 3.6 per cent to \$445,304, and the median price of a detached home during the same period increased 6.1 per cent to \$525,000.

The average time it took for a home to sell in 2018 was reflective of demand continuing to outpace supply. The number of months of inventory remained at under 2 months of supply throughout the year (3-4 months is historically normal for Waterloo region) and the average days to sell in 2018 was 24 days, compared to 19 days in 2017 and a previous 10-year average of 40 days.

While we may be seeing fewer buyers coming down the 401, Santos believes they are still a component of the Waterloo region real estate market, just not as speculative as what we saw in the previous two years. Santos says, "2018 continued to be a seller's market in the region with stable sales activity and homeowners realizing solid gains in their property values."

Santos points out that, "Even though prices increased more moderately overall compared to the last two years, they continue to respond to strong demand and the desirability of our area. For those would-be buyers who have been sitting on the fence these past two years, home prices are only getting further out of reach, as supply remains low and demand strong."

Dollar volume of all residential real estate sold last year decreased 8 per cent to \$2.8 Billion compared with 2017.

While the majority of residential MLS® System activity is properties for sale, REALTORS® are increasingly representing landlords and tenants. Last year 733 residential leases occurred through KWAR's MLS® System, an increase of 22 per cent compared to 2017 and, a 40% increase compared to 2016.

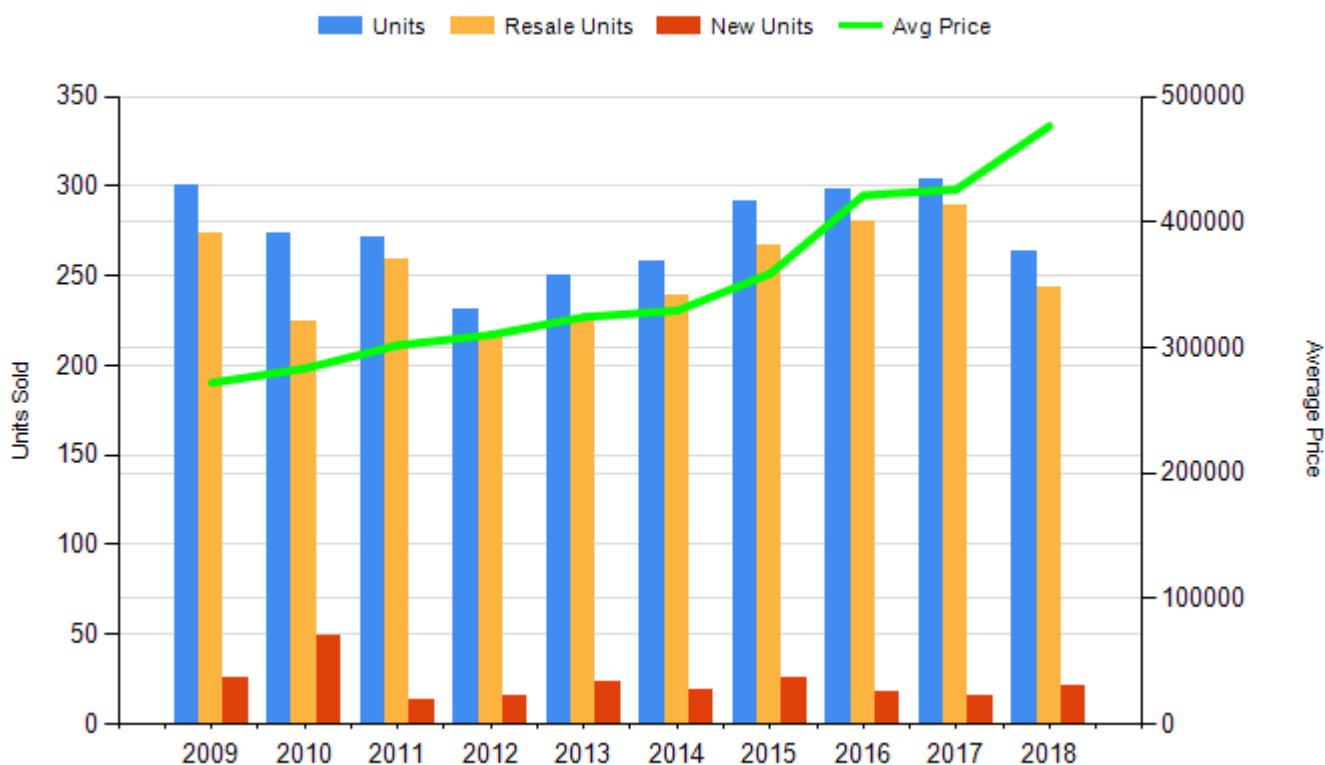
The KWAR cautions that average sale price information can be useful in establishing long term trends but should not be used as an indicator that specific properties have increased or decreased in value. The average sale price is calculated based on the total dollar volume of all properties sold. Those 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 December 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	259	300	\$266,241	\$247,000	\$271,900	\$250,000
2010	243	274	\$276,671	\$257,900	\$283,320	\$265,000
2011	236	272	\$289,118	\$269,500	\$301,921	\$272,150
2012	191	231	\$294,424	\$281,000	\$310,244	\$285,000
2013	218	250	\$310,848	\$281,950	\$324,415	\$289,250
2014	235	258	\$326,195	\$302,500	\$329,569	\$304,950
2015	261	292	\$349,153	\$318,301	\$358,914	\$321,000
2016	274	298	\$410,591	\$372,000	\$421,432	\$375,500
2017	273	304	\$415,980	\$396,000	\$426,176	\$405,075
2018	240	264	\$475,147	\$450,000	\$476,758	\$450,000

