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## NEWS RELEASE

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For immediate release

### **First-time buyers driving force in Canada's residential real estate markets, says RE/MAX**

**Kelowna, BC (March 11, 2009)** -- A report released today by RE/MAX confirms that entry-level purchasers are now the engine driving home-buying activity in almost every major centre in Canada.

The 2009 RE/MAX First-Time Buyers Report, highlighting first-time buying activity in 32 residential housing markets across Canada, found that improved affordability is prompting many first-time buyers to get off the fence, out of the rental, and into the market. While a sense of caution still prevails, more and more first-timers are finding it hard to pass up the chance to become homeowners in today's buyer-centric real estate climate. Increased inventory and longer days on market coupled with the lowest lending rates ever are presenting opportunities that have not been seen in almost a decade.

"Canadian markets from coast-to-coast are ripe for a reawakening as the weather warms up," says Elton Ash, Regional Executive Vice President, RE/MAX of Western Canada. "First-time buyers seem more acclimatized to economic factors, even though the barrage of bad news continues to flow. Those who are secure in their jobs, have accumulated good down payments, and have acceptable credit ratings are continuing to venture forward, undeterred by tighter lending criteria."

Although the year got off to a slow start, February home sales were well ahead of those reported in January. The upward trending is expected to continue as more and more first-time buyers enter the market in the weeks ahead. The flurry of activity in the lower-end may also serve to kick-start sales in the mid-to-upper end of the market, which have, as expected, been relatively sluggish in recent months. While inventory and days on market was up virtually across the board, it's noteworthy that several markets reported tighter conditions in the lower end of the market, where demand and buyer activity remains quite healthy.

- more -

“While the current economic crisis has caused some first-time buyers to either take it slowly or apply the brakes, home ownership remains a top priority for those who are able to take advantage of reduced carrying costs, rock bottom interest rates and lower house prices,” explains Michael Polzler, Executive Vice President and Regional Director, RE/MAX Ontario-Atlantic Canada. “Affordability has greatly improved and buyers are firmly in the drivers’ seat in just about every market we surveyed. The new reality is that homeownership remains well within reach for most first-time buyers.”

According to the RE/MAX Report, buyers are clearly in control in most Canadian markets. Of the 32 markets surveyed, 22 (69 per cent) remain firmly in buyer’s market territory. These include Vancouver, Surrey, Port Coquitlam, Chilliwack, Kelowna, Victoria, Edmonton, Calgary, Saskatoon, Regina, Ottawa, Peterborough, London-St. Thomas, Niagara Falls, Mississauga, Metro Toronto, Northern GTA, Kingston, Windsor, Hamilton-Burlington, Barrie, and Halifax-Dartmouth. Ten (31 per cent) report more balanced conditions: Winnipeg, Kitchener-Waterloo, Sudbury, North Bay, St. Catharines, Saint John, Moncton, Fredericton, St. John’s, and Charlottetown.

Forty per cent of markets offered single-detached homes priced under \$200,000, including Charlottetown, Saint John, Moncton, Peterborough, Niagara Falls, St. Catharines, Windsor, Fredericton, Halifax-Dartmouth, London, North Bay, Kingston, Saskatoon and Winnipeg. More than two-thirds (71 per cent) offered condominiums starting under \$200,000, (Moncton, Fredericton, Halifax-Dartmouth, Sudbury, North Bay, Peterborough, Mississauga, Burlington, Niagara Falls, St. Catharines, Kitchener-Waterloo, London, Windsor, Surrey, Chilliwack, Victoria, Kelowna, Edmonton, Saskatoon, Regina, and Winnipeg).

The most affordable markets for detached homes, based on starting prices are: Moncton (\$115,000), Charlottetown (\$120,000), and Saint John (\$130,000) in Eastern Canada; Windsor (\$75,000), Niagara Falls (\$119,000), and St. Catharines (\$125,000) in Ontario; Winnipeg (\$185,000), Saskatoon (\$190,000), and Regina (\$210,000) in Western Canada.

RE/MAX is Canada’s leading real estate organization with over 17,000 sales associates situated throughout its more than 670 independently-owned and operated offices across the country. The RE/MAX franchise network, now in its 36<sup>th</sup> year, is a global real estate system operating in more than 70 countries. Over 6,800 independently-owned offices engage nearly 100,000 member sales associates who lead the industry in professional designations, experience and production while providing real estate services in resident, commercial, referral, and asset management. For more information, visit: [www.remax.ca](http://www.remax.ca)

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# FIRST-TIME HOME BUYERS REPORT 2009

**RE/MAX**



## British Columbia

### Vancouver East, Vancouver West

**Starting Prices for a Single-Detached Home (East)**

2009—\$500,000

2008—\$550,000

**Starting Prices for a Condominium (1,000 sq. ft.)**

2009—\$350,000

2008—\$400,000

**First-Time Buyer Communities –**

*Vancouver East – Renfrew*



Reduced housing values and historically-low mortgage rates are bringing first-time buyers back into Vancouver’s residential real estate market. After years of rapid price appreciation, entry-level purchasers are cautiously re-emerging, empowered by their newfound leverage.



\$489,000

Although more than 14,000 properties are currently on the market, that figure has dropped considerably since peaking in October 2008. With demand greatest for properties under the \$500,000 price point, purchasers will find fewer properties listed for sale—especially in popular neighbourhoods in Vancouver East and Vancouver West. In fact, the number of detached and condominium properties in both areas is down over one year ago. More than 2,200 homes have changed hands in the Greater Vancouver Area year-to-date. Sales activity, having improved

considerably over January levels, is expected to gain further momentum with the advent of the Spring market. Pre-approvals are on the upswing and likely to translate into sales in coming months. First-time buyers are taking advantage of short-term



opportunities for long-term gain. Those that leap into homeownership will find that prices have come down considerably from one year ago. Single-detached homes starting as low as \$500,000 in Vancouver East and \$700,000 in Vancouver West can be found, but may require a little sweat equity. Condominiums provide a more affordable entry-point, with a 1,000 sq. ft. apartment priced from \$350,000—\$400,000 in Vancouver East and \$400,000—\$500,000 in Vancouver West.

**Starting Prices for a Single-Detached Home (West)**

2009—\$700,000  
2008—\$780,000

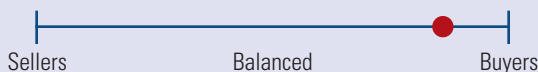
**Starting Prices for a Condominium (1,000 sq. ft.)**

2009—\$400,000  
2008—\$500,000

**First-Time Buyer Communities –**

*Vancouver West – South Granville, SE Vancouver*

**Market Conditions**



First-time buyers on a tighter budget can pick up a one-bedroom, 535 sq. ft. condo in move-in condition on Hastings for \$189,000. In Vancouver West, a studio apartment—approximately 400 sq. ft. in size—can be purchased for \$150,000. While concerns over the economic performance of the province weigh heavily, purchasers who are secure in their own personal financial situations are buying into homeownership. Most realize that housing values in Vancouver have a history of peaks and valleys, and this cycle is no different than others in the past.

