CANADA MORTGAGE AND HOUSING CORPORATION

HOUSING NOW

Kitchener

Date Released: Second Quarter 2007

New Home Market

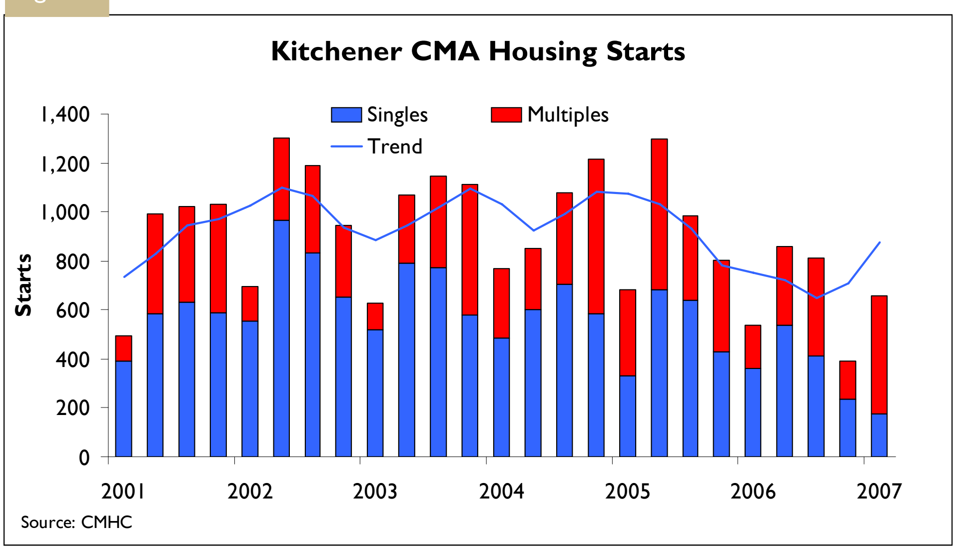
Weak First Quarter

New construction figures in the first quarter of 2007 were a pleasant surprise. Construction started on a total of 656 homes, up 22 per cent from the first quarter in 2006. A surge in apartment construction pulled first quarter starts higher. Multiple-family starts (which include semi-detached homes, townhouses and apartments) more than doubled to 481 units. On the other hand, single-detached starts, at 175, plunged by 51 per cent to their lowest level in more than ten years.

Several key supply and demand factors have contributed to the new housing construction picture as we see it now. Mortgage rates, employment, migration, the resale market, new home prices and land supply have all impacted the current state of the new home market.

Although employment in the Kitchener CMA remained at a high level, slower job growth in the last few months has delayed some household's home buying intentions. Since March 2006, only 100 jobs have been created in the region's economy. Manufacturing and construction employment have been a drag on overall job growth throughout this period. Jobs continue to be lost in the manufacturing sector due to the high Canadian dollar and a

Figure 1



Source: CMHC

Table of Contents

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HOME TO CANADIANS

sluggish economy in the U.S.

According to the 2006 Census, the population in the Kitchener CMA grew by 8.9 per cent in the last five years. The strong demand for homes since 2001 has been a result of this growth. However, net migration to the CMA has declined in the last two years resulting in less demand for homes.

Low mortgage rates have sustained demand for ownership housing. However, the higher cost of new homes, especially single-detached homes, has shifted the focus to the more affordable housing options in both the resale and new home markets. Single-detached home prices increased 13 per cent in the first quarter. The average price of a newly-built single-detached home has jumped to $342,489. Many first-time buyers are opting for less expensive multiple-family home types. In addition, less spill-over demand from a more balanced resale market has slowed demand for new ground-oriented homes, since home-buyers have been able to satisfy their housing needs in the resale market.

A temporary shortage of lots available in registered subdivision plans, especially in Cambridge, has added to the weak single-detached starts this year. Only five single-detached homes were started in Cambridge in the first quarter, down 94 per cent from the same quarter last year. Intensification initiatives throughout Waterloo Region have also negatively affected single-detached starts.

A total of 292 rental apartments started construction in the first quarter, up from only 12 units in the same quarter last year. Many of these apartments were funded under an affordable housing agreement between the federal and provincial government.

Resale Home Market

Strong First Quarter

Sales of residential properties registered through the Kitchener-Waterloo Real Estate Board remained strong in the first quarter of 2007. A total of 1,562 homes were sold, up 6.5 per cent from the same quarter last year. The resale home market has benefited from land constraints on new home construction. Low mortgage rates continue to encourage interest in home ownership with most buyers choosing existing homes because of the lower price.

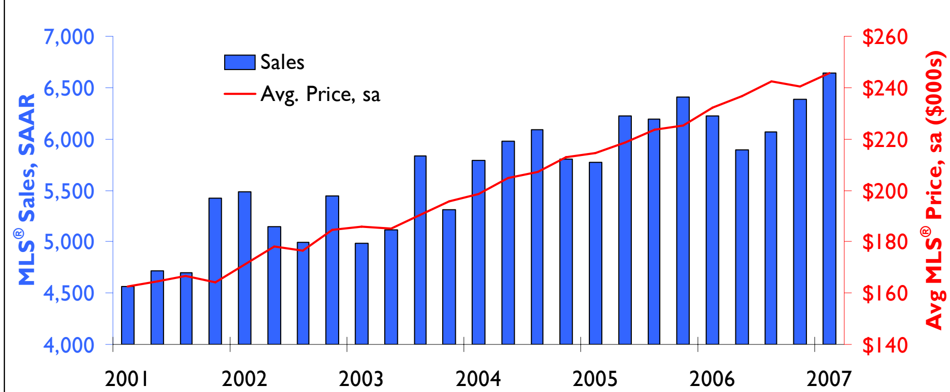
New listings, a proxy for supply, continue to trend higher. Above-inflation price growth over the last several years has encouraged existing homeowners to list their homes for sale. The current market is favourable for those listing their homes due to the strong demand. New listings in the first quarter of 2007 increased by 10.4 per cent to 2,710 compared to the same quarter last year.

