

KITCHENER/ WATERLOO

ONTARIO

10%

2016 AVERAGE RESIDENTIAL SALE PRICE
\$382,697

THE KITCHENER-WATERLOO HOUSING MARKET SAW SIGNIFICANT GROWTH IN 2016.

The average residential sale price rose approximately 10 per cent to \$382,697 up from \$348,220 in 2015. Many residential listings received multiple offers, with pre-emptive offers being a common occurrence.

Greater Toronto Area buyers continue to drive demand in Kitchener-Waterloo as they seek out affordable housing options along the GO Train line.

Waterloo's economy and consumer confidence were boosted in 2016 due to substantial growth in its tech sector as the low Canadian dollar encouraged increased investment from American tech companies.

New Hamburg and Baden, located on the outskirts of Kitchener, are becoming increasingly popular with move-up buyers and retirees. For young families, the areas offer good schools and nice properties at affordable prices, while retirees are attracted to the adult retirement villages, which feature bungalow-style homes, amenities and activities.

FIRST-TIME BUYERS

First-time buyers are a key driver of the Kitchener-Waterloo market. Young couples looking to enter the market typically prefer low maintenance condo properties that provide easy access to the downtown core. The federal government changes to mortgage rules in the fall may impact first-time buyers in the short-term, and as a result, they may take longer to enter the market in Kitchener-Waterloo in 2017.

CONDO MARKET

Condo sales were up in 2016 between January and October to 1,358, compared to 1,029 properties sold during the same period in 2015. Due to a surplus of condo inventory near Wilfred Laurier University and the University of Waterloo, it's expected that some of the housing initially intended for student rentals may eventually shift to wider availability residential rental units.

LUXURY HOMES

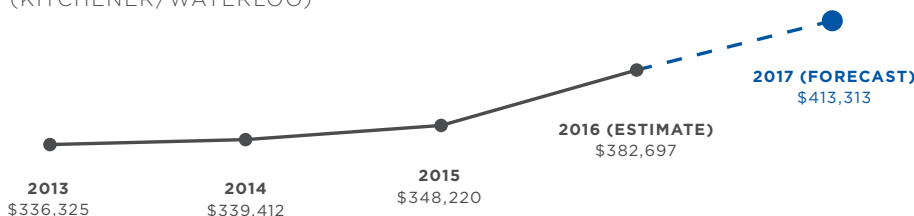
The Kitchener-Waterloo luxury market saw modest growth in 2016, with many listings in the \$800,000 range receiving multiple offers. Move-up buyers in Waterloo are increasingly encouraged by the substantial activity at the lower end of the market, allowing them to purchase larger, newer homes, often in the \$1 million range.



FUTURE TRENDS

- As construction of the light rail transit system (LRT) continues, Kitchener-Waterloo is expected to continue to thrive economically
- Inventory levels are expected to increase in 2017 with some new developments coming to market, however, 2017 is expected to stay a seller's market
- The RE/MAX 2017 average residential sale price expectation for Kitchener-Waterloo is an eight per cent increase

AVERAGE RESIDENTIAL SALE PRICE
(KITCHENER/WATERLOO)



Source: Historical values are sourced from CREA or local board statistics. Estimates and forecasts are based on the opinion of independent RE/MAX broker/owners and affiliates.