

2010 Summary Review

The City of Kingston market area is broken down into 13 defined geographical zones, within the MLS® System of the Kingston & Area Real Estate Association. As can be expected, each zone within, has its own individual market characteristics that influence price and sales activity. The zone for the south side of Princess Street is distinctly different than the zone North of the 401, however both are in the City of Kingston. New home construction options City South of Princess would be near zero when compared to zones in the west or east end of the City of Kingston. Each of the 13 zones within our MLS® System that make up the City of Kingston are distinct market areas (see table for review summary by zone across our area).

The CMHC Housing Report released Fourth Quarter 2010 reports MLS® sale price average within its Residential Activity Table for Kingston year to date as of September 2010 at \$253,117. This sale price average sounds like it's for Kingston only, however we ran the sale price averages for this period (residential) for the City of Kingston only and got a sale price average of \$265,129*. The point here is that the Kingston Area Real Estate Board extends north of Highway 7 so broad based average sale prices greatly impacts the average price.



Other factors also roll into the broad market statistics including the average number of days on market until sold. This on its own is influenced before market area factors alone by listings that expire or are cancelled then re-listed and sold (i.e. a listing that was an active listing for 100 days is re-listed and sells in 20 days, counts to the averages as being on the market for 20 days). By example let's look at two distinct market areas; City South of Princess, Zone 14 which has an average days on market until sold of 38* and Zone 57, Bath, which has an average days on market until sold of 114. This example is misleading for Bath, as it's a small market area and has some exciting new home construction recently added to the market area.

New home construction is often marketed prior to starting construction and given the number of models added greatly increases average days to sell. Again, the point is that each market area has a varying degree of factors that influence the statistical averages. As REALTORS®, it is our job to be aware of these factors and break down the data to assist Buyers and Sellers in making an informed choice.

So let's look at the trend for residential sale price for just the City of Kingston over the past five years:

- 2006 Average Sale Price of \$221,338***
- 2007 Average Sale Price of \$229,415***
- 2008 Average Sale Price of \$243,569***
- 2009 Average Sale Price of \$250,032***
- 2010 Average Sale Price of \$264,965***

While the above clearly shows an upward trend in sale price over the past five years, the review is incomplete without looking at the number of MLS® System sales recorded over the same period:

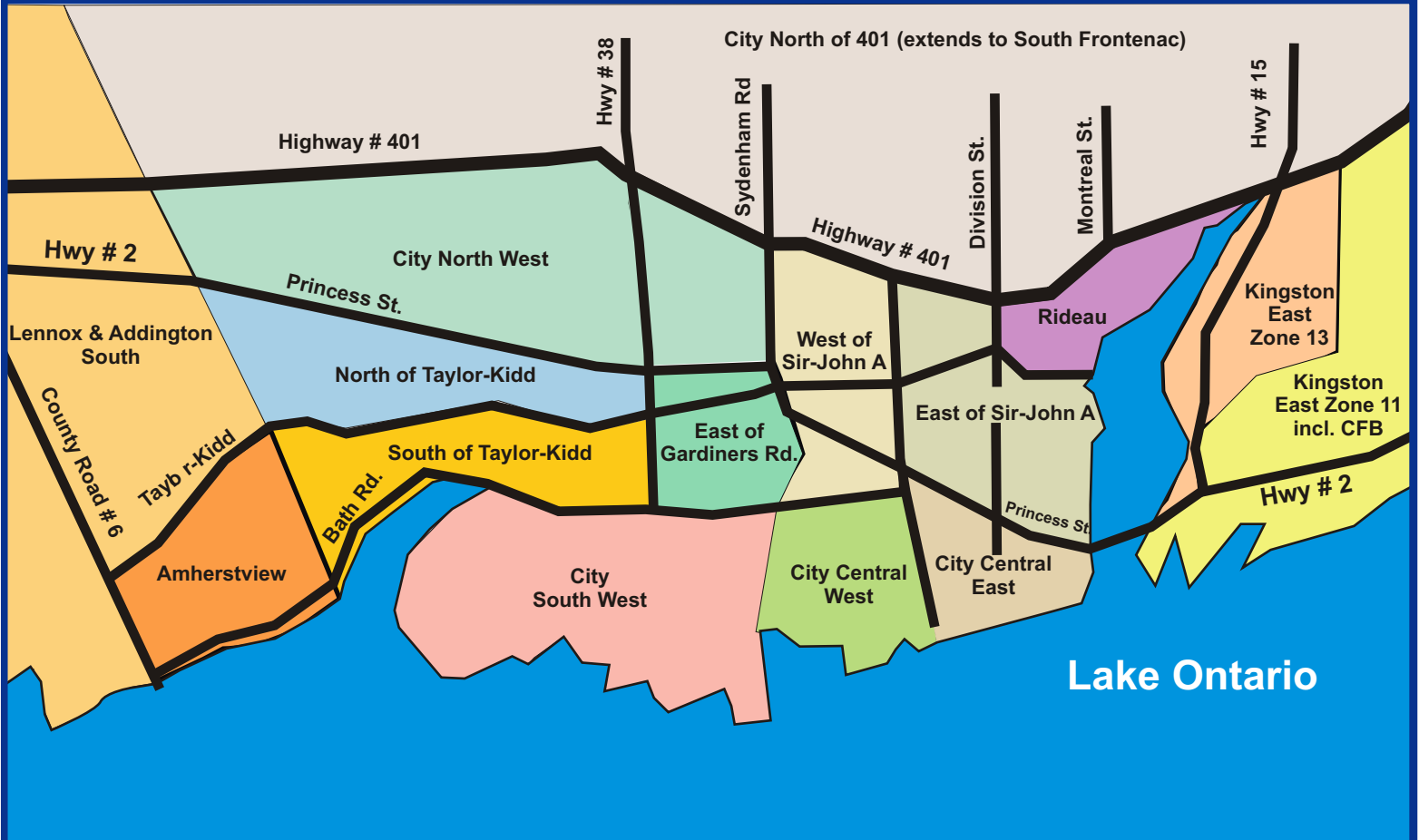
- 2006 Recorded Residential MLS Sales 2,198***
- 2007 Recorded Residential MLS Sales 2,263***
- 2008 Recorded Residential MLS Sales 2,207***
- 2009 Recorded Residential MLS Sales 2,169***
- 2010 Recorded Residential MLS Sales 1,967***

