HOME SALES IN MARCH CAME IN LIKE A LION WENT OUT LIKE A LAMB

By Kwar  In Market UpdatesComments
KITCHENER-WATERLOO, ON (April 3, 2020) — There were 577 residential homes sold through the Multiple Listing System (MLS® System) of the Kitchener-Waterloo Association of REALTORS® in March, an increase of 13.1 per cent compared to the same month last year, and 0.2 per cent below the previous 5-year average.

“We had a very strong start to the month which carried through right up until the province declared its COVID-19 related state of emergency on March 17th,” says Colleen Koehler, President of KWAR. “Before the pandemic hit our region, I believe we were on pace to set a record number of sales for March with the continuance of high demand, low inventory, and a strong seller’s market.

During the first quarter of 2020, there were 1,327 home sales, 14.6 per cent above last year’s result for the same period and 4 per cent above the previous 5-year average.
Total residential sales in March included 348 detached homes (up 7.1 per cent), and 68 condominium apartments (up 5.1 per cent). Sales also included 136 townhouses (up 17.2 per cent) and 25 semi-detached homes (up 4.2 per cent).

The average sale price of all residential properties sold in March increased 15.3 per cent to $583,752 compared to the same month last year, while detached homes sold for an average price of $679,728 an increase of 15.9 per cent. During this same period, the average sale price for an apartment-style condominium was $378,443 for an increase of 17.9 per cent. Townhomes and semis sold for an average of $457,547 (up 23 per cent) and $492,752 (up 17.4 per cent) respectively.

The median price of all residential properties sold in March increased 14.6 per cent to $544,500 and the median price of a detached home during the same period increased 16.2 per cent to $628,500.

“Of course, what is on everyone’s mind is the Coronavirus, and how this global pandemic is impacting every facet of our lives. The Ontario government included real estate services, legal and land registry as an essential service, but by no means is this business as usual for Realtors or their clients,” says Koehler. “As people everywhere follow instructions to only leave their homes for essential reasons, this is impacting the number of showings, and how properties are shown. Not everyone is in the position to postpone the purchase or sale of their home, and Realtors are adapting the technology we already use to serve our clients in this new environment and rigidly following Health Canada’s guidelines.”

REALTORS® listed a higher than average number of homes during the Month of March. There were 864 new listings added to the MLS® System in KW and area last month, an increase of 7.6 per cent compared to March of 2019, and the greatest number since 2015. The number of new residential listings was also 3.7 per cent higher than the previous ten-year average for March.

The total number of homes available for sale in active status at the end of March was 535, a decrease of 35.9 per cent compared to March of last year.

Despite the much-needed addition of new inventory coming to the market, the number of Months Supply (also known as absorption rate) continues to be very low at just 1.1
months for the month of March, 35.3 per cent below the same period last year. The previous ten-year average supply of homes for March was 2.73 months, and in the past 5 years, the average supply for March was 1.94 months.

KWAR’s president wishes to emphasize that while real estate continues to be an essential service in Ontario, consumers can expect that a REALTOR® will be taking all the necessary protections to ensure we’re doing our part to flatten the curve.

Koehler notes last month 51 listings were suspended on KWAR’s MLS® System, which means the listing is temporarily “off-market,” and there can be no marketing showings or offers during this period. KWAR’s president encourages buyers and sellers to discuss the current situation with their REALTOR®, to find out what they are doing to ensure the safety of everyone involved in the transaction and to make the best and safest decision on how to move forward or hold your real estate decisions during this unprecedented time.

Trying to sell your home while in quarantine, self-isolating or worse yet, while someone in the house is sick, is not going to be in anyone’s best interest. We know many people are postponing their plans to list their home for the time being.

The average days to sell in March was 15 days, compared to 21 days in March 2019.

KWAR cautions that average sale price information can be useful in establishing long term trends but should not be used as an indicator that specific properties have increased or decreased in value. The average sale price is calculated based on the total dollar volume of all properties sold. Months Supply is the inventory of homes for sale at the end of a given month, divided by the average monthly closed sales from the last 12 months Those requiring specific information on property values should contact a local REALTOR®. REALTORS® have their fingers on the pulse of the market. They know the questions to ask, the areas to probe and what to look for so that you get a complete picture of the property and community you’re considering.

**Historical Sales By Property Type**
Months Supply of Homes for Sale
Historical Median Sales Price – By Property Type
Historical Average Sales Price – By Property Type
Historical Sales – By Price Range
Average Days on Market
Average Days on Market

- Kitchener-Waterloo Association of REALTORS

Each data point is one month of activity. Data is from April 3, 2020.

All data from Ontario Regional Information & Technology Systems, Inc. InfoSparks © 2020 ShowingTime.