

ROOM FOR OPTIMISM, IN AN OTHERWISE BLEAK ECONOMY

KITCHENER, ON (March 5, 2009) – For the second month in a row the Kitchener-Waterloo Real Estate Board (KWREB) is recording an increase in sales from the previous month.

REALTORS® of the KWREB traded 369 homes in February for a total value of \$91,086,349 including 244 detached homes and 60 condominium units, representing a 44.7 percent increase over January's results.

"It's a small victory" admits Board president Karen Shartun, "but after the steady diet of bad news concerning our economy we've had in the past couple months-- we'll take it."

On a year-over-year basis the total number of residential units sold in February in the cities of Kitchener and Waterloo is down 27 percent, but the average price for all residential properties has only declined 4 percent to \$244,419 in the same period—a good indicator that while overall consumer confidence may be down, belief in local property values remains strong.

The average sale price of detached homes in the cities of Kitchener and Waterloo last month decreased three percent on a year-over-year basis to \$283,271. But compared with January's results, the average price of a detached home actually increased 4.6 percent.

"January and February tend to be our slower months and economists were predicting weaker sales activity for the beginning of the year. It will be interesting to see what the spring market brings. I think right now there are probably those who are ready to move-up or down-size, but are still sitting on the sidelines waiting to see what happens next." Shartun said.

Though sales activity was down in most price ranges year-over-year, there was one notable exception. Homes that sold between \$175,000 and \$200,000 through the KWREB's Multiple Listing Service (MLS®) last month were up 8 percent compared to February 2008, suggesting that it is first-time home buyers who are driving the current market.

Shartun says now is a good time for first-time home buyers who can afford to enter the market to do so. "Interest rates are low, prices have become more affordable, and there are plenty of good listings on the market to choose from."

The supply of homes available for sale through the MLS® increased almost 7 percent in February compared to January. On a year-over-year basis, the 2,019 active listings on the market last month represent an increase of 13 percent.

Ms. Shartun also reminds first-time home buyers that The Home Buyer's plan was enhanced in the recent federal budget so they can now withdraw up to \$25,000 (was \$20,000) from an RRSP tax-free to be used in a down payment on a residential property.

The Kitchener-Waterloo Real Estate Board highlights additional positive signs for the ongoing strength and future of the local real estate market:

- In January the federal government announced it will invest \$5.35 in The Digital Media Convergence Centre in downtown Kitchener with additional funding coming from several local high tech firms.
- In January the Kitchener-Waterloo average price declined by less than the national average on a year-over-year basis.
- In February City of Waterloo councillors approved the new Balsillie School of International Affairs in Uptown Waterloo.
- Low lending rates
- Waterloo Region's diversified employment mix

Consumers uncertain about current market conditions should work with a REALTOR® to develop an effective selling strategy. If you are buying, a REALTOR® will negotiate on your behalf and guide you through every step. A REALTOR® understands the local market and must, by law, look after your best interests.

The use of average price information can be useful in establishing long term trends; however the Kitchener-Waterloo Real Estate Board cautions that an average price does not indicate the actual value of any particular property. Those requiring specific information on property values should contact a REALTOR®.

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 Comment: Karen Shartun, President, 519-747-2040.

For Background: Tania Benninger, Communications Manager, 519-576-1400.

Total Number of Residential Units Sold through KWREB, in February over the last 10 years:

Year	Sales
2009	369
2008	494
2007	511
2006	488
2005	477
2004	429
2003	426
2002	452
2001	370
2000	401
1999	356

February Prices in Kitchener-Waterloo (only) over the last 10 years:

Year	Average Price	Median Price
2009	\$244,419	\$236,000
2008	\$254,564	\$238,500
2007	\$229,465	\$213,900
2006	\$225,308	\$210,750
2005	\$204,562	\$185,000
2004	\$200,226	\$186,000
2003	\$185,353	\$170,900
2002	\$171,046	\$157,450
2001	\$166,005	\$149,900
2000	\$149,908	\$141,500
1999	\$137,950	\$134,000

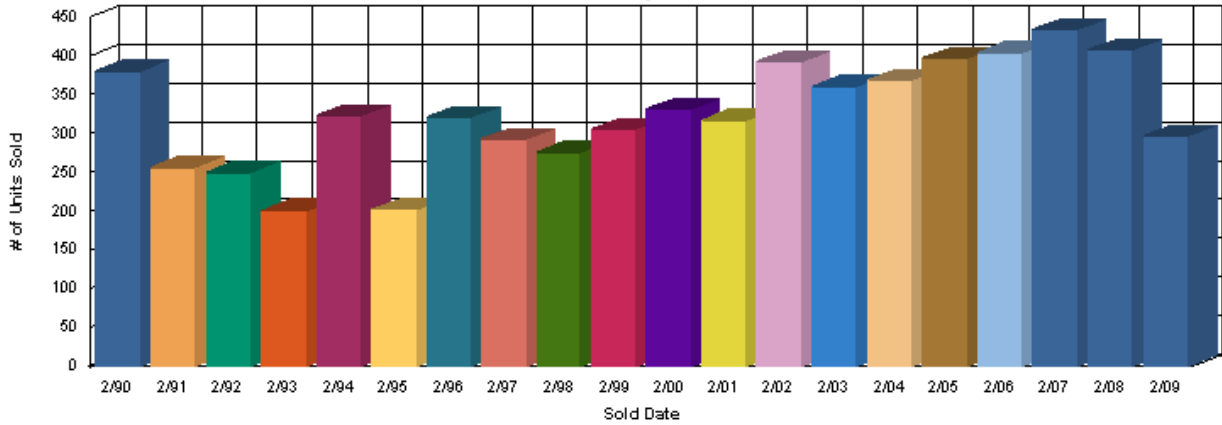
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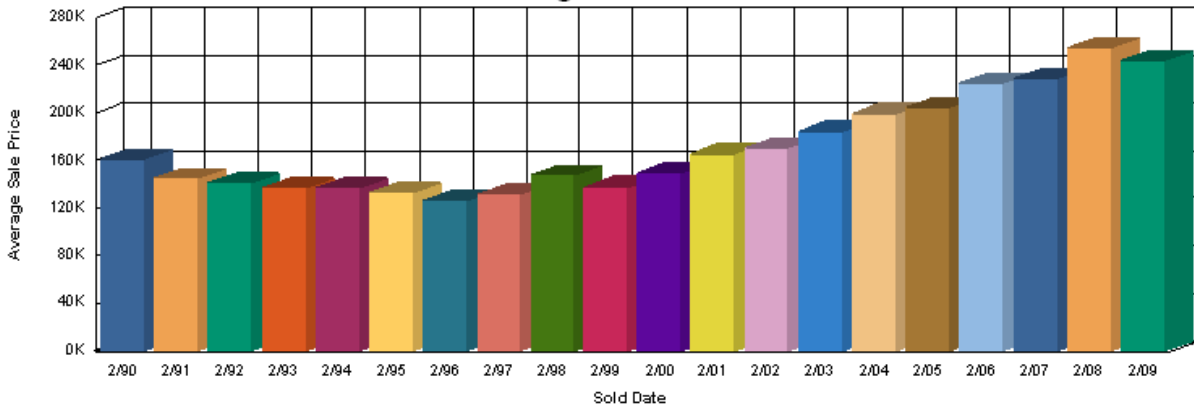
(Kitchener-Waterloo Only)

Sales Comparison



(Kitchener-Waterloo Only)

Average Sale Price



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