A reasonable summary to make here is that while the sale price average is showing a steady trend upward the overall number of sales per year is tightening. If we compare the City of Kingston sale price average to the Ontario market there appears to be room for growth as the average sale price in Ontario as of November 2010 was \$342,989** while the National Average was \$344,268**.

A further benefit to the City of Kingston is the low unemployment rate compared to the National Average. Kingston's unemployment rate (source Statistics Canada) as of December 2010 was 6.7% while the National Average was 7.6%.

Interest rates over the past five years have been relatively low and fluctuations in interest rates can have an impact on the market going forward. Will the trend continue?... the future holds the real answer, however it does look favourable for Kingston as we enter 2011.

We have attached to assist your review on the following page a breakdown of sales stats by the various geographical areas that make up the areas defined within the MLS® System of the Kingston & Area Real Estate Association. A copy of this and other reports is available online at www.realtysource.com.



MLS® System Market Area	Avg. Sale Price 2009*	Avg. Sale Price 2010*	Avg. Days on Market*
Lennox & Addington North	\$180,664	\$194,264	71 / 64
Lennox & Addington South	\$239,077	\$229,115	62 / 53
Greater Napanee	\$186,085	\$190,365	70 / 58
Bath	\$245,091	\$277,083	65 / 114
Odessa	\$192,440	\$186,574	53 / 39
Amherstview	\$230,294	\$237,494	50 / 57
Frontenac County South	\$274,843	\$294,621	60 / 57
City North of 401	\$259,124	\$290,505	55 / 48
City North West	\$267,780	\$284,326	82 / 40
City North of Taylor-Kidd	\$269,063	\$271,509	39 / 38
City South of Taylor-Kidd	\$230,529	\$231,522	41 / 37
City South West	\$263,094	\$276,318	50 / 33
City East of Gardiners Road	\$209,182	\$221,797	47 / 32
City West of Sir-John A	\$219,269	\$224,550	42 / 34
City Central West	\$241,810	\$249,529	46 / 41
City Central East	\$345,085	\$372,841	50 / 36
City East of Sir-John A	\$192,659	\$209,729	37 / 37
Rideau	\$181,038	\$192,163	107 / 71
Kingston East Zone 13 (incl Barret Crt)	\$267,547	\$285,036	49 / 33
Kingston East Zone 11 (incl CFB)	\$366,433	\$340,250	80 / 66
Gananoque	\$208,574	\$198,549	79 / 66