The Kitchener-Waterloo resale home market has been in sellers' territory for the last five years, but has been moving sporadically toward a more balanced state in the last year. The sales-to-new listings ratio (SNLR) is a measure of the state of the resale home market. In Kitchener-Waterloo, a SNLR above 60 per cent is indicative of a sellers' market, while a ratio between 50 and 60 per cent suggests more balanced conditions. The market tightened up significantly in February and March pushing the SNLR above 60 per cent.

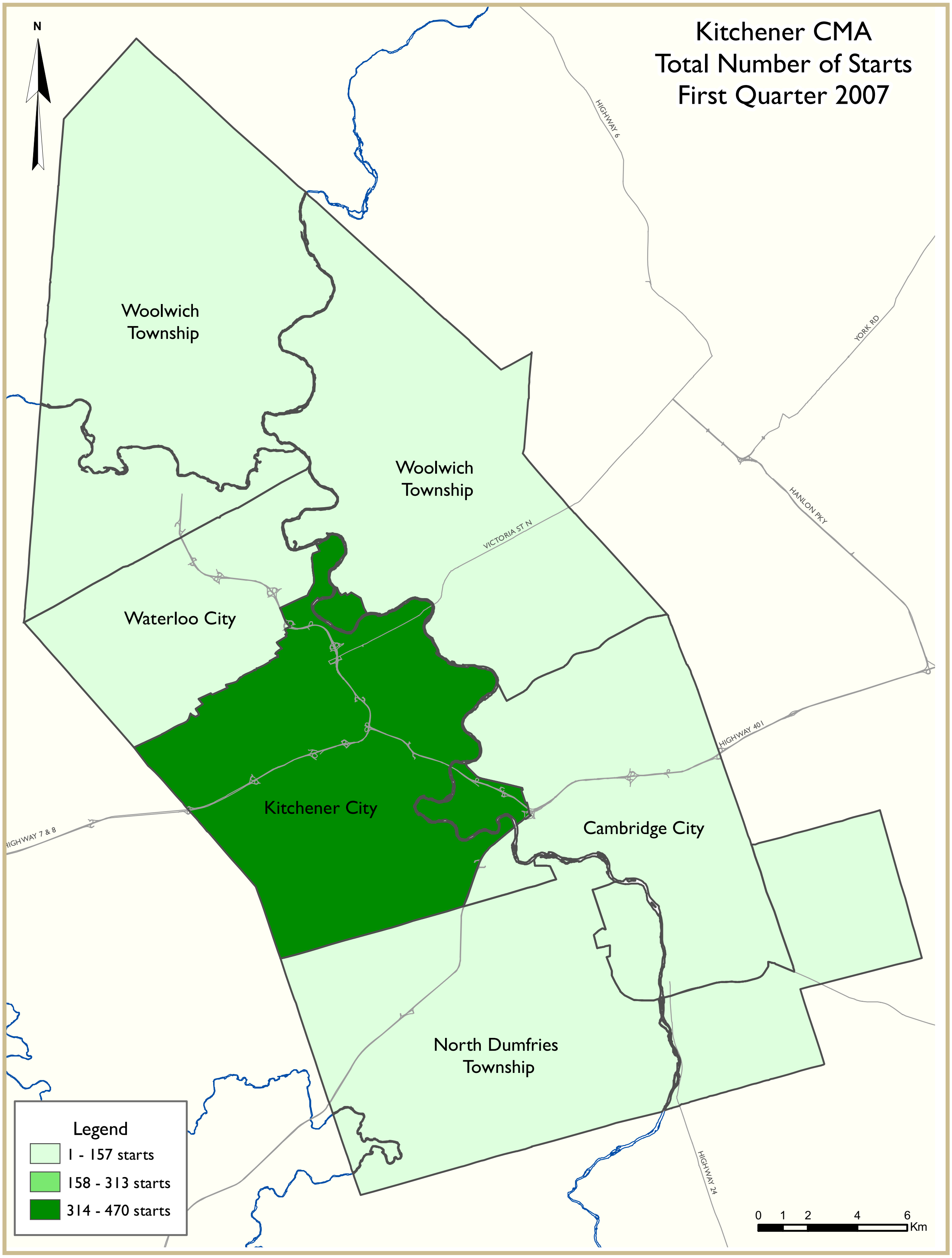
Although the market was more balanced, resale home prices in the first quarter of 2007 increased by 5.8 per cent to $245,235 from the same quarter last year. Price growth was more than two times the rate of inflation as measured by the Consumer Price Index. The average price for a single-detached home was around $277,500. Multiple-family home types (which include semi-detached, townhouses, and condominium apartments) were more affordable with an average price of $173,000. Demand continued to be strong for homes priced above $200,000.

