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MLS® HOME SALES UP IN JUNE

MLS® home sales were up on a year-over-year basis in the area served by the Central Alberta REALTORS® Association in June 2009. Activity came in below the record levels for the month of June in 2006 and 2007, but surpassed June sales in every other year on record.

According to statistics provided by the Association, MLS® home sales numbered 460 units in June 2009 – the highest level in more than a year. The increase of two per cent from the June 2008 was the first year-over-year gain reported since September last year. Provincial sales activity was up 22 per cent from June 2008. The dollar value of those MLS® home sales totalled \$124 million in June 2009, down just three per cent from year-ago levels. This is the smallest decline since September 2008. By comparison, the dollar value of MLS® home sales in Alberta climbed 17 per cent year-over-year.

Total MLS® sales activity in the area served by the Central Alberta REALTORS® Association edged two per cent lower on a year-over-year basis in June, with 532 sales reported. The total value of all MLS® property sales amounted to \$150 million in June, down eight per cent from the total dollar volume one year ago.

The average sale price for MLS® homes sold in June 2009 was \$270,000. This is five per cent below the average sale price from June 2008 (\$285,000).

Note: The Association cautions that the average MLS® residential price is a useful figure only for establishing trends and comparisons over a period of time, due to the wide selection of housing available in the area.

The number of new listings was down from year-ago levels for the sixth consecutive month in June. At 866, new residential listings on the Association's MLS® system declined five per cent from year-ago levels.

The overall inventory of homes available for sale remains high, but is trending lower. There were 2,687 active listings on the Association's MLS® system at the end of June 2009. The one per cent decline from June 2008 levels was the fourth year-over-year decline in as many months. The supply of homes will likely continue to return to more normal levels, as demand draws down inventories and fewer new listings come onto the MLS® market.

However, despite still elevated inventories, recovering demand is firming up the market. The number of months of inventory stood at 5.8 months in June 2009, which is down significantly from the recessionary peak of 17 months last December. The number of months of inventory is the number of months it would take to sell current inventories at the current rate of sales activity.

"A number of buyers who delayed getting into the market earlier this year are jumping off the fence," said Derek Austin, President of the Central Alberta REALTORS® Association. "Buyers recognize the stability of our real estate market, and are taking advantage of excellent affordability."

The Central Alberta REALTORS® Association is an MLS® listing co-operative, representing more than 640 REALTORS® located in Red Deer and throughout Central Alberta. Details and photos of all Central Alberta REALTORS® Association listings can be found on the national public web sites www.REALTOR.ca (residential properties) and ICX.CA (commercial and investment properties).