## Surrey

**Starting Prices for a Single-Detached Home**

2009—\$360,000  
2008—\$385,000

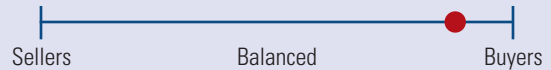
**Starting Prices for a Condominium (1,000 sq. ft.)**

2009—\$185,000  
2008—\$210,000

**First-Time Buyer Communities –**

*Single-Detached – Bear Creek, Bolivar Heights  
Condominium – Guildford, Whalley*

**Market Conditions**

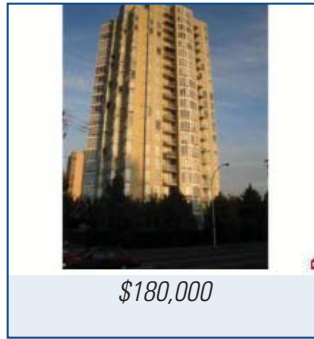


First-time buyers, bolstered by low interest rates and lower housing values, are slowly returning to Surrey's residential real estate market. Neighbourhoods such as Bolivar Heights and Bear Creek—where the starting price for a single-detached home hovers at

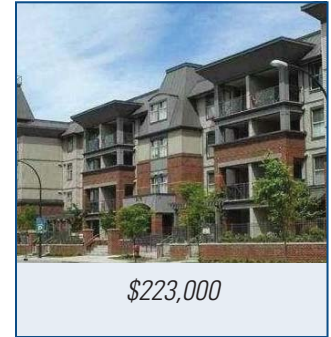


\$360,000—and Guildford and Whalley—where more affordable condominium product can be picked up for \$185,000—are most popular with purchasers. The transition to a buyer's market over the past six months has created opportunities where none existed before. Serious upward pressure in pricing made it virtually impossible for many first-time buyers to enter the market. Today's purchasers have a good selection of product from which to choose, the luxury of time in making important decisions, and the added benefit of reduced carrying costs, thanks to lower house prices and falling interest rates. Government incentive programs, such as the RRSP Homebuyers' Plan and the \$750 credit on closing costs, have also helped stimulate real estate activity in Surrey. Close to 1,900 detached homes are currently listed for sale, up 17 per cent from one year ago. The average price of a single-detached home hovers at \$485,507, compared to \$523,212 in February 2008. While condominium listings have surged, with close to 50 per cent more product on the market than in 2008, values are only off \$16,000 from last year's figure (\$196,649 compared to \$212,624).

Housing sales are off last year's heated pace, but are expected to rebound in the months ahead. First-time buyers considering homeownership are facing more stringent lending criteria. To qualify for a mortgage, purchasers will require a letter of employment, a minimum five per cent down that has been in a savings account for at least 90 days (or a gift letter), a good credit history, and a manageable debt load.

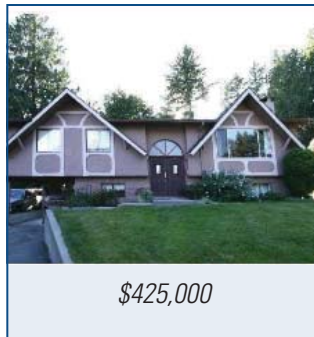


exist in established neighbourhoods such as Port Coquitlam's North Side. Others have gravitated toward the downtown core to snap up affordable condominium alternatives priced from \$223,000. Low interest rates and waived fees for land transfer tax (homes under \$425,000 are Property Transfer Tax exempt) are other incentives motivating entry-level purchasers. First-time buyers will have to meet the following prerequisites to qualify for financing; a good credit history, confirmed income, a five per cent down payment, and 1.5 per cent in savings for closing costs. Despite changing market conditions, foreclosures represent less than one per cent of the market.



## Port Coquitlam

After years of steady upward pressure on housing values, Port Coquitlam's residential real estate market has shifted in favor of the buyer, with a greater number of properties available for sale and lower prices. Median price for a detached property has decreased 16 per cent to \$450,000 year-to-date 2009, down from the \$537,000 posted one year ago. February has shown vast improvements, as more buyers are reversing their wait-and-see attitude to take advantage of the opportunities that exist today. A greater selection is currently available, with active listings for single-detached homes up 61 per cent. Many affordable options



## Chilliwack

### Starting Prices for a Single-Detached Home

2009—\$230,000

2008—\$240,000

### Starting Prices for a Condominium (1,000 sq. ft.)

2009—\$120,000

2008—\$155,000

### First-Time Buyer Communities –

Chilliwack Proper



### Starting Prices for a Single-Detached Home

2009—\$425,000

2008—\$475,000

### Starting Prices for a Condominium (1,000 sq. ft.)

2009—\$223,000

2008—\$293,000

### First-Time Buyer Communities –

North Side, Downtown

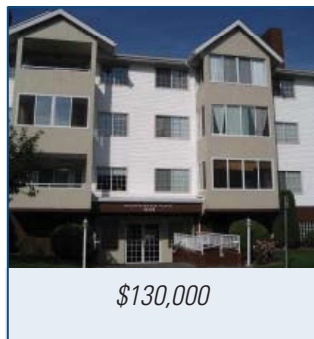


After months of relative inactivity, residential real estate sales are gaining momentum in Chilliwack. In recent weeks, there has been a flurry of home-buying activity, largely driven by first-time buyers taking advantage of lower housing values, interest rates at historical levels, and government incentive programs. A 13 per cent increase in listing inventory has contributed to a marked decline in average price in Chilliwack, now sitting at \$292,385. While February sales are well ahead of January's levels, the number of

homes sold are off last year's heated pace. Pent-up demand will play a major role in coming months, with the recent upswing in sales indicative of confidence returning to the local housing market. Financial institutions have tightened lending criteria to some extent, but employed purchasers with a good credit history and five per cent down payment should have no problem qualifying for a mortgage. Popular first-time buyer neighbourhoods include Chilliwack Proper, where a single-detached home starts at \$230,000. Affordable condominium product can be found in redevelopment areas. Economic stability will be key in the year ahead—with good news sparking a continuation of healthy residential real estate activity in Chilliwack in 2009.



\$230,000



\$130,000

many local first-time purchasers from entering the marketplace. Vying against buyers from out-of-town and out-of-province, local's often found themselves on the short end of the stick. Today's market conditions—while less palatable for vendors—have provided the impetus necessary for first-time buyers to finally re-enter the market. Lower housing values, attractive mortgage rates, and government incentives are working in tandem to stimulate home-buying activity. Starting prices for a single-detached home in neighbourhoods like Rutland, North Kelowna, and Glenrosa now hover at \$310,000, down from last years' \$350,000. Condominium product now starts at \$180,000. Active listings have declined year-over-year, yet, fewer purchasers in the marketplace overall have placed buyers in the driver's seat. While conditions have somewhat stabilized over the past month—the distance between list and sold prices has narrowed—the market continues to favour buyers. Average price has dropped 14 per cent to \$356,250 year-to-date from \$412,319 just one year ago. Power-of-sale listings are emerging, but not in abundance. For purchasers who have job security, a good credit score, and a five per cent down payment, market conditions are the best in recent memory to realize homeownership.



\$309,900



\$182,500

## Kelowna

### Starting Prices for a Single-Detached Home

2009—\$310,000

2008—\$350,000

### Starting Prices for a Condominium (1,000 sq. ft)

2009—\$180,000

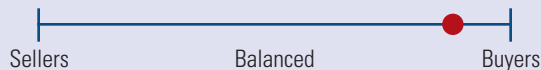
2008—\$225,000

### First-Time Buyer Communities –

Single-Detached Home – Rutland, North Kelowna, Glenrosa

Condominium – Throughout Greater Kelowna and West Kelowna

### Market Conditions



Local homebuyers are cautiously returning to Kelowna's residential real estate market after an exceptionally long hiatus. In recent years, serious upward pressure on housing prices prevented

## Victoria

After a period of inactivity, first-time buyers are reawakening in Victoria's residential real estate market. Record low interest rates and government incentive programs are prompting purchasers to enter the marketplace—a fact best illustrated by the noticeable increase in open house traffic, upswing in the number of showings, and uptick in overall sales activity. Softer market conditions—characterized by a decline in both sales and average price, and a 20 per cent upswing in active listings—have spelled opportunity for purchasers.