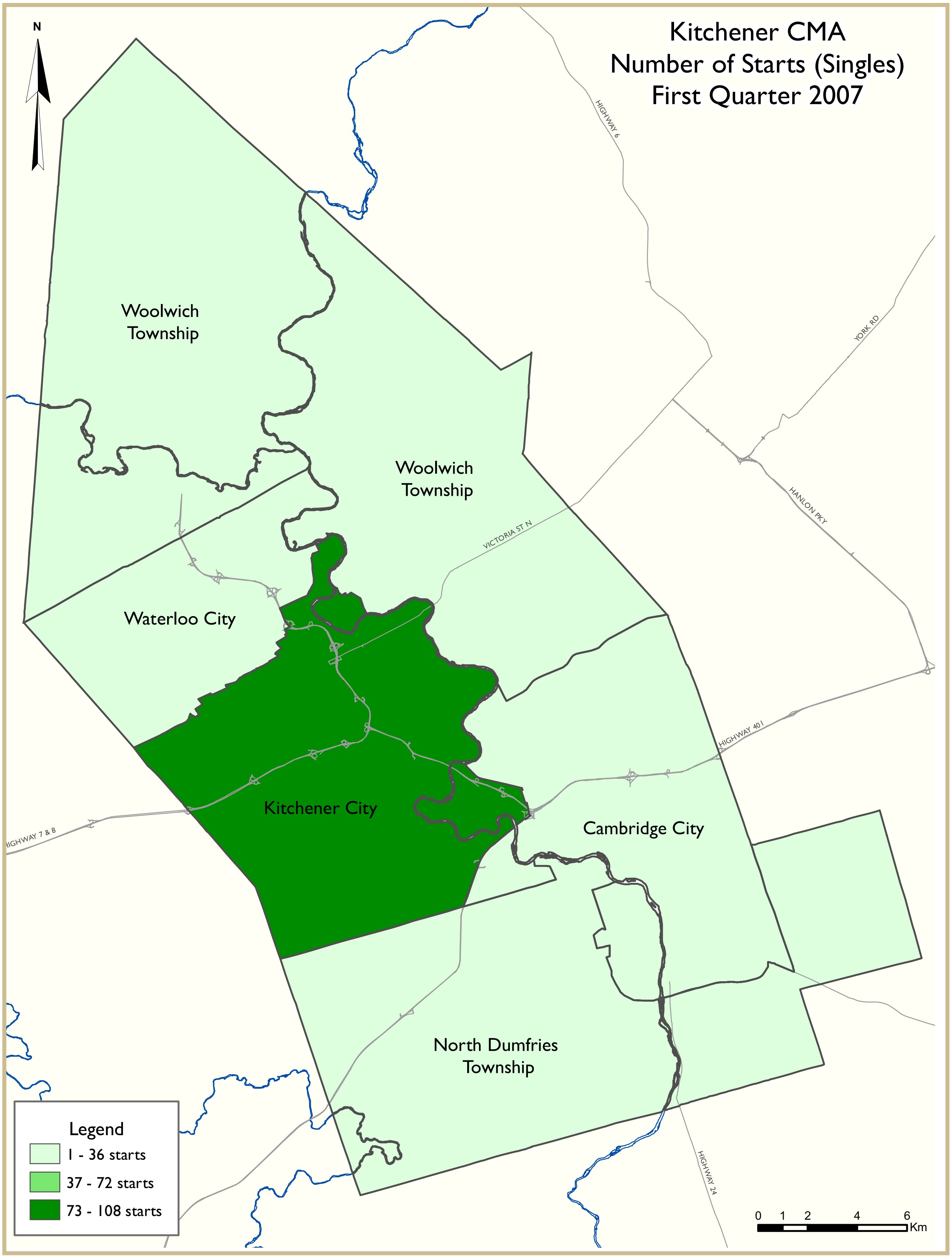
Figure 1

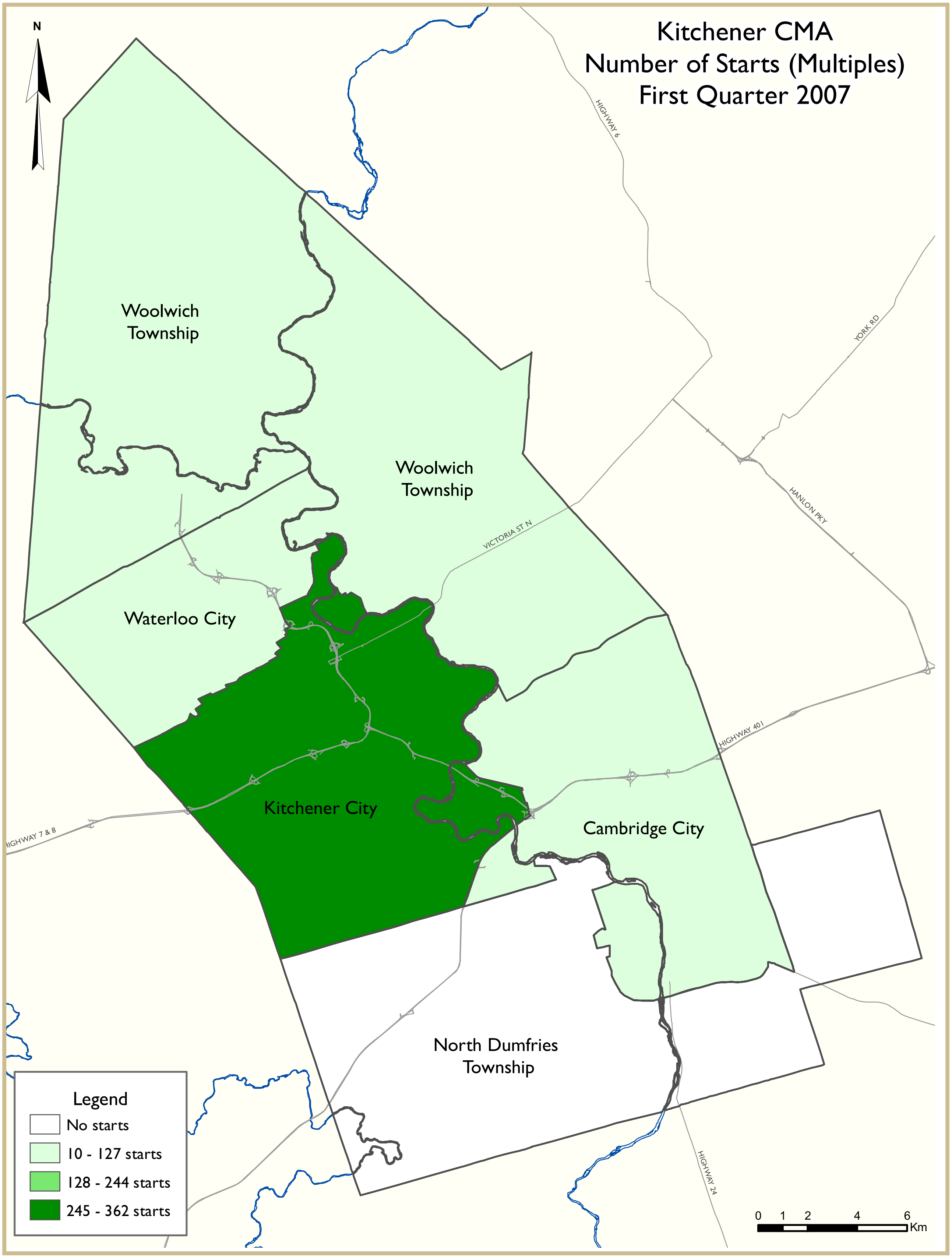
Kitchener MLS® Sales, SAAR and Seasonally Adjusted Average Price



