

## **NEWS RELEASE**

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**For Immediate Release**

### **DECEMBER SALES OFF 13%**

**WINNIPEG** – The Winnipeg real estate market in December 2004 saw sales fall off somewhat, especially in comparison to a very strong month in December 2003. Sales were still higher than the number of new listings entered on the MLS® in December.

December MLS® unit sales of 494 was down from December 2003's strong result however dollar volume was only off a few percentage points. December sales were down 13% (494 / 569) while dollar volume decreased less than 2% (\$60.1 million / \$61.0 million).

“At some point the Board acknowledged sales would have to cool off and it is appropriate it happened in December given the fact winter arrived with a blast,” said Cliff King, outgoing President of the Winnipeg Real Estate Board. “One thing that was consistent in December in comparison to previous months is the healthy percentage spread between sales and dollar volume – a clear indicator of the price increases we experienced throughout 2004.”

Residential-detached sales in December were most active in the three price ranges from \$70,000 to \$159,999 with 53% of total sales. Only 21% of all sales were under \$70,000 which shows how the market has been shifting upward over time. The average days on the market in December 2004 was 34 days, a full week off last month and the same time as December 2003.

### **BEST YEARLY MLS® SALES IN 17 YEARS**

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### **Dollar Volume of \$1.34 Billion Shatters Last Year's Record**

MLS® sales activity of 11,447 units and a dollar volume of \$1.34 billion made 2004 one of WREB's best year's in its 101 year history. 2004 MLS® sales were up 6% (11,447 / 10,770) and dollar volume was up an amazing 17% (\$1.34 billion / \$1.15 billion). The sales to listings ratio was the second best ever at 79%.

“What a follow-up 2004 was to our centenary year where we essentially turned it up another notch and really pumped up the volume,” stated Cliff King. “A key factor to our sales increases in 2004 was the 8% increase in active listings. However, the improved supply of listings was not enough to meet the demand as 44% of all residential-detached properties sold at or above list price.”

The highest residential-detached sale in 2004 was \$1,800,000 while the lowest was \$6,500. The average days on market it took for a residential-detached property to sell was 23 days, 4 days quicker than 2003. Overall, residential-detached sales finished over 8,700