Many first-time buyers are looking to areas like Downtown Victoria and Esquimalt to realize their dream of homeownership. The starting price for a single-detached home is now \$310,000, down from \$350,000 one year ago, while a condominium apartment can



**Starting Prices for a Single-Detached Home**

2009—\$310,000  
2008—\$350,000

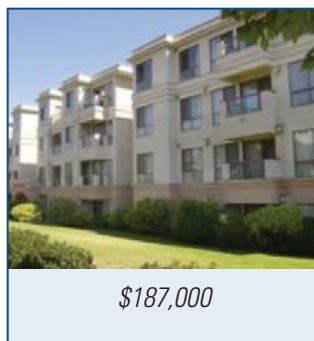
**Starting Prices for a Condominium (1,000 sq. ft.)**

2009—\$190,000  
2008—\$200,000

**First-Time Buyer Communities –**  
Downtown Victoria, Esquimalt



be purchased for as low as \$190,000. Given the cost of rent, the difference between owning and renting may be as simple as a five per cent down payment. Purchasers who are employed, have a good credit rating, and a down payment, should have no problem qualifying for a mortgage. In fact, the vast majority of sales in the marketplace are occurring under the \$450,000 price point in Victoria.



# Alberta

## Calgary

**Starting Prices for a Single-Detached Home**

2009—\$250,000  
2008—\$260,000

**Starting Prices for a Condominium (1,000 sq. ft.)**

2009—\$200,000  
2008—\$250,000

**First-Time Buyer Communities –**

Single-Detached Home – Calgary's East End  
Condominium – North East, South East, and North Central



Improved affordability levels are bringing first-time buyers back into Calgary's residential real estate market. Close to 60 per cent of year-to-date sales have occurred under the \$400,000 price point—a 20 per cent increase over last year. Spurred by lower housing values, falling interest rates, and a greater selection of homes listed for sale, purchasers are approaching homeownership with caution. The cost of owning has declined noticeably year-over-year, with the price of a single-family home in Metro Calgary sliding close to 11 per cent to \$414,663 year-to-date 2009, compared to one year ago. Condominium values have also dipped, falling 13.4 per cent to \$269,751 from \$311,553 in February 2008. Although the number of homes sold in Calgary increased in February (over January), year-to-date sales are still off last year's pace. Inventory is on the decline, with active listings down about seven per cent from one year ago. First-time buyers are active in the lower end of the market, where listings are a little tighter and prices have less flex. The most sought-after communities for single-detached housing include the city's East End, starting at \$250,000. An ample supply of condominiums are currently listed for sale in Calgary's North West, South



East, and North Central neighbourhoods, with units priced as low as \$200,000. As the traditional spring market approaches, demand for housing in Calgary is expected to increase—phones are already ringing and open house traffic is building.

## Edmonton

Bargain house prices and record low interest rates may serve to finally entice first-time buyers back into the Edmonton real estate market. The advent of the traditional spring market has been marked by a noticeable upswing in sales, greater absorption of active listings, and the occasional multiple offer. After peaking at 11,000 listings in mid-2008, Edmonton's housing supply is back down to a more manageable 7,000 units. Average price has fallen to \$308,970, down nine per cent from one year earlier. Days on market (61) are up marginally from one year ago. The combination of lower housing values, attractive financing, and government incentive programs are encouraging first-time buyers to venture forward. Those who enter the market are finding a good selection of homes listed for sale at smart prices. Edmonton's older communities are most popular with first-time buyers, who can purchase a single-detached home starting at \$225,000 or a 1,000 sq. ft. condominium at \$150,000.



While concerns about crude oil prices have weakened consumer confidence levels, the unemployment outlook remains relatively stable in Edmonton. First-time buyers with job security will find that a good credit rating and a five per cent down payment will go a long way with financial institutions. The days of zero down and 40-year terms are gone, but purchasers with good Beacon scores should have few problems realizing homeownership.



### **Starting Prices for a Single-Detached Home**

2009—\$225,000  
2008—\$240,000

### **Starting Prices for a Condominium (1,000 sq. ft.)**

2009—\$150,000  
2008—\$165,000

**First-Time Buyer Communities –**  
throughout the older areas of Edmonton



## Saskatchewan

### Saskatoon

#### **Starting Price for a Single-Detached Home**

2009—\$190,000  
2008—\$215,000

#### **Starting Price for a Condominium (One-bedroom)**

2009—\$121,000  
2008—\$139,000

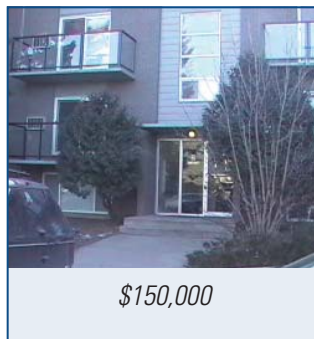
#### **First-Time Buyer Communities –**

West Side Saskatoon, including the areas of Mount Royal, Mayfair, Hudson Bay Park, and East Side Saskatoon in Avalon, Nutana



Conditions have improved considerably for first-time homebuyers in Saskatoon year-over-year. The easing of the frenetic pace, experienced in this marketplace in recent years, has now ideally positioned entry-level purchasers with solid opportunities

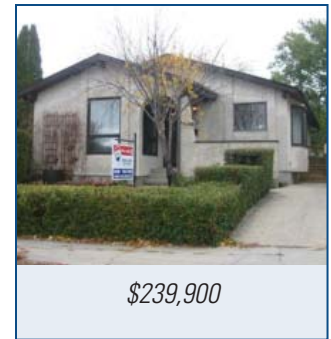
and incentives to homeownership. Although price appreciation continues to be healthy, the fall from double-digit territory has been a major stimulus for those making their moves. Starting prices are now 12 per cent lower for both single-detached homes and condominiums. Average price, however, posted a seven per cent gain in February 2009, with values climbing to \$281,681, up from \$263,444 one year ago. The spike in price is likely due to the sale of 25 properties over the \$400,000 price point in February. Sales in the same period slipped 42 per cent, as some house-hunters exercised caution. Despite the overall slowdown, purchasers in the entry-level range remain quite active, encouraged by increased inventory levels, lower interest rates, and greater negotiating power. The supply of homes on the market remains well above average, with just over 1,300 currently listed for sale. The west side continues to offer a good selection of starter product, with single-detached homes priced from \$190,000 in Mount Royal, Mayfair and Hudson Bay Park. A one-bedroom condominium, meanwhile, will set buyers back a minimum of \$95,000 in West College Park in as is condition and need complete updating. Financing remains within reasonable reach for most, with a minimum five per cent down payment and a good credit history now standard qualifiers. Momentum should continue to build into the Spring market as favourable conditions persuade a growing number of potential purchasers to get off the fence.



## Regina

Changing housing market conditions have presented first-time home buyers with greater opportunity in Regina this year. Sales of entry-level homes to date, priced from \$200,000 to \$224,999, were up 267 per cent, while the number of properties sold between \$225,000 and \$249,999 climbed 107 per cent. A good selection of properties listed for sale (just over 500 new listings), combined with lower carrying costs and government incentive programs, are the major factors driving both entry-

level purchasers and move-up buyers into the market. Although inclement weather and concerns over the economy dampened consumer confidence levels earlier in the year, February sales showed a marked improvement over January. More than 400 homes have sold year-to-date in Regina, while average price is well ahead of 2008, hovering at \$224,787. Rosemont, Regent Park, Mt. Royal, and Regina's North West and South East neighbourhoods have proved most popular with first-time homebuyers, with starting prices for a single-detached home hovering at \$210,000—\$225,000. Condominiums have also been sought after as an affordable alternative, with prices as low as \$150,000 for a two-bedroom unit. Low unemployment rates continue to underscore Regina's economic stability. The city has the highest proportion of renters capable of owning a home and more and more are entering the market as they realize it's better to pay their own mortgage than their landlord's. Financial institutions have tightened lending criteria, but job security, good credit, and a five per cent down payment will pave the way to homeownership in Regina.