Source: CMHC, CREA (MLS®)


Kitchener CMA
Total Number of Starts
First Quarter 2007
N
HIGHWAY 6
YORK RD
HANLON PKY
VICTORIA ST N
HIGHWAY 401
HIGHWAY 7 & 8
HIGHWAY 24
Woolwich Township
Woolwich Township
Waterloo City
Kitchener City
Cambridge City
North Dumfries Township
Legend
1 - 157 starts
158 - 313 starts
314 - 470 starts
0 1 2 4 6 Km


Kitchener CMA
Number of Starts (Singles)
First Quarter 2007
N
Woolwich Township
Woolwich Township
Waterloo City
Kitchener City
Cambridge City
North Dumfries Township
HIGHWAY 6
YORK RD
HANLON PKY
VICTORIA ST N
HIGHWAY 401
HIGHWAY 7 & 8
HIGHWAY 24
Legend
1 - 36 starts
37 - 72 starts
73 - 108 starts
0 1 2 4 6
Km


Kitchener CMA
Number of Starts (Multiples)
First Quarter 2007
N
Woolwich Township
Woolwich Township
Waterloo City
Kitchener City
Cambridge City
North Dumfries Township
HIGHWAY 6
YORK RD
HANLON PKY
VICTORIA ST N
HIGHWAY 401
HIGHWAY 7 & 8
HIGHWAY 24
Legend
No starts
10 - 127 starts
128 - 244 starts
245 - 362 starts
0 1 2 4 6
Km

HOUSING NOW REPORT TABLES

Available in ALL reports:

1	Housing Activity Summary of CMA
2	Starts by Submarket and by Dwelling Type – Current Month or Quarter
2.1	Starts by Submarket and by Dwelling Type – Year-to-Date
3	Completions by Submarket and by Dwelling Type – Current Month or Quarter
3.1	Completions by Submarket and by Dwelling Type – Year-to-Date
4	Absorbed Single-Detached Units by Price Range
5	MLS® Residential Activity
6	Economic Indicators

Available in SELECTED Reports:

1.1	Housing Activity Summary by Submarket
1.2	History of Housing Activity (once a year)
2.2	Starts by Submarket, by Dwelling Type and by Intended Market – Current Month or Quarter
2.3	Starts by Submarket, by Dwelling Type and by Intended Market – Year-to-Date
2.4	Starts by Submarket and by Intended Market – Current Month or Quarter
2.5	Starts by Submarket and by Intended Market – Year-to-Date
3.2	Completions by Submarket, by Dwelling Type and by Intended Market – Current Month or Quarter
3.3	Completions by Submarket, by Dwelling Type and by Intended Market – Year-to-Date
3.4	Completions by Submarket and by Intended Market – Current Month or Quarter
3.5	Completions by Submarket and by Intended Market – Year-to-Date
4.1	Average Price ($) of Absorbed Single-Detached Units

SYMBOLS

n/a	Not applicable
*	Totals may not add up due to co-operatives and unknown market types
**	Percent change > 200%
-	Nil or zero
--	Amount too small to be expressed
SA	Monthly figures are adjusted to remove normal seasonal variation

Table 1: Housing Activity Summary of Kitchener CMA First Quarter 2007									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q1 2007	175	20	80	0	25	24	0	332	656
Q1 2006	359	34	97	0	34	0	0	12	536
% Change	-51.3	-41.2	-17.5	n/a	-26.5	n/a	n/a	**	22.4
Year-to-date 2007	175	20	80	0	25	24	0	332	656
Year-to-date 2006	359	34	97	0	34	0	0	12	536
% Change	-51.3	-41.2	-17.5	n/a	-26.5	n/a	n/a	**	22.4
UNDER CONSTRUCTION									
Q1 2007	307	34	228	0	102	56	0	500	1,227
Q1 2006	583	54	354	0	135	204	0	400	1,730
% Change	-47.3	-37.0	-35.6	n/a	-24.4	-72.5	n/a	25.0	-29.1
COMPLETIONS									
Q1 2007	233	40	90	0	16	89	0	376	844
Q1 2006	377	44	108	0	48	0	2	215	794
% Change	-38.2	-9.1	-16.7	n/a	-66.7	n/a	-100.0	74.9	6.3
Year-to-date 2007	233	40	90	0	16	89	0	376	844
Year-to-date 2006	377	44	108	0	48	0	2	215	794
% Change	-38.2	-9.1	-16.7	n/a	-66.7	n/a	-100.0	74.9	6.3
COMPLETED & NOT ABSORBED									
Q1 2007	108	31	113	0	24	24	0	222	522
Q1 2006	130	13	70	0	20	0	6	201	440
% Change	-16.9	138.5	61.4	n/a	20.0	n/a	-100.0	10.4	18.6
ABSORBED									
Q1 2007	240	36	73	0	19	65	0	189	622
Q1 2006	339	41	100	0	46	0	1	208	735
% Change	-29.2	-12.2	-27.0	n/a	-58.7	n/a	-100.0	-9.1	-15.4
Year-to-date 2007	240	36	73	0	19	65	0	189	622
Year-to-date 2006	339	41	100	0	46	0	1	208	735
% Change	-29.2	-12.2	-27.0	n/a	-58.7	n/a	-100.0	-9.1	-15.4

