



MLS® home sales reach nine-month high in May

MLS® home sales in the area served by the Central Alberta REALTORS® Association climbed back above 400 units in May 2009 for the first time in nine months.

According to statistics provided by the Association, MLS® home sales numbered 416 units in May 2009. This is the highest level of sales in nine months. The gap between monthly activity this year and last continues to shrink. Transactions in May were down 12 per cent from year-ago levels, but this is less than half of the decline in April. The improving trend in local sales activity is broadly consistent with the provincial trend, but more muted. Provincial sales activity rose 4.6 per cent year-over-year in May.

Sales normally rise from April to May as part of a normal seasonal sales pattern, and this year was no exception. The seasonal increase in activity between these two months was stronger than normal. This resulted in a monthly increase in seasonally adjusted sales activity of 11 per cent (seasonal adjustment removes normal seasonal fluctuations). The increase builds on monthly increases in four of the past five months. Seasonally adjusted activity in May was 44 per cent higher than the recent low in recorded in December 2009

The dollar value of MLS® home sales totalled \$112 million in May 2009, down 16 per cent from year-ago levels. This is the smallest decline since October 2008. By comparison, the dollar value of MLS® home sales in Alberta declined by 1.4 per cent

Total MLS® sales activity in the area served by the Central Alberta REALTORS® Association declined 15 per cent year-over-year to 468 units in May 2009. The total value of these MLS® properties amounted to \$126.3 million in May 2009, 24 per cent below the total dollar volume reported in May 2008.

The median price for MLS® homes sold in May 2009 was \$269,900. This is five per cent below the median price from May 2008 (\$285,000), and the smallest decline in three months.

Note: The Association cautions that the median 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 fifth consecutive month in May. New residential listings on the Association's MLS® system numbered 931 units in May 2009, down 12 per cent from year-ago levels.

Although the number of active listings remains is still running high, it was down from year-ago levels for the third consecutive month in May. There were 2,710 active listings on the Association's MLS® system at the end of May 2009, 4.4 per cent fewer than in May 2008. The supply of homes may be topping out, as demand draws down inventories and fewer new listings come onto the MLS® market.

"Improving consumer confidence and lower interest rates are drawing buyers to the housing market," said Derek Austin, President of the Central Alberta REALTORS®

Association. "Fewer new listings and rising sales activity suggests that the selection of homes available for sale could soon shrink."

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).

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