### **Starting Price for a Single-Detached Home**

2009—\$210,000

2008—\$225,000

### **Starting Price for a Condominium (Two-bedroom)**

2009—\$150,000

2008—\$139,000

### **First-Time Buyer Communities –**

Rosemont, Regent Park, Mt. Royal, Northwest End, Southeast



# Manitoba

## Winnipeg

The country's healthiest real estate market continues unabated, with the number of homes sold slightly off last year's record pace. One thousand, one hundred and eighty four homes have changed hands year-to-date in Winnipeg, down 12 per cent from one year earlier. Average price, at \$188,429, was eight per cent ahead of 2008 levels. While a 58 per cent increase in active listings has served to hold price appreciation in check, the influx has created two separate and distinct housing markets within Winnipeg. Buyers market conditions have emerged in the top end, priced over \$350,000. Sellers still prevail in the under \$250,000 category as first-time buyers enter the market en masse—best illustrated by the 73 per cent of activity that took place under that price point in February. One out of every four sales occurred between \$150,000—\$199,999. Despite an unusually cold and bitter winter, entry-level purchasers took advantage of improved affordability levels—thanks to historically low interest rates and government incentive programs. Communities such as St. Vital, Charleswood, West Kildonan, North Kildonan, and St. James proved most popular with those buying their first home, with starting



\$185,000

prices for a single-detached home hovering at \$185,000. Buyers looking for a more affordable entry-point chose condominiums starting at \$150,000 in areas like St. Vital and St. James. Winnipeg's economic strengths, including one of the lowest unemployment rates in the country, are expected to buoy residential real estate activity throughout 2009.



\$150,000

# Ontario

## Ottawa

### Starting Prices for a Single-Detached Home

2009—\$250,000

2008—\$250,000

### Starting Prices for a Condominium Townhouse (1,000 sq. ft.)

2009—\$210,000

2008—\$210,000

### First-Time Buyer Communities –

Single-Detached – Queensway Terrace South

Condominium – Kanata, Orleans



### Starting Price for a Single-Detached Home

2009—\$185,000

2008—\$180,000

### Starting Price for a Condominium (One-bedroom)

2009—\$150,000

2008—\$148,000

### First-Time Buyer Communities –

Single-Detached Home – St. Vital, Charleswood, West Kildonan, North Kildonan, St. James, and the city's peripheral areas.

Condominium – St. Vital, St. James



Spurred by a 35 per cent increase in the number of properties listed for sale and softer housing values, first-time buyers are taking advantage of their newfound influence in the Ottawa housing market. While entry-level prices for single-detached homes and condominium townhouses are similar to one year ago, interest rates are at record low levels, making carrying costs lighter than they've been in recent years. Older areas in the city, such as Queensway Terrace South, have benefited from an influx of first-time purchasers who are looking for homes built in the 1960s and 1970s at affordable prices. Home buyers seeking newer product have opted for smaller homes and/or lot sizes

in Ottawa's suburbs. Condominium townhouses, built in the 1980s, can be found at the \$210,000 price point in Kanata and Orleans. Year-to-date sales are off 2008 figures by 19 per cent, while average price has experienced a nominal decrease of one per cent to \$279,508 in February 2009. The growing inventory of homes listed for sale is clearly indicative of the emerging buyer's market. Sixty per cent of homes sold during January and February were priced under \$300,000. Days on market have climbed from 45 to 49. Relative economic stability, thanks to a healthy civil service sector, has buoyed activity. First-time buyers with job security, a good credit rating, and a healthy down payment will find more flex in the marketplace today, with motivated vendors willing to negotiate further in an effort to close the deal.



Attractive interest rates and softer housing values are prompting first-time purchasers in Peterborough to take advantage of buyer's market conditions. Average price has dropped seven per cent from last year's levels, settling in at \$193,851 from \$204,000 in February 2008. The number of homes sold has also fallen 29 per cent to just under 117 year-to-date. Active listings were at 844 units in February, down 19 per cent from the 1,042 reported one year earlier. While sellers who need to move are adjusting to new realities, buyers are hovering in the wings, waiting for ideal opportunities to present themselves. Given tight inventory levels for entry-level properties, well-priced homes under the \$200,000 price point tend to have less flex than those in the upper-end of the market. In fact, several multiple offers have occurred in recent weeks on sharply-priced product. South Central and North Peterborough are most popular with first-time buyers, with starting prices for a single-detached home sitting at \$135,000 and \$129,000 for a 1,000 sq. ft. condominium. Government incentive programs, combined with better selection and the luxury of time in making a decision, have first-time buyers taking a more relaxed approach to homeownership. There are a few power-of-sale properties available, but most banks are willing to work with homeowners. Credit is tighter than in years past and financial institutions often require four or five days to qualify a purchaser. Still, those buyers with a good credit rating, a letter of employment, and a down payment will find the qualification process no more stringent than usual.

## Peterborough

### Starting Prices for a Single-Detached Home

2009—\$125,000

2008—\$124,900

### Starting Prices for a Condominium (900 sq. ft.)

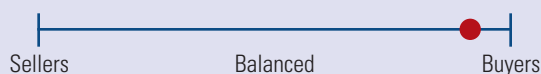
2009—\$137,900

2008—\$134,900

### First-Time Buyer Communities –

South Central and North Peterborough

#### Market Conditions



## Sudbury

Despite recent layoffs in the mining sector, demand for residential real estate in Sudbury remains relatively healthy. While year-to-date unit sales were off last year's heated pace by 46 per cent, momentum has gained in the marketplace in recent weeks. Phones are ringing, open houses are busier, and Spring sales are expected to be much more brisk. Average price was down

# Kitchener – Waterloo

## Starting Prices for a Single-Detached Home

2009—\$222,000

2008—\$220,000

## Starting Prices for a Condominium (1,000 sq. ft.)

2009—\$160,000

2008—\$175,000

## First-Time Buyer Communities –

*New Sudbury, Valley East, Railside Balfour, Walder, Nickel Centre*



nine per cent to \$197,958 in the first two months of 2009. Active listings have climbed, with more than 600 homes currently listed for sale in Sudbury. The combination of lower prices, attractive interest rates, and government incentive programs, like RRSP access, the rebate for Land Transfer Tax, and the \$750 credit toward closing costs, have all contributed to the upswing in interest in recent weeks. First-time buyers, in particular, have been active. With starting prices for a single-detached home hovering at \$200,000 in New Sudbury and \$180,000—\$195,000 in areas like Valley East, Railside Balfour, Walder, and Nickel Centre, and condominiums priced from \$160,000, the cost of homeownership compares favourably to renting. Good credit, a job and a down payment continue to be firm prerequisites in the pursuit of financing. Given today's market conditions, it's best to seek pre-approval, so that there are no surprises at the negotiating stage.



Balanced market conditions have emerged in Kitchener-Waterloo's residential real estate market, providing today's first-time buyers with several distinct advantages over their predecessors. Active listings are up 13 per cent, with more than 2,000 properties currently listed for sale. Housing values, in turn, have softened moderately—year-to-date average price now stands at \$244,419, down four per cent from the same period in 2008. Three hundred and sixty nine homes changed hands in February 2009, down 27 per cent from the same period in 2008. Starting price for an entry-level, single-detached home hovers at \$245,000. Purchasers intent on entering the market have a variety of affordable options available, such as entry-level town homes now starting from \$185,000. Condominium apartments are also popular among first-time buyers, with Kitchener's South End offering high-rise condominiums in the \$135,000-\$145,000 price range. The change in market conditions has made homeownership more attainable for entry-level purchasers and new construction can provide some of the best opportunities. For example, newly built, three-bedroom town homes in some of the more established neighbourhoods can be snapped up



## Starting Prices for a Single-Detached Home

2009—\$245,000

2008—\$260,000

## Starting Prices for a Condominium Apartment (1,000 sq. ft.)

2009—\$135,000

2008—\$145,000

## First-Time Buyer Communities –

*South and West End of Kitchener*



available

for just \$229,000. One very important advantage that has materialized in today's market is greater negotiating power for some properties. Financing, however, is more restrictive than in years past, but easily arranged with a 10 per cent down payment or greater and letter of employment—the days of low-to-no down payments are over. Overall, the outlook remains stable for Kitchener-Waterloo, as the city continues to boast one of the lowest unemployment rates in the country and the high-tech sector continues to expand.