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket First Quarter 2007									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Kitchener City									
Q1 2007	108	14	70	0	13	24	0	241	470
Q1 2006	172	24	55	0	18	0	0	0	269
Cambridge City									
Q1 2007	5	0	0	0	12	0	0	47	64
Q1 2006	83	0	15	0	16	0	0	0	114
North Dumfries Township									
Q1 2007	1	0	0	0	0	0	0	0	1
Q1 2006	1	0	0	0	0	0	0	0	1
Waterloo City									
Q1 2007	31	0	6	0	0	0	0	44	81
Q1 2006	61	6	18	0	0	0	0	12	97
Woolwich Township									
Q1 2007	30	6	4	0	0	0	0	0	40
Q1 2006	42	4	9	0	0	0	0	0	55
Kitchener CMA									
Q1 2007	175	20	80	0	25	24	0	332	656
Q1 2006	359	34	97	0	34	0	0	12	536
UNDER CONSTRUCTION									
Kitchener City									
Q1 2007	150	20	158	0	36	56	0	297	717
Q1 2006	239	32	179	0	35	0	0	138	623
Cambridge City									
Q1 2007	53	0	53	0	66	0	0	47	219
Q1 2006	184	2	85	0	100	204	0	250	825
North Dumfries Township									
Q1 2007	6	0	0	0	0	0	0	0	6
Q1 2006	9	0	0	0	0	0	0	0	9
Waterloo City									
Q1 2007	48	0	9	0	0	0	0	156	213
Q1 2006	89	16	55	0	0	0	0	12	172
Woolwich Township									
Q1 2007	50	14	8	0	0	0	0	0	72
Q1 2006	62	4	35	0	0	0	0	0	101
Kitchener CMA									
Q1 2007	307	34	228	0	102	56	0	500	1,227
Q1 2006	583	54	354	0	135	204	0	400	1,730

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket First Quarter 2007									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
COMPLETIONS									
Kitchener City									
Q1 2007	99	22	44	0	0	4	0	180	349
Q1 2006	160	18	85	0	35	0	2	95	395
Cambridge City									
Q1 2007	75	8	11	0	16	85	0	196	391
Q1 2006	96	12	12	0	13	0	0	0	133
North Dumfries Township									
Q1 2007	5	0	0	0	0	0	0	0	5
Q1 2006	3	0	0	0	0	0	0	0	3
Waterloo City									
Q1 2007	36	6	30	0	0	0	0	0	72
Q1 2006	73	0	6	0	0	0	0	120	199
Woolwich Township									
Q1 2007	18	4	5	0	0	0	0	0	27
Q1 2006	45	14	5	0	0	0	0	0	64
Kitchener CMA									
Q1 2007	233	40	90	0	16	89	0	376	844
Q1 2006	377	44	108	0	48	0	2	215	794
COMPLETED & NOT ABSORBED									
Kitchener City									
Q1 2007	51	17	69	0	13	4	0	152	306
Q1 2006	64	10	48	0	5	0	6	123	256
Cambridge City									
Q1 2007	9	2	16	0	11	20	0	70	128
Q1 2006	7	0	6	0	13	0	0	0	26
North Dumfries Township									
Q1 2007	1	0	0	0	0	0	0	0	1
Q1 2006	1	0	0	0	0	0	0	0	1
Waterloo City									
Q1 2007	38	10	23	0	0	0	0	0	71
Q1 2006	47	1	12	0	0	0	0	67	127
Woolwich Township									
Q1 2007	9	2	5	0	0	0	0	0	16
Q1 2006	11	2	4	0	2	0	0	11	30
Kitchener CMA									
Q1 2007	108	31	113	0	24	24	0	222	522
Q1 2006	130	13	70	0	20	0	6	201	440

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket First Quarter 2007									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
ABSORBED									
Kitchener City									
Q1 2007	94	17	32	0	3	0	0	91	237
Q1 2006	137	15	67	0	35	0	1	76	331
Cambridge City									
Q1 2007	79	8	19	0	16	65	0	98	285
Q1 2006	94	12	12	0	10	0	0	0	128
North Dumfries Township									
Q1 2007	5	0	0	0	0	0	0	0	5
Q1 2006	2	0	0	0	0	0	0	0	2
Waterloo City									
Q1 2007	42	6	17	0	0	0	0	0	65
Q1 2006	58	0	16	0	0	0	0	132	206
Woolwich Township									
Q1 2007	20	5	5	0	0	0	0	0	30
Q1 2006	48	14	5	0	1	0	0	0	68
Kitchener CMA									
Q1 2007	240	36	73	0	19	65	0	189	622
Q1 2006	339	41	100	0	46	0	1	208	735

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 2: Starts by Submarket and by Dwelling Type First Quarter 2007											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	% Change
Kitchener City	108	172	14	24	81	73	267	0	470	269	74.7
Cambridge City	5	83	0	0	12	31	47	0	64	114	-43.9
North Dumfries Township	1	1	0	0	0	0	0	0	1	1	0.0
Waterloo City	31	61	0	6	6	18	44	12	81	97	-16.5
Woolwich Township	30	42	6	4	4	9	0	0	40	55	-27.3
Kitchener CMA	175	359	20	34	103	131	358	12	656	536	22.4

Table 2.1: Starts by Submarket and by Dwelling Type January - March 2007											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	% Change
Kitchener City	108	172	14	24	81	73	267	0	470	269	74.7
Cambridge City	5	83	0	0	12	31	47	0	64	114	-43.9
North Dumfries Township	1	1	0	0	0	0	0	0	1	1	0.0
Waterloo City	31	61	0	6	6	18	44	12	81	97	-16.5
Woolwich Township	30	42	6	4	4	9	0	0	40	55	-27.3
Kitchener CMA	175	359	20	34	103	131	358	12	656	536	22.4

Source: CMHC (Starts and Completions Survey)

