

## **PRICE OF HOMES CONTINUES TO RISE IN THE KW MARKET**

KITCHENER, ON (December 3, 2008) –In the twin cities of Kitchener-Waterloo, there have been 4,790 residential properties traded this year compared to 5,317 by this point in 2008, which is a decrease of 9.9 percent. There has been a 1.7 percent increase in the number of listings for these same periods.

Consumer confidence and cooler temperatures combined to produce fewer sales in November. There was a 27.8 percent decrease in sales for single family detached homes in Kitchener-Waterloo from October of 2008 and a 39.3 percent decrease from November of 2007. However, there was a 12.2 percent increase in the number of new single family detached listings although an overall decrease of 6.1 percent for all property types listed over November 2007.

“The decrease in sales was inevitable,” reports Karen Shartun, President of the Kitchener-Waterloo real Estate Board, “because last year produced some of the highest numbers on record and that is a particularly high bar to be reached. That being said, the market appears to be shifting as consumers have taken a beating this past year from the stock market, rising fuel costs, a credit crunch and concerns of a recession. Add in the instability of the government and job security and everyone’s confidence is somewhat undermined about whether this is a good time to make any large purchases, let alone get into the housing market.”

The best news for home owners is that, while sales numbers have decreased, the average sale price of single family-detached residential properties in the Kitchener-Waterloo area increased 7.6 percent for 2009 year to date. With other major markets showing a decrease in sale prices, this illustrates that our market has not experienced the speculation or spurious leaps that other markets have had to endure.

The average sale price for all residential properties was \$255,633 with single family detached homes averaging \$289,360. The average condominium sale price increased 6.0 percent from October to \$179,315.

“These are unsettled economic times and while perhaps we have not been as affected as some markets, the ripple affect is being felt in the area.” said Ms. Shartun, “The market has slowly but surely been moving away from the aggressive Sellers market of the past few years and into more of a balanced market. This is healthy for everyone and while it may take a few days longer to sell a home, the value of the home ownership investment remains high in our region.”

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The Kitchener-Waterloo Real Estate Board is a member focused not-for-profit association representing over 1,100 local REALTOR® members. The board was formed in 1937 and continues to provide a robust Multiple Listing Service® (MLS®) and related services to its members. REALTORS® follow a strict Code of Ethics and must maintain ongoing continuing education as regulated by the Real Estate Council of Ontario.

For further information, please contact Karen Shartun, President, Kitchener-Waterloo Real Estate Board at Royal LePage Scharf Realty, at 519-747-2040.