## London – St. Thomas

Affordable interest rates and a greater selection of properties listed for sale are prompting first-time buyers to consider homeownership in London's residential real estate market. Active listings are up 31 per cent, with approximately 3,100 properties currently available for sale. Other incentives boosting homeownership attainability include: the now higher limit—\$25,000—on RRSP withdrawals and a homebuyers tax credit. Sales remain down from year-ago



levels. Year-to-date sales slipped approximately 30 per cent to 784 units in February 2009, down from 1,152 one year earlier. A nominal dip in average price year-over-year (\$210,103 vs. \$210,888) has also motivated some purchasers, though detached starter homes had a small percentage increase of one per cent (\$188,313 vs. \$185,453). Bungalows were most popular among entry-level purchasers with an average price of \$173,942. Those on tighter budgets can find more affordable options, such as condominiums, starting at approximately \$119,500 in London's South End. First-time buyers with excellent credit and a five per cent down payment will be able to obtain financing smoothly. Homebuyers will find the process easier if they are also fully pre-qualified for a mortgage. Some first-time purchasers are now using a co-signer. Foreclosures are not a factor in this marketplace, although power-of-sale listings are up slightly from one year ago. Given buyer's market conditions and reduced carrying costs, demand for homeownership is consistent in the entry-level segment, yet many purchasers are now approaching the market with a wait-and-see attitude. Although the automotive sector is experiencing mass layoffs, other segments, such as health care, are on the upswing.



## Niagara Falls

Housing market conditions have clearly shifted in favour of the buyer in Niagara Falls and the surrounding areas, given higher inventory levels and rock bottom interest rates. Improved purchasing power has positioned the first-time buyer segment as the most active in the Niagara region, yet despite some clear advantages, many are still proceeding with caution. Unit sales have dropped 33, per cent, falling from 919 units in the first two months of 2008 to 614 units during the same period in 2009. Average price fell nine per cent to \$194,801 year-to-date, compared to \$213,218 in the previous year. Homeownership remains well within reach for most, with detached starter homes priced from \$119,000. Although prices



### Starting Prices for a Single-Detached Home

2009—\$189,000

2008—\$185,500

### Starting Prices for a Condominium (1,000 sq. ft.)

2009—\$119,500

2008—\$135,500

### First-Time Buyer Communities – South End, East End



# North Bay

While housing sales have tapered year-over-year in North Bay, homeownership remains top of mind with first-time buyers. The number of homes sold dropped 25 per cent in 2009, compared to one year ago. Average price, however, continues to escalate, rising eight per cent to \$197,827 year-to-date. Low inventory levels are in large part responsible for the upswing in housing values. Just under 500 homes are currently listed for sale. First-time buyers in the area are taking advantage of low interest rates and government incentive programs to realize homeownership. Although lending criteria is more stringent than in the past, first-time buyers continue to qualify for financing. Entry-level purchasers tend to favour North Bay's more affordable, older neighbourhoods where a single-detached home can be bought for as little as \$173,000 and a condominium townhouse starts at \$122,000. Real estate in North Bay is more insulated than other areas of the country, propped-up by several major construction projects, including the hospital and four lane expansion of Highway 11 North, as well as the relative stability of employers like Nipissing University and Canadore College. As such, the market is expected to remain steady throughout 2009.

### **Starting Prices for a Single-Detached Home**

2009—\$119,000

2008—\$109,900

### **Starting Prices for a Condominium (1,000 sq. ft.)**

2009—\$92,000

2008—\$130,500

### **First-Time Buyer Communities –**

*Downtown, North Central*



are stable, increased days on market have prompted some vendor flexibility at the negotiating table, allowing savvy buyers to maximize their purchasing power. A good selection of properties is available for sale, with less expensive condominium alternatives found in the North-Central area, priced from \$92,000. Most purchasers will find credit harder to obtain as banks tighten credentials for financing a property. Homebuyers will need a solid credit score, five per cent down payment, confirmed job security, and closing costs set aside. Many are taking into consideration co-signing with a parent to get their foot in the door to homeownership. Although foreclosures represent a very small percentage of the market, there has been an increase in the number of power of sales in recent weeks. First-time buyers are expected to continue to benefit from market conditions, as the traditional Spring market brings more listings on-stream. Niagara Falls has already reported an increase in home sales in February from January's figures.



\$92,000

### **Starting Prices for a Single-Detached Home**

2009—\$173,000

2008—\$167,000

### **Starting Prices for a Condominium Townhouse (1,000 sq. ft.)**

2009—\$122,000

2008—\$120,000

### **First-Time Buyer Communities –**

*off Lakeshore Dr. and in older areas throughout North Bay*



# Mississauga

A significant increase in open house traffic in recent weeks is expected to translate into a serious uptick in residential real estate sales in Mississauga this Spring. While some first-time buyers continue to sit on the fence, a growing number are cautiously entering the market, spurred by lower housing values, record low interest rates, and government incentive programs. Active listings are up 17 per cent over last year, now hovering at 2,500 units. The year-to-date average price of a home has fallen seven per cent to \$327,724, down from \$348,823 one year earlier. Sales activity also softened, with 773 homes changing hands in the first two months of 2009, down 44.5 per cent from the 1,393 sales reported during the same period one year ago. As one of the most affordable communities within the Greater Toronto Area, Mississauga offers entry-level product in North Mississauga starting as low as \$350,000 for a single-detached home. The condominium market—concentrated for the most part in W15—or Square One



\$350,000

—offers up 1,000 sq. ft. units starting at \$150,000. Pent-up demand is also expected to factor into the upswing this Spring. After four months of relative inactivity, first-time buyers are ready to jump into homeownership.



\$150,000

# Metro Toronto (East/Central)

While the global recession has hampered home-buying activity across the Greater Toronto Area so far this year, the first-time buying segment of the market continues to show remarkable resilience. Close to 50 per cent of sales reported by the Toronto Real Estate Board in February 2009 occurred under the \$300,000 price point, compared with 43 per cent one year ago. Many first-time buyers who are secure in their jobs are snapping up condominium product priced in the upper-\$200,000s, while those a little more cash flush are driving demand for properties priced between \$350,000 – \$375,000 in the city’s east end and \$550,000 and \$600,000 in the central core. Overall sales, however, have declined significantly from one year ago. Approximately 6,700 homes changed hands in the first two months of the year, down 39 per cent from the close to 11,100 units reported during the same period in 2008. Pressure has eased on average price as well, with the February year-to-date figure down about six per cent to \$354,458. Overall, days on market have increased 42 per cent, rising from 33 to 47 in February. Statistics for February presented a substantial improvement over January figures, with sales well ahead of the 2,670 units reported and average price up considerably. That said, conditions will still favour the buyer, especially in the mid-to-upper end of the market, with more than 21,400 homes currently listed for sale (an increase of 19 per cent over one year ago). While supply is up virtually across the board, the number of listings in the lower-end of the market tends to be tighter. Conditions are closer to balanced, which explains some of the multiple offers that have occurred in recent weeks.