Table 2.2: Starts by Submarket, by Dwelling Type and by Intended Market First Quarter 2007								
Submarket	Row				Apt. & Other			
	Freehold and Condominium		Rental		Freehold and Condominium		Rental	
	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006
Kitchener City	81	73	0	0	26	0	241	0
Cambridge City	12	31	0	0	0	0	47	0
North Dumfries Township	0	0	0	0	0	0	0	0
Waterloo City	6	18	0	0	0	0	44	12
Woolwich Township	4	9	0	0	0	0	0	0
Kitchener CMA	103	131	0	0	26	0	332	12

Table 2.3: Starts by Submarket, by Dwelling Type and by Intended Market January - March 2007								
Submarket	Row				Apt. & Other			
	Freehold and Condominium		Rental		Freehold and Condominium		Rental	
	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006
Kitchener City	81	73	0	0	26	0	241	0
Cambridge City	12	31	0	0	0	0	47	0
North Dumfries Township	0	0	0	0	0	0	0	0
Waterloo City	6	18	0	0	0	0	44	12
Woolwich Township	4	9	0	0	0	0	0	0
Kitchener CMA	103	131	0	0	26	0	332	12

Source: CMHC (Starts and Completions Survey)

Table 2.4: Starts by Submarket and by Intended Market First Quarter 2007								
Submarket	Freehold		Condominium		Rental		Total*	
	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006
Kitchener City	192	251	37	18	241	0	470	269
Cambridge City	5	98	12	16	47	0	64	114
North Dumfries Township	1	1	0	0	0	0	1	1
Waterloo City	37	85	0	0	44	12	81	97
Woolwich Township	40	55	0	0	0	0	40	55
Kitchener CMA	275	490	49	34	332	12	656	536

Table 2.5: Starts by Submarket and by Intended Market January - March 2007								
Submarket	Freehold		Condominium		Rental		Total*	
	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006
Kitchener City	192	251	37	18	241	0	470	269
Cambridge City	5	98	12	16	47	0	64	114
North Dumfries Township	1	1	0	0	0	0	1	1
Waterloo City	37	85	0	0	44	12	81	97
Woolwich Township	40	55	0	0	0	0	40	55
Kitchener CMA	275	490	49	34	332	12	656	536

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type First Quarter 2007												
Submarket	Single		Semi		Row		Apt. & Other		Total			
	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	% Change
Kitchener City	99	160	22	20	44	120	184	95	349	395	-11.6
Cambridge City	75	96	8	12	27	25	281	0	391	133	194.0
North Dumfries Township	5	3	0	0	0	0	0	0	5	3	66.7
Waterloo City	36	73	6	0	30	6	0	120	72	199	-63.8
Woolwich Township	18	45	4	14	5	5	0	0	27	64	-57.8
Kitchener CMA	233	377	40	46	106	156	465	215	844	794	6.3

Table 3.1: Completions by Submarket and by Dwelling Type January - March 2007											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	% Change
Kitchener City	99	160	22	20	44	120	184	95	349	395	-11.6
Cambridge City	75	96	8	12	27	25	281	0	391	133	194.0
North Dumfries Township	5	3	0	0	0	0	0	0	5	3	66.7
Waterloo City	36	73	6	0	30	6	0	120	72	199	-63.8
Woolwich Township	18	45	4	14	5	5	0	0	27	64	-57.8
Kitchener CMA	233	377	40	46	106	156	465	215	844	794	6.3

Source: CMHC (Starts and Completions Survey)

Table 3.2: Completions by Submarket, by Dwelling Type and by Intended Market
First Quarter 2007

Submarket	Row				Apt. & Other			
	Freehold and Condominium		Rental		Freehold and Condominium		Rental	
	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006
Kitchener City	44	120	0	0	4	0	180	95
Cambridge City	27	25	0	0	85	0	196	0
North Dumfries Township	0	0	0	0	0	0	0	0
Waterloo City	30	6	0	0	0	0	0	120
Woolwich Township	5	5	0	0	0	0	0	0
Kitchener CMA	106	156	0	0	89	0	376	215

Table 3.3: Completions by Submarket, by Dwelling Type and by Intended Market
January - March 2007

Submarket	Row				Apt. & Other			
	Freehold and Condominium		Rental		Freehold and Condominium		Rental	
	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006
Kitchener City	44	120	0	0	4	0	180	95
Cambridge City	27	25	0	0	85	0	196	0
North Dumfries Township	0	0	0	0	0	0	0	0
Waterloo City	30	6	0	0	0	0	0	120
Woolwich Township	5	5	0	0	0	0	0	0
Kitchener CMA	106	156	0	0	89	0	376	215

Source: CMHC (Starts and Completions Survey)

Table 3.4: Completions by Submarket and by Intended Market
First Quarter 2007

Submarket	Freehold		Condominium		Rental		Total*	
	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006	Q1 2007	Q1 2006
Kitchener City	165	263	4	35	180	97	349	395
Cambridge City	94	120	101	13	196	0	391	133
North Dumfries Township	5	3	0	0	0	0	5	3
Waterloo City	72	79	0	0	0	120	72	199
Woolwich Township	27	64	0	0	0	0	27	64
Kitchener CMA	363	529	105	48	376	217	844	794

Table 3.5: Completions by Submarket and by Intended Market
January - March 2007

Submarket	Freehold		Condominium		Rental		Total*	
	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006	YTD 2007	YTD 2006
Kitchener City	165	263	4	35	180	97	349	395
Cambridge City	94	120	101	13	196	0	391	133
North Dumfries Township	5	3	0	0	0	0	5	3
Waterloo City	72	79	0	0	0	120	72	199
Woolwich Township	27	64	0	0	0	0	27	64
Kitchener CMA	363	529	105	48	376	217	844	794