10 YEAR COMPARISON



Source: Kitchener-Waterloo Association of REALTORS®

Definitions:

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

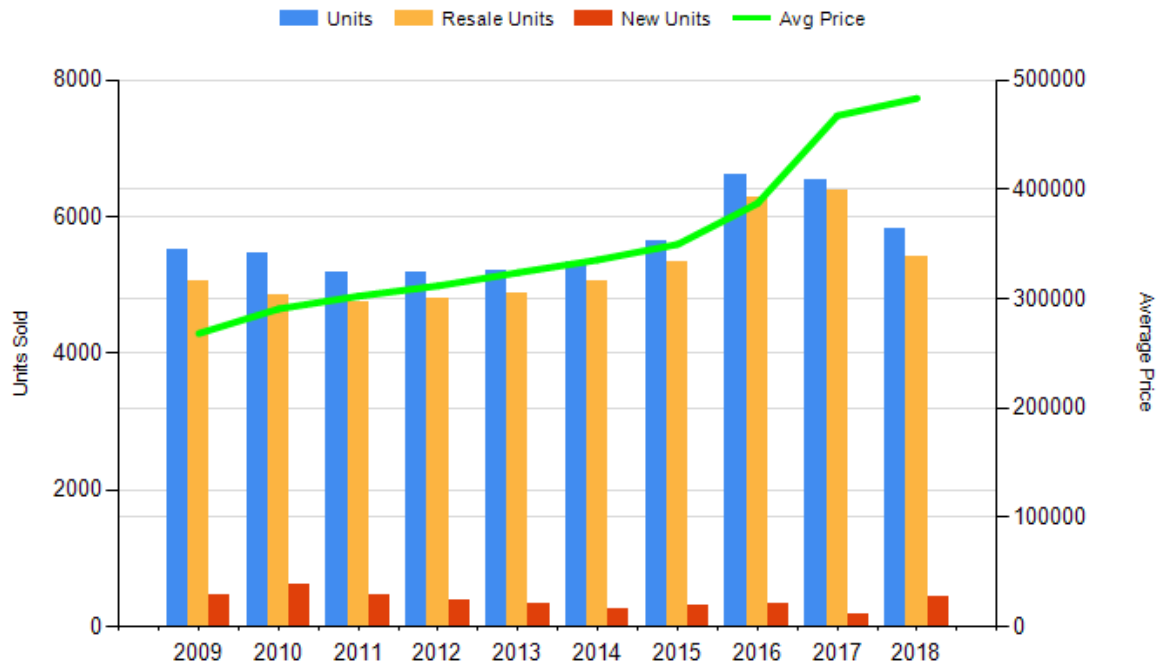
KW & Area= K-W Only plus the townships of Woolwich, Wellesley and Wilmot

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®.

Yearly Total Sale Price and Total Units Sold 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	4,908	5,505	\$262,595	\$244,900	\$268,110	\$247,000
2010	4,848	5,455	\$284,071	\$259,900	\$290,665	\$263,000
2011	4,615	5,194	\$294,319	\$270,000	\$302,281	\$275,000
2012	4,583	5,181	\$303,665	\$281,000	\$311,766	\$286,000
2013	4,613	5,205	\$315,432	\$290,000	\$323,841	\$295,000
2014	4,729	5,326	\$327,984	\$300,000	\$335,496	\$305,000
2015	5,019	5,636	\$340,638	\$315,000	\$349,770	\$319,000
2016	5,938	6,612	\$378,602	\$350,000	\$387,315	\$355,000
2017	5,859	6,549	\$457,451	\$423,000	\$467,549	\$429,900
2018	5,238	5,823	\$473,241	\$440,000	\$483,537	\$445,304

10 YEAR COMPARISON - Year-To-Date



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