\$600,000

### Starting Prices for a Single-Detached Home

2009—\$350,000

2008—\$368,300

### Starting Prices for a Condominium Townhouse (1,000 sq. ft.)

2009—\$150,000

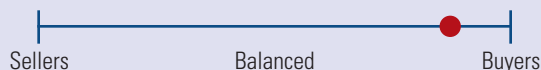
2008—\$184,100

### First-Time Buyer Communities –

Single-Detached Home – North Mississauga, Meadowvale, Mavis, North of Eglinton, North and South of Britannia, Derry Rd., 10th Line.

Condominium – Square One

### Market Conditions



**Starting Prices for a Single-Detached Home (East)**

2009—\$350,000

2008—\$400,000

**Starting Prices for a Single-Detached Home (Central)**

2009—\$550,000

2008—\$600,000

**Starting Prices for a Condominium (1,000 sq. ft.)**

(East and Central)

2009—\$280,000

2008—\$300,000

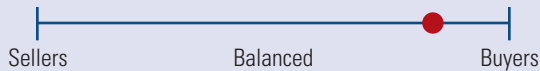
**First-Time Buyer Communities –**

Single-Detached Home – North of Danforth up to O'Connor, Woodbine and Pape

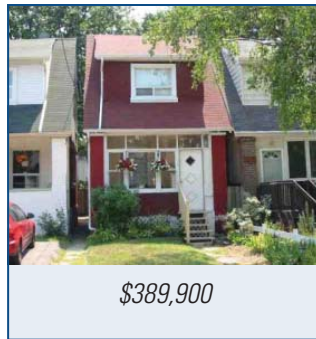
Central – Along Yonge St. north of the 401, Dovercourt Village, Dufferin and St. Clair, Bathurst and Lawrence

Condominium – Downtown Core, Carlaw and Dundas

**Market Conditions**



Purchasers intent on realizing homeownership in the coming months will find that lending institutions are much more stringent when it comes to financing. A letter of employment, a good down payment, a solid credit rating, and a low gross debt ratio are key to qualifying. Once approved, ask for a written commitment from the bank or mortgage broker with the pertinent details.



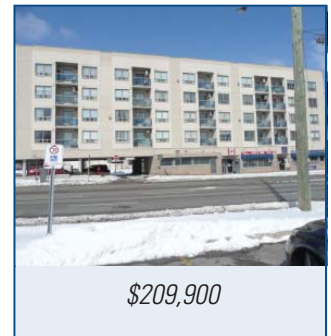
## Northern GTA (Aurora)

Extreme weather stifled home-buying activity in Aurora early in the year, but conditions are expected to improve with the advent of the traditional spring market. Residential real estate sales fell 47 per cent, from 111 units in 2008, to 59 units during the same period in 2009. Housing values experienced a marginal upswing, rising two per cent to \$408,228 year-over-year. Inventory levels have climbed year-over-year, with 238 homes

currently listed for sale in Aurora. The selection of properties listed for sale in the area has never been better. The area is a magnet for a growing number of young families who seek larger lot sizes in a more rural setting. Served by GO trains and



buses, Aurora is an easy commute, especially for those who work in Toronto's North End. Activity started to gain momentum in mid-February, with busier open houses, more showings, and more sales on the board, but March promises to be even better, as first-time buyers take advantage of low mortgage rates, softer housing values, and government incentive programs. Entry-level purchasers will find the starting price for a three-bedroom bungalow in an older, established Aurora neighbourhood is now \$300,000, down about \$20,000 from one year earlier. First-time buyers seeking maintenance-free living may opt for a condominium apartment north of Wellington priced from \$210,000. A variety of affordable options are available to first-time buyers in Aurora. To make homeownership a reality, financial institutions require proof of income, a down payment of at least five per cent, a good credit rating, and the closing costs on hand.



**Starting Prices for a Single-Detached Home**

2009—\$300,000

2008—\$320,000

**Starting Prices for a Condominium (1,000 sq. ft.)**

2009—\$210,000

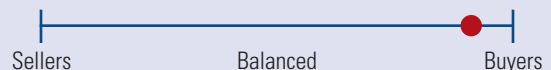
2008—\$220,000

**First-Time Buyer Communities –**

Single-Detached Home – throughout Aurora

Condominium – North of Wellington

**Market Conditions**



# Kingston

## Starting Prices for a Single-Detached Home

2009—\$180,000

2008—\$180,000

## Starting Prices for a Condominium (1,000 sq. ft.)

2009—\$150,000

2008—\$150,000

## First-Time Buyer Communities –

Scattered throughout Kingston's downtown core, older areas, and the west end.



Increased affordability levels are prompting first-time buyers to enter the residential real estate market in Kingston. After years of upward pressure, housing values have undergone a correction. The average sale price of a single-detached home is off the 2008 figure by one per cent and now sits at \$231,054. Condominium values have experienced even greater downward pressure, falling from \$175,674 one year ago to \$143,664 in 2009. Sales of single-detached homes are down 23 per cent, while the number of condominiums sold has dropped from 44 units to 29 year-to-date. Active listings are also on the downswing, with inventory levels of single-detached homes down about 25 per cent. Active condominium listings fell just over 22 per cent. For first-time buyers, lower housing values, attractive mortgage rates, and government incentive programs present an ideal opportunity. For the first time in many years, a single-detached home can be purchased for \$180,000 in one of Kingston's older, established areas while a basic,



\$189,000



\$153,000

two-bedroom 1,000 sq. ft. condominium walk-up can be bought for as low as \$150,000. While banks remain cautious, those purchasers in good financial standing should have no problems qualifying for a mortgage.

# Windsor

An ailing auto industry is in large part responsible for continued downward pressure on housing values in Windsor and the surrounding areas. Average price has dipped ten per cent so far this year, falling from \$162,432 one year ago to \$146,143 in 2009. Just over 500 homes changed hands in the first two months of the year, down 31 per cent from one year earlier. While skittish purchasers remain cautious regarding homeownership, there are those who are venturing into the market, snapping-up homes priced from \$120,000 to \$200,000. With prices that are at or near rock bottom, these first-time buyers are taking advantage of current market conditions that make Windsor the country's most affordable housing market. Buyers seeking entry-level, single detached homes will find product starting as low as \$75,000 in Windsor's East and Central neighbourhoods. Properties in the core can sell for significantly less, as illustrated by the 24 sales priced under \$60,000 in January, the lowest of which was \$25,000. A good selection of homes



\$75,000

## Starting Prices for a Single-Detached Home

2009—\$75,000

2008—\$107,000

## Starting Prices for a Condominium (1,000 sq. ft.)

2009—\$75,900

2008—\$89,000

## First-Time Buyer Communities –

Single-Detached Home – Windsor East, Central  
Condominium – Downtown



can be found in Windsor, with close to 3,800 homes currently listed for sale. Foreclosures are up, but there have been no fire sales to date. Two consecutive years of economic hardship have done little to improve consumer confidence levels. Yet, pent-up demand is building in Windsor and the mere hint of labour resolution could send housing sales soaring. First-time buyers who are secure in their jobs, have a good credit rating, and a down payment of at least five per cent will find today's mortgage rates, government incentives, and softer housing values make owning a much better alternative to renting.



