

Kitchener/Waterloo/Cambridge Home Prices See Double-Digit Growth in the Second Quarter of 2017

High buyer demand puts continued upward pressure on prices, with a slight market slowdown underway

KITCHENER/WATERLOO/CAMBRIDGE, July 13, 2017 – The aggregate¹ price of a home in the Kitchener/Waterloo/Cambridge region saw a significant increase in the second quarter of 2017, rising 20.7 per cent year-over-year to \$435,367, according to the Royal LePage House Price Survey² and Market Survey Forecast released today.

When broken out by housing type, the median price of a bungalow rose 21.1 per cent year-over-year to \$401,631 in the second quarter, while the price of a two-storey home increased 20.9 per cent to \$459,562. During the same period, the median price of a condominium increased 15.3 per cent year-over-year to \$269,646.

“The region’s increasing popularity has enticed many Torontonians into the market in search of more affordable inventory, leading the Tri-Cities to experiences unprecedented price growth in recent months,” said Keith Church, broker of record, Royal LePage Grand Valley Realty.

“Echoing the slowdown witnessed in the Greater Toronto Area, we have started to see local markets calm to a more sustainable pace as a slight uptick in listings has come into play, providing additional options for prospective buyers. However, while homes are being priced more reasonably, supply is still down when compared to the same time last year, and we are continuing to see multiple-offer situations in desirable neighbourhoods.”

Looking ahead to the remainder of the year, Church expects year-over-year home price increases in the region to begin levelling off toward healthy single-digit norms.

Nationally, Canada’s residential real estate market posted strong home price gains in the second quarter of 2017, with the majority of metropolitan markets across Canada displaying expansionary trends. During the quarter, the Royal LePage National House Price Composite showed that the price of a home in Canada increased 13.8 per cent year-over-year to \$609,144. When broken out by housing type, the price of a two-storey home rose 14.6 per cent year-over-year to \$725,391, while the price of a bungalow increased by 10.7 per cent to \$511,965. Over the same period, the price of a condominium climbed 13.4 per cent to \$397,826.

“Following a period of unprecedented regional disparity in activity and price appreciation, we are now seeing a return to healthy growth in the majority of Canadian housing markets,” said Phil Soper, president and CEO, Royal LePage. “The white-hot markets are moderating to very warm; the depressed markets are beginning to grow again. Canadian housing is in great shape – a statement that I certainly did not make last quarter.”

¹ Aggregate prices are calculated via a weighted average of the median values of homes for reported property types in the regions surveyed

² Powered by Brookfield RPS

“The rate of national house price appreciation that we experienced in the second quarter continues to be above what we would consider a normal range, driven primarily by very strong year-over-year price growth across much of Ontario,” continued Soper.

Looking ahead to the remainder of the year, Royal LePage forecasts that the national aggregate price of a home will increase by 9.5 per cent in 2017 to \$617,773 when compared to year-end, 2016.

About the Royal LePage House Price Survey

The Royal LePage House Price Survey provides information on the three most common types of housing in Canada, in 53 of the nation’s largest real estate markets. Housing values in the House Price Survey are based on the Royal LePage National House Price Composite, produced quarterly through the use of company data in addition to data and analytics from its sister company, Brookfield RPS, the trusted source for residential real estate intelligence and analytics in Canada. Commentary on housing and forecast values are provided by Royal LePage residential real estate experts, based on their opinions and market knowledge.

About Royal LePage

Serving Canadians since 1913, Royal LePage is the country’s leading provider of services to real estate brokerages, with a network of over 17,000 real estate professionals in more than 600 locations nationwide. Royal LePage is the only Canadian real estate company to have its own charitable foundation, the Royal LePage Shelter Foundation, dedicated to supporting women’s and children’s shelters and educational programs aimed at ending domestic violence. Royal LePage is a Brookfield Real Estate Services Inc. company, a TSX-listed corporation trading under the symbol TSX:BRE.

For more information visit: www.royallepage.ca.

For further information, please contact:

Catherine Snider
Kaiser Lachance Communications
905.751.9619
catherine.snider@kaiserlachance.com