

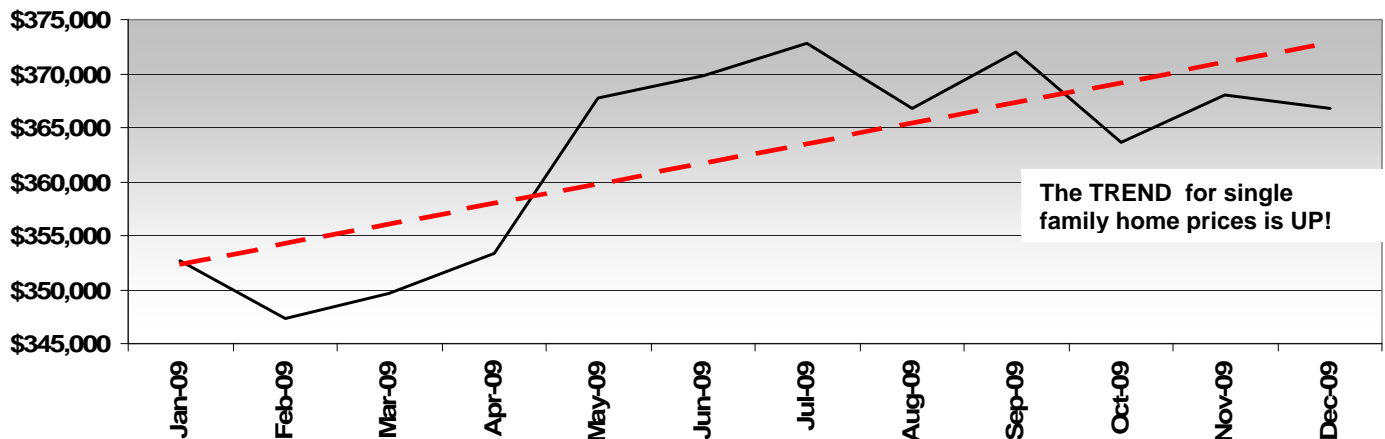
MARKET REPORT

OCTOBER 2009 RESULTS | PUBLISHED JAN 6 2010

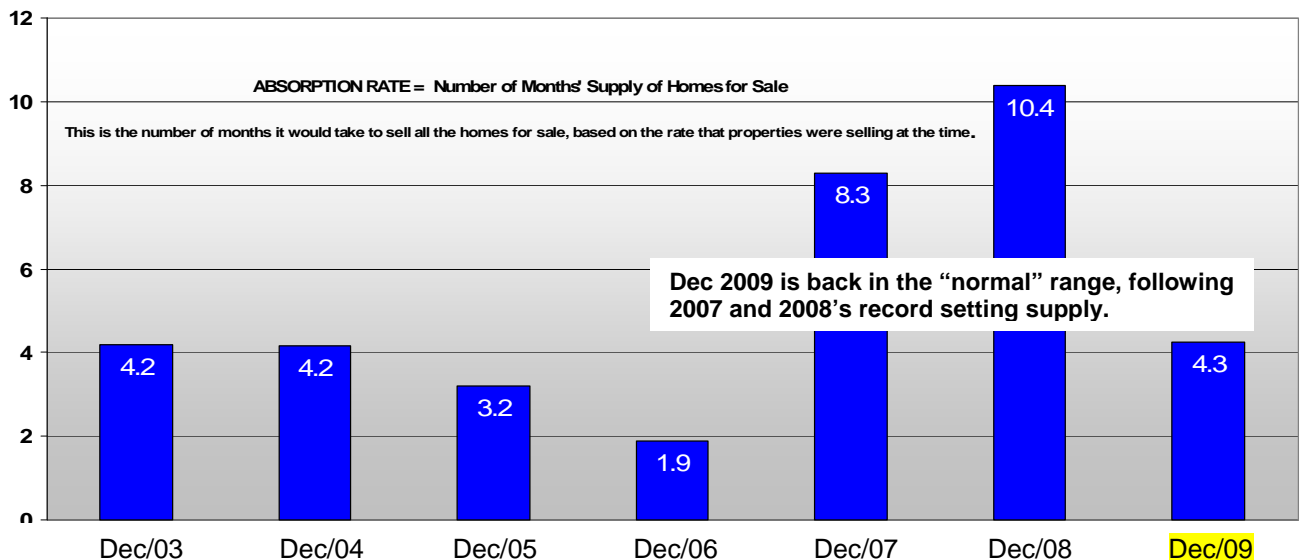
Looking ahead to 2010!

The truth is in the trends and right now the trend is for the Edmonton area market to continue to strengthen. Realtors know to watch the supply of homes for sale as a benchmark for market activity and the month-end inventory at Dec 31, 2009 was the lowest month-end number we've seen since April of 2007! In addition to looking at the actual number of homes for sale, calculating the **absorption rate** provides another excellent indication of market trends. By taking the number of homes available and dividing it by the number of sales currently occurring in the market, we can get a pretty accurate idea if there the market is "tightening" or if it is "loosening". A tighter market (lower absorption rate) puts pressure on prices while a looser market (higher absorption rate) causes prices to soften.

AVERAGE SALES PRICE FOR SINGLE FAMILY HOMES



YEAR OVER YEAR COMPARISON OF ABSORPTION RATE



There will always be month to month fluctuations but what is much more important is the overall trend... that's where you'll find the *real* story.

Looking back on 2009...

“Strong year-end sales put a crown on a year that started slow but ended big,” said Charlie Ponde, president of the REALTORS® Association of Edmonton. “We entered 2009 with a global recession at our backs and a real estate meltdown to the south. However, consumer confidence in Alberta started to return in the second quarter and the real estate market in Edmonton was the first place in the country to show signs of the recovery.”

There were 19,139 residential sales in 2009 with record setting sales in June and July after the slowest start since 1996. From September to December residential sales were just below record sales set in 2006. “We predicted residential sales of 15,550 this year and exceeded it in early October,” said Ponde.

“We anticipated that single family prices would end the year at \$352,000 and condos would be at \$222,500. We are pleased that the year ended up better than we had anticipated and we look forward to the stable market continuing into the next decade.”

December 2009 activity	Record for the month*	% change from December 2008
Total MLS® System sales this month	1,066	53.80%
Value of total MLS® System sales - month	\$341 million	57.30%
Value of total MLS® System sales - year	\$6.98 billion	5.52%
Residential ¹ sales this month	948	55.90%
Residential average price	\$319,201	2.65%
SFD ² average selling price - month	\$366,761	4.23%
SFD median ³ selling price	\$351,350	6.47%
Condo average selling price	\$244,174	4.22%

1. Residential includes SFD, condos and duplex/row houses.

2. Single Family Dwelling

3. The middle figure in a list of all sales prices

* Average prices indicate market trends only. They do not reflect actual prices, which may vary.

Source: Realtor Association of Edmonton news release January 5 2010

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