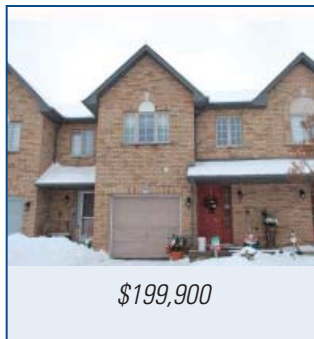
\$75,900

## Hamilton – Burlington

Although economic concerns and poor weather conditions hampered residential real estate sales in Hamilton-Burlington in January, home-buying activity had gained momentum by mid-February. First-time buyers were in large part responsible for the upswing, driving sales under the \$300,000 price point. The combination of lower pricing and record low interest rates has served to stimulate a flurry of home-buying activity in recent weeks. The average price of a detached home has dipped 6.5 per cent, falling to \$277,022 year-to-date, while condominium values have dropped two per cent to \$205,590. A limited supply of condominium product has helped to hold values in place this year in both Hamilton and Burlington. Over 1,100 homes have changed hands in Hamilton-Burlington in the first two months of 2009, down approximately 34 per cent from one year ago. Fewer purchasers in the marketplace overall have created buyer's market conditions. However, well-priced properties continue to sell, several in multiple offer situations in recent weeks. With



\$209,900



\$199,900

the arrival of the traditional Spring market, conditions may yet again transition back into balanced territory. First-time buyers entering the market in the coming month will find that the price of an entry-level, single-detached home in the Hamilton Mountain area now starts at \$210,000, while the same property in one of Burlington's older communities will be priced from \$250,000. Those purchasers seeking the maintenance-free lifestyle of condominium living will find a 1,000 sq. ft. condominium apartment as low as \$210,000 in Hamilton Mountain or a condo conversion priced from \$168,000 in Burlington. Foreclosures have picked up in recent weeks, but they remain a very small component of the market.

### *Starting Prices for a Single-Detached Home (Hamilton)*

2009—\$210,000

2008—\$220,000

### *Starting Prices for a Condominium (1,000 sq. ft.)*

2009—\$210,000

2008—\$196,000

### *Starting Prices for a Single-Detached Home (Burlington)*

2009—\$250,000

2008—\$259,000

### *Starting Prices for a Condominium (1,000 sq. ft.)*

2009—\$168,000

2008—\$163,000

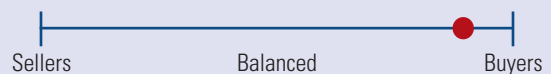
### *First-Time Buyer Communities –*

*Single-Detached Home – Hamilton Mountain*

*Condominium – Hamilton Mountain,*

*Burlington – South of the QEW*

### Market Conditions



## Barrie

While average price remains relatively on par with levels reported one year ago, a 32 per cent upswing in active listings suggests residential real estate has evolved from a balanced to buyers market in Barrie. One hundred and thirty-one homes changed hands in February 2009, down from 195 one year ago.

The average sale price is currently \$248,484. The coming months may see a further, albeit slight, correction. However, interest rates at unprecedented lows, stabilized prices and government incentives have created one of the best buyers' markets in recent years.

An entry-level purchaser can get their foot in the door of a single-detached home in Barrie's North or South End for approximately \$219,000. A monthly mortgage payment is not so different from the cost of a monthly rental payment. From an investment standpoint, the benefits of owning a home



remain clear, so for first-time buyers who have accumulated a five percent down payment—the decision to buy makes good sense. An excellent selection of properties is currently listed for sale. The odd multiple offer will occur on well-priced product under \$325,000. Phones have started to ring, traffic is picking up at open houses, and all systems are go for a solid year of real estate activity in Barrie. Affordability is key in this commuter market now serviced by the GO Train. Barrie continues to be a city able to offer affordable housing coupled with an exceptional quality of life. Proposed expansion of GO Transit service to the Allandale Station Area at the waterfront, as well as significant improvements and revitalization to the downtown core, should ensure Barrie's economy remains vibrant in the months and years ahead.

**Starting Prices for a Single-Detached Home**

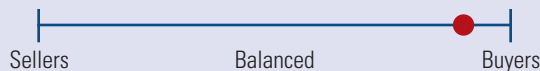
2009—\$219,000

2008—\$235,000

**First-Time Buyer Communities –**

South Barrie, North Barrie

**Market Conditions**



## St. Catharines

While starting prices for entry-level homes have held relatively steady year-over-year, falling interest rates and reduced carrying costs continue to drive first-time buyers into St. Catharines' residential real estate market. There has, however, been a marked

**Starting Price for a Single-Detached Home**

2009—\$125,000

2008—\$125,000

**Starting Price for a Condominium (1,000 sq. ft.)**

2009—\$120,000

2008—\$120,000

**First-Time Buyer Communities –**

Central and Downtown St. Catharines

**Market Conditions**



softening in the number of homes sold, down 29 per cent from 533 units in the first two months of 2008 to 377 units during the same period in 2009. Yet, the shift to buyer's market territory has not yet occurred as in most other centres across the country.



Instead, conditions remain balanced, with a good selection of properties available for sale. Savvy buyers may find room for negotiation, as days on market have crept up, although many sellers have not adjusted expectations to the market realities and may risk stagnation. Average price fell just over four per cent year-over-year, and now hovers at \$197,050, compared to \$205,417 one year ago. The greatest advantage today's first-time buyers have over those who recently preceded them is greater purchasing power. Starting prices have remained stable, but in some instances that money will buy a bigger or better quality home. That benefit, coupled with lower interest rates, has enticed steady activity in the entry-level range. Central and Downtown St. Catharines continue to be popular choices for affordable starter homes and condominiums. The allure of homeownership remains strong and tighter financing standards have not deterred those intent on buying.



# New Brunswick

## Moncton

### **Starting Prices for a Single-Detached Home**

2009 — \$115,000

2008 — \$120,000

### **Entry-level semi-detached home**

2009 — \$135,000

2008 — \$140,000

### **First-Time Buyer Communities –**

*East Moncton, Riverview, Central Moncton*



Despite record low unemployment levels and relative economic stability, home buyers in Moncton's residential real estate market are approaching homeownership with caution. Unit sales have dropped 22 per cent in Moncton and the surrounding areas, falling from 369 units one year ago to 289 in February 2009. Average price has dipped three per cent year-to-date, declining just \$5,000 from last year's levels, settling at \$155,236. Active listings are off last year's pace by about six per cent. Many vendors pulled their properties earlier this year and put their home-buying plans on hold. However, with the advent of the traditional Spring market, more listings are expected to come on-stream. There could be some minor upward pressure on pricing if new listings fail to materialize, especially if the market moves towards more balanced conditions, particularly in the lower end where demand is high. Boasting some of the most affordable housing in Canada, thanks to an abundance of developable land, Moncton is one of the only markets in the country where first-time buyers can purchase an older home for \$115,000 or a brand new, 1,200 sq. ft. semi-detached house starting at \$135,000. First-time buyers remain a major force in Moncton, representing the vast majority of purchasers in the



market and driving home sales between \$100,000 to \$150,000 in affordable areas such as Riverview, East Moncton, and Central Moncton. The area has also seen an influx of former residents who left the province years ago seeking employment in other parts of the country. They are returning, flush with cash from the sale of their properties out west, buying new homes for a fraction of the price, and banking the rest for retirement. Unlike other areas of Canada, New Brunswick has maintained a stable, healthy real estate environment for many years. The peaks and valleys characteristic of markets in Ontario, Alberta and British Columbia are simply non-existent. Homeownership is also a viable option for many in the province, given affordable housing values and record low interest rates. First-time buyers with job security, a good credit history, and a reasonable down payment should have no trouble qualifying for mortgage financing



## Saint John

While housing sales in the upper-end have softened considerably in Saint John, first-time buyers continue to prop-up the number of homes sold at entry-level price points. Consistent demand for properties in the low end of the market has also served to stabilize values, despite a minor upswing in inventory levels. Overall, 97 homes changed hands in Saint John in the first two months of 2009, a 14 per cent decline over the same period one year ago, while year-to-date average price increased five per cent to \$175,334. Although the market is best characterized as buyers, more balanced conditions exist in the low end. First-time buyers who venture into today's real estate market

### **Starting Prices for a Single-Detached Home**

2009—\$130,000

2008—\$130,000

### **First-Time Buyer Communities –**

*North End, East Side, West Side and Peripheral Areas*



will find that the combination of lower mortgage rates and government incentives—not to mention affordable housing—has made homeownership even more attainable than in years past. It is cheaper to own than to rent in Saint John, especially for purchasers who have accumulated a five per cent down payment. Established neighbourhoods in the North, East, West and peripheral, where older, single-detached homes (without a garage) start at \$130,000 to \$150,000, are most popular with first-time buyers. A brand new home, without a garage, can be purchased for \$169,000. Given a continuation of current economic fundamentals, the residential housing market in Saint John is expected to remain stable in the months ahead.



