

Home Prices in Kitchener/Waterloo/Cambridge See Strong Appreciation in the Fourth Quarter of 2018

Healthy real estate market will continue into the spring of 2019

KITCHENER/WATERLOO/CAMBRIDGE, January 11, 2019 – The Royal LePage House Price Survey¹ released today showed strong gains in home prices across Kitchener/Waterloo/Cambridge in the fourth quarter of 2018. During the period, the aggregate price of a home in the region rose 9.0 per cent year-over-year to \$523,634.

When broken out by housing type, the median price of a two-storey home rose 9.3 per cent year-over-year to \$557,444 in the fourth quarter of 2018, while the price of a bungalow rose 7.9 per cent year-over-year to \$472,752. During the same period, the median price of a condominium rose 7.8 per cent year-over-year to \$308,189.

“Home prices across all property types in the region continue to be very attractive for families who find the area more affordable than the neighbouring Greater Toronto Area,” said Keith Church, broker and owner, Royal LePage Grand Valley Realty. “In the fourth quarter, higher-priced properties saw a notable increase in unit sales, while sales activity of entry-level properties remained on the flat side.

“Despite the uncertainty in the first part of 2018 in regard to interest rate increases and changes in mortgage regulations, the year ended with a balanced market that allowed for healthier sales activity levels. We are confident that the housing market will remain stable well into 2019,” added Church.

Nationally, year-over-year home prices made healthy gains in many regions across Canada in the fourth quarter of 2018. The Royal LePage National House Price Composite, compiled from proprietary property data in 63 of the nation’s largest real estate markets, showed that the price of a home in Canada increased 4.0 per cent year-over-year to \$631,223 in the fourth quarter of 2018. When broken out by housing type, the median price of a two-storey home rose 3.9 per cent year-over-year to \$745,007, while the median price of a bungalow climbed 1.5 per cent to \$516,950. Condominiums continued to see the highest rate of appreciation nationally when compared to the detached segment, rising 7.2 per cent year-over-year to \$447,915.

“The invisible hand that guides our complex economy hit the real estate reset button in 2018 and that is a good thing,” said Phil Soper, president and CEO, Royal LePage. “Major market home price inflation through much of the decade had led to dangerous overheating in our most

¹ Aggregate prices are calculated using a weighted average of the median values of all housing types collected. Data is provided by RPS Real Property Solutions.



populous regions. Government regulatory intervention and rising interest rates, when combined with property price overshooting, triggered the correctional cycle we find ourselves working through today.”

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