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range
First Quarter 2007

Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $200,000		$200,000 - $249,999		$250,000 - $299,999		$300,000 - $349,999		$350,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Kitchener City													
Q1 2007	0	0.0	14	14.9	32	34.0	23	24.5	25	26.6	94	300,000	325,536
Q1 2006	5	3.6	56	40.6	44	31.9	15	10.9	18	13.0	138	253,541	298,772
Year-to-date 2007	0	0.0	14	14.9	32	34.0	23	24.5	25	26.6	94	300,000	325,536
Year-to-date 2006	5	3.6	56	40.6	44	31.9	15	10.9	18	13.0	138	253,541	298,772
Cambridge City													
Q1 2007	0	0.0	16	20.3	35	44.3	15	19.0	13	16.5	79	279,304	293,561
Q1 2006	1	1.1	30	31.9	33	35.1	18	19.1	12	12.8	94	268,207	285,326
Year-to-date 2007	0	0.0	16	20.3	35	44.3	15	19.0	13	16.5	79	279,304	293,561
Year-to-date 2006	1	1.1	30	31.9	33	35.1	18	19.1	12	12.8	94	268,207	285,326
North Dumfries Township													
Q1 2007	0	0.0	0	0.0	0	0.0	0	0.0	5	100.0	5	--	--
Q1 2006	0	0.0	0	0.0	0	0.0	0	0.0	2	100.0	2	--	--
Year-to-date 2007	0	0.0	0	0.0	0	0.0	0	0.0	5	100.0	5	--	--
Year-to-date 2006	0	0.0	0	0.0	0	0.0	0	0.0	2	100.0	2	--	--
Waterloo City													
Q1 2007	0	0.0	0	0.0	12	28.6	8	19.0	22	52.4	42	350,000	364,666
Q1 2006	4	6.9	7	12.1	18	31.0	13	22.4	16	27.6	58	297,500	309,048
Year-to-date 2007	0	0.0	0	0.0	12	28.6	8	19.0	22	52.4	42	350,000	364,666
Year-to-date 2006	4	6.9	7	12.1	18	31.0	13	22.4	16	27.6	58	297,500	309,048
Woolwich Township													
Q1 2007	0	0.0	1	5.0	4	20.0	1	5.0	14	70.0	20	432,150	501,990
Q1 2006	2	4.2	5	10.4	17	35.4	6	12.5	18	37.5	48	298,000	333,630
Year-to-date 2007	0	0.0	1	5.0	4	20.0	1	5.0	14	70.0	20	432,150	501,990
Year-to-date 2006	2	4.2	5	10.4	17	35.4	6	12.5	18	37.5	48	298,000	333,630
Kitchener CMA													
Q1 2007	0	0.0	31	12.9	83	34.6	47	19.6	79	32.9	240	301,763	342,489
Q1 2006	12	3.5	98	28.8	112	32.9	52	15.3	66	19.4	340	270,000	304,326
Year-to-date 2007	0	0.0	31	12.9	83	34.6	47	19.6	79	32.9	240	301,763	342,489
Year-to-date 2006	12	3.5	98	28.8	112	32.9	52	15.3	66	19.4	340	270,000	304,326

Source: CMHC (Market Absorption Survey)

Table 4.1: Average Price ($) of Absorbed Single-detached Units First Quarter 2007						
Submarket	Q1 2007	Q1 2006	% Change	YTD 2007	YTD 2006	% Change
Kitchener City	325,536	298,772	9.0	325,536	298,772	9.0
Cambridge City	293,561	285,326	2.9	293,561	285,326	2.9
North Dumfries Township	--	--	n/a	--	--	n/a
Waterloo City	364,666	309,048	18.0	364,666	309,048	18.0
Woolwich Township	501,990	333,630	50.5	501,990	333,630	50.5
Kitchener CMA	342,489	304,326	12.5	342,489	304,326	12.5

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity for Kitchener
First Quarter 2007

		Number of Sales[1]	Yr/Yr[2] (%)	Sales SA[1]	Number of New Listings[1]	New Listings SA[1]	Sales-to-New Listings SA[2]	Average Price[1] ($)	Yr/Yr[2] (%)	Average Price[1] ($) SA
2006	January	394	27.5	537	783	793	67.7	221,523	0.9	224,134
	February	487	0.4	501	681	727	68.9	233,015	12.1	235,516
	March	585	2.1	502	990	805	62.4	237,610	10.0	234,803
	April	554	-11.1	483	919	800	60.4	236,468	9.4	239,095
	May	676	7.8	511	1,091	822	62.2	240,371	8.1	240,632
	June	602	-11.5	478	977	802	59.6	236,539	7.0	231,722
	July	518	1.0	500	746	787	63.5	238,894	6.9	239,889
	August	552	-5.5	511	903	858	59.6	250,207	10.8	249,398
	September	486	-0.2	523	944	906	57.7	239,035	7.3	238,695
	October	484	2.8	511	790	818	62.5	246,791	7.0	238,603
	November	461	-4.2	521	688	884	58.9	231,744	4.2	239,974
	December	316	0.6	537	384	894	60.1	236,945	9.3	242,510
2007	January	397	0.8	528	953	915	57.7	249,258	12.5	250,721
	February	532	9.2	546	772	855	63.9	238,520	2.4	243,414
	March	633	8.2	553	985	843	65.6	248,355	4.5	247,266
	April									
	May									
	June									
	July									
	August									
	September									
	October									
	November									
	December									
	Q1 2006	1,466	7.2		2,454			231,760	8.3	
	Q1 2007	1,562	6.5		2,710			245,235	5.8	
	YTD 2006	1,466	7.2		2,454			231,760	8.3	
	YTD 2007	1,562	6.5		2,710			245,235	5.8	

MLS® is a registered trademark of the Canadian Real Estate Association (CREA).

