

PRESS RELEASE**July 8, 2009
For Immediate Release****JUNE MLS® SALES SHOW STRONG RESULTS****June Sales Fall Just Short of 1,500**

WINNIPEG - Home buyers responded in a big way to low interest rates and a good selection of affordable homes to make June 2009 the third best June on record for sales and the second highest for dollar volume. It is only eclipsed by the previous two record years where sales in June respectively were higher, but by less than 5 per cent. As for dollar volume, June 2009 is only the third time in WinnipegREALTORS® 106-year history where dollar volume for the month has exceeded \$300 million. Only May 2008 and June 2008 are higher. Helping propel dollar volume to over \$311 million this June were three million plus home sales.

While overall MLS® inventory remains up 22% at the end of June in comparison to the same time last year, conversions of listings to sales are improving as evident from a number of City of Winnipeg MLS® areas. The average days on market for the sale of residential-detached properties has decreased monthly with it only taking 25 days in June. Compare this statistic to over 40 days in January 2009 and not less than 30 days until last month where it was 27 days. It is also worth noting the REALTORS® Association of Edmonton which had its best June residential sales ever this year were pleased to announce their average days on market dropped to 49 days in June from 60 days or more earlier this year. This development in their words was an indication of 'buyer enthusiasm' so Winnipeg is doing extremely well at less than four weeks.

June MLS® unit sales were down less than 5% (1,490/1,562) while dollar volume decreased less than 2% (\$311.2 million/\$316.9 million) in comparison to the same month last year. Year-to-date MLS® sales have declined 10% (6,096/6,817) while dollar volume is off 7% (\$1.24 billion/\$1.34 billion) in comparison to the first half of 2008. The number of MLS® listings entered on the MLS® this year are up less than 2% at over 9,700 listings.

For residential-detached sales, the most active price ranges were the \$150,000 to \$199,999 at 26% and the \$200,000 to \$249,999 at 21%. If you combined these two price ranges with the next higher one, from \$250,000 to \$299,999, this represents 61% of all residential-detached sales in June. The average days on market for sales of MLS® residential-detached listings was 25 days, two days quicker than last month and six days off the pace set in June 2008.

"June 2009 resulted in one of Winnipeg's best real estate months ever and that is in part due to consumers regaining their enthusiasm for Winnipeg real estate opportunities," said Deborah Goodfellow, president of WinnipegREALTORS®. "Our house prices remain affordable especially in a low interest rate environment and with a better supply of listings than the last few years."

One notable difference when comparing home sales for the first six months this year to the same period in 2008 is a softer first time home buyer market. This is evident when you look at sales under \$200,000 where first time buyers are most active. Sales are down 18 % in comparison to 2008 whereas when you examine sales over \$200,000, they are only down 3% over last year.

One opportunity WinnipegREALTORS® strongly suggested to the provincial government earlier this year in its 2009 budget preparation was to seriously consider bringing in a first time home buyer exemption on the cash rich land transfer tax that is levied on all property purchases in Manitoba. First time buyers have trouble enough coming up with the necessary closing cost dollars without being encumbered by an unjustified provincial home buyer tax. In markets like Edmonton and Vancouver where they are seeing a resurgence in the first time home buyer market, there is no land transfer tax in Alberta and a complete first time home buyer land transfer tax exemption exists in B.C. for any purchase price up to \$425,000. There is no land transfer tax in Saskatchewan.

“We will continue to urge the provincial government to modify the land transfer tax as it is a home buyer tax that generates revenue well in excess of anything that can be justified”, said Goodfellow.

Finally, it is interesting to observe that the over \$500,000 home market is down substantially from last year with sales off nearly 30%. As part of WinnipegREALTORS® proposal to adjust the provincial land transfer tax, it suggested it should be capped at \$500,000.

Established in 1903, WinnipegREALTORS® is a professional association representing over 1,500 real estate brokers, salespeople, appraisers, and financial members active in the Greater Winnipeg Area real estate market. Its REALTOR® members adhere to a strict code of ethics and share a state-of-the-art Multiple Listing Service® (MLS®) designed exclusively for REALTORS®. WinnipegREALTORS® serves its members by promoting the benefits of an organized real estate profession.

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