\$140,900

## Fredericton

### *Starting Prices for a Single-Detached Home*

2009—\$150,000

2008—\$157,000

### *Starting Prices for a Condominium (1,000 sq. ft.)*

2009—\$147,900

2008—\$144,900

### *First-Time Buyer Communities –*

*Throughout Fredericton*



Having hesitated on news of the country's economic downturn, many first-time buyers are now jumping back in Fredericton's residential real estate market. Lower interest rates have served to stimulate activity to a great degree in the marketplace. Balanced conditions currently exist, although sales are clearly off last year's hectic pace (128 vs. 194). Average price, however, has increased year-to-date, up five per cent to \$161,249 from \$152,965 one year ago. Lack of available entry-level product has created pent-up demand and some purchasers are adjusting their expectations for homeownership. Yet, opportunities

still exist. Detached starter homes hover at \$150,000 in rural areas near city limits, while many first-time buyers are opting for condominiums priced from \$147,900 in convenient, central locations. Although the economic downturn has hampered momentum, the fundamentals remain stable with a good local employment picture. Fredericton's many government, university or military employees are largely unaffected by financial cutbacks. Days on market have crept up to 86 days. Active listings are stable and adequate, with slightly more product available compared to last year. Pre-approved, first-time homebuyers are better-positioned when the right deal becomes available. Tighter financing restrictions have been an issue for some entry-level purchasers, although those with a good credit history should have no problem securing a mortgage. Foreclosures are not a factor in the marketplace. Balanced market conditions should prevail throughout 2009. Activity is expected to experience an upswing, as increased military transfers and the Spring market typically go hand in hand.



\$150,000



\$147,900

## Newfoundland – Labrador

### St. John's

After a record-breaking 2008, real estate market conditions have shifted to a balanced market in St. John's and the surrounding areas. The number of active properties listed for sale has climbed 20 per cent in the first two months of 2009, compared to one year ago, with more than 1,500 homes currently listed for sale. Housing sales



\$215,000

are down 21 per cent year-over-year (474 vs. 373), but average price continues to climb, up 24 per cent to \$193,815 in the first two months of 2009. New home starts were up 46 per cent the first two months compared to the same period one year ago, as mild weather allowed builders to start construction on sales that occurred in the latter half of 2008. Growing uncertainty in the marketplace has prompted first-time buyers to approach the purchase of big ticket items with some caution. However, those who have moved forward have found that housing prices have stabilized in recent months. Many entry-level buyers are taking advantage of the changes in the recent federal budget—the increased limit, up to \$25,000, on the RRSP Homebuyers’ Plan and the up to \$750 applicable to closing costs. Interest rates are also at unprecedented levels, now at 4.24 per cent and falling on a five-year, closed mortgage. While purchasers are finding that credit is tighter, those who can take advantage of their RRSP savings and have a little extra in their bank accounts are having no problems financing their properties. Despite changing market conditions, there are no foreclosures to speak of, no fire sales. Vendors will find that properties priced at fair market value will sell, while those that push the envelope will stagnate. Those considering putting their home up for sale may want to take advantage of the government’s Home Renovation Tax Credit. Newfoundlanders are also returning home in droves, with job opportunities drying up in other parts of the country. House prices in St. John’s are still among the most affordable in the country and the cost of homeownership is not that significantly different from renting. That said, the recent economic slowdown—including, but not limited to, the closing of AbitibiBower’s pulp and paper mill in Grand Falls after more than 100 years in business, work stoppage on approximately \$800 million in iron ore expansion programs in Labrador West, and the planned shutdown of Voisey Bay during the month of July—has played a serious role in the erosion of consumer confidence levels.

**Starting Prices for a Single-Detached Home**

2009—\$215,000

2008—\$175,000

**First-Time Buyer Communities –**

*Cowan Heights, Airport Heights, Mount Pearl*



# Nova Scotia

## Halifax – Dartmouth

While inclement weather has dampened residential housing sales to date, the advent of the traditional Spring market holds much promise in Halifax-Dartmouth. After months of relative inactivity, pent-up demand is likely to play a major role in the upswing in housing sales. First-time buyers, in particular, are expected to lead the charge for entry-level properties priced under \$250,000 in the weeks ahead. Three hundred and twenty eight homes have changed hands year-to-date, down from 2008 levels, but average price has continued to climb, up three per cent over one year ago to \$229,659. The number of active listings is up over one year ago, with just over 3,300 currently on the market. New listings, however, are down from one year ago as many sellers have adopted a wait-and-see attitude. Although buyer’s market conditions prevail for the most part—and a good selection of homes can be found virtually across the board—the lower-end of the market is a little tighter than usual. The starting price for a single-



**Starting Prices for a Single-Detached Home**

2009—\$170,000

2008—\$155,000

**Starting Prices for a Condominium (1,000 sq. ft.)**

2009—\$125,000

2008—\$125,000

**First-Time Buyer Communities –**

*Single-Detached Home – Lower Sackville, Dartmouth,*

*Forest Hills, Eastern Passage, Woodlawn*

*Condominium – Halifax Peninsula, Dartmouth*



detached home hovers at \$170,000, up slightly from one year ago, while the entry-level cost of a two-bedroom, 1,000 sq. ft. condominium is on par with last year at \$125,000. Lower Sackville, Dartmouth, Forest Hills, Eastern Passage, and Woodlawn are most popular with first-time buyers seeking single-detached housing while the Halifax Peninsula and Dartmouth offer up older resale condominiums at affordable prices. Economic stability is the cornerstone of the Halifax-Dartmouth housing market. The regional hub continues to experience steady activity in large part due to a strong government presence and an abundance of regional head offices.



\$122,900

## Prince Edward Island Charlottetown

### Starting Prices for a Single-Detached Home

2009 — \$120,000

2008 — \$120,000

### Starting Prices for a Condominium (1,000 sq. ft.)

2009 — \$200,000

2008 — \$200,000

First-Time Buyer Communities –  
Stratford, Cornwall



Despite global economic instability, low interest rates and stable property prices have played a significant role in maintaining demand for real estate and buoying consumer confidence levels in Charlottetown. First-time buyers have been motivated by favourable market conditions and pent-up demand exists for entry-level product. Ninety-five homes changed hands in the first two months of the year, down slightly from the 107 units reported

in the same period in 2008. Average prices remains on par with last year's figures—single-detached homes at \$160,000 and condominiums at \$250,000. Yet, affordability levels have been bolstered by lower carrying costs and buyers continue to be attracted



\$120,000

by some of the lowest starting prices in the country. Detached entry-level homes can still be picked up from \$120,000, although inventory for these homes is very tight. In fact, supply remains the greatest challenge, as active listings have decreased almost 27 per cent year-over-year. This has caused some buyers to adjust their expectations, although some improvement is expected with the advent of the traditional Spring market. While single, detached homes remain the product of choice among most first-time buyers, new waterfront condominium developments provide an affordable lifestyle alternative, priced from \$200,000. Homebuyers can obtain financing with a demonstrated stable employment history and a five per cent down payment.

Charlottetown's housing market continues to benefit from the area's good economic picture and solid employment levels. Solid conditions have already stimulated February sales, and the remainder of 2009 is shaping up to be relatively stable.



\$200,000

# RE/MAX First-Time Home Buyers Report 2009

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| <b>MANITOBA</b>              |                     |                                    |              |
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