[1]Source: CREA
[2]Source: CMHC, adapted from MLS® data supplied by CREA

Table 6: Economic Indicators
First Quarter 2007

		Interest Rates			NHPI, Total, Kitchener CMA 1997=100	CPI, 1992 =100 (Ontario)	Kitchener Labour Market			Average Weekly Earnings ($)
		P & I Per $100,000	Mortage Rates (%)				Employment SA (,000)	Unemployment Rate (%) SA	Participation Rate (%) SA	
			1 Yr. Term	5 Yr. Term						
2006	January	658	5.80	6.30	134.7	130.0	250.7	5.8	72.4	738
	February	667	5.85	6.45	135.4	129.6	251.9	5.3	72.2	731
	March	667	6.05	6.45	136.4	130.7	251.0	5.2	71.8	734
	April	685	6.25	6.75	135.9	131.0	249.4	4.9	71.1	736
	May	685	6.25	6.75	137.2	131.6	248.7	5.0	70.8	742
	June	697	6.60	6.95	137.3	131.3	247.6	4.8	70.3	738
	July	697	6.60	6.95	137.1	130.9	248.2	4.9	70.3	746
	August	691	6.40	6.85	137.1	131.1	248.9	5.0	70.5	751
	September	682	6.40	6.70	137.1	130.3	249.5	5.4	70.9	755
	October	688	6.40	6.80	137.2	130.2	252.2	5.3	71.4	749
	November	673	6.40	6.55	137.5	130.5	255.3	5.3	72.2	736
	December	667	6.30	6.45	138.1	130.6	257.3	5.4	72.8	728
2007	January	679	6.50	6.65	138.0	130.4	255	5.7	72.3	731
	February	679	6.50	6.65	138.3	131.7	252.1	5.9	71.5	737
	March	669	6.40	6.49		133.0	251.6	5.6	71.1	753
	April									
	May									
	June									
	July									
	August									
	September									
	October									
	November									
	December									

"P & I" means Principal and Interest (assumes $100,000 mortgage amortized over 25 years using current 5 year interest rate)
"NHPI" means New Housing Price Index
"CPI" means Consumer Price Index
"SA" means Seasonally Adjusted

Source: CMHC, adapted from Statistics Canada (CANSIM), CREA (MLS®), Statistics Canada (CANSIM)

METHODOLOGY

Starts & Completions Survey Methodology

The Starts and Completions Survey is conducted by way of site visits which are used to confirm that new units have reached set stages in the construction process. Since most municipalities in the country issue building permits, these are used as an indication of where construction is likely to take place. In areas where there are no permits, reliance has to be placed either on local sources or searching procedures.

The Starts and Completions Survey is carried out monthly in urban areas with population in excess of 50,000, as defined by the 2001 Census. In urban areas with populations of 10,000 to 49,999, all Starts are enumerated in the last month of the quarter (i.e. four times a year, in March, June, September and December). In these centres with quarterly enumeration, Completion activity is modelled based on historical patterns. Monthly Starts and Completions activity in these quarterly locations are statistically estimated at a provincial level for single and multi categories. Centres with populations below 10,000 are enumerated on a sample basis, also in the last month of each quarter (i.e. four times a year, in March, June, September and December).

The Starts and Completions Survey enumerates dwelling units in new structures only, designed for non-transient and year-round occupancy.

Mobile homes are included in the surveys. A mobile home is a type of manufactured house that is completely assembled in a factory and then moved to a foundation before it is occupied.

Trailers or any other movable dwelling (the larger often referred to as a mobile home) with no permanent foundation are excluded from the survey.

Conversions and/or alterations within an existing structure are excluded from the surveys as are seasonal dwellings, such as: summer cottages, hunting and ski cabins, trailers and boat houses; and hostel accommodations, such as: hospitals, nursing homes, penal institutions, convents, monasteries, military and industrial camps, and collective types of accommodation such as: hotels, clubs, and lodging homes.

Market Absorption Survey Methodology

The Market Absorption Survey is carried out in conjunction with the Starts and Completions Survey in urban areas with populations in excess of 50,000. When a structure is recorded as completed, an update is also made as units are sold or rented. The dwellings are then enumerated each month until such time as full absorption occurs.

STARTS AND COMPLETIONS SURVEY AND MARKET ABSORPTION SURVEY DEFINITIONS

A "**dwelling unit**", for purposes of the Starts and Completions Survey, is defined as a structurally separate set of self-contained living premises with a private entrance from outside the building or from a common hall, lobby, or stairway inside the building. Such an entrance must be one that can be used without passing through another separate dwelling unit.

A "**start**", for purposes of the Starts and Completions Survey, is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure.

The number of units "**under construction**" as at the end of the period shown, takes into account certain adjustments which are necessary for various reasons. For example, after a start on a dwelling has commenced construction may cease, or a structure, when completed, may contain more or fewer dwelling units than were reported at start.

A "**completion**", for purposes of the Starts and Completions Survey, is defined as the stage at which all the proposed construction work on a dwelling unit has been performed, although under some circumstances a dwelling may be counted as completed where up to 10 per cent of the proposed work remains to be done.

The term "**absorbed**" means that a housing unit is no longer on the market (i.e. has been sold or rented). This usually happens when a binding contract is secured by a non-refundable deposit and has been signed by a qualified purchaser. The purpose of the Market Absorption Survey is to measure the rate at which units are sold or rented after they are completed, as well as collect prices.

DWELLING TYPES:

A "**Single-Detached**" dwelling (also referred to as "**Single**") is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

A "**Semi-Detached (Double)**" dwelling (also referred to as "**Semi**") is one of two dwellings located side-by-side in a building, adjoining no other structure and separated by a common or party wall extending from ground to roof.

A "**Row (Townhouse)**" dwelling is a one family dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

The term "**Apartment and other**" includes all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

INTENDED MARKET:

The "**intended market**" is the tenure in which the unit is being marketed. This includes the following categories:

Freehold: A residence where the owner owns the dwelling and lot outright.

Condominium (including Strata-Titled): An individual dwelling which is privately owned, but where the building and/or the land are collectively owned by all dwelling unit owners. A condominium is a form of ownership rather than a type of house.

Rental: Dwelling constructed for rental purposes regardless of who finances the structure.

GEOGRAPHICAL TERMS:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree on integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

A "**Rural**" area, for the purposes of this publication, is a centre with a population less than 10,000.

All data presented in this publication is based on Statistics Canada's 2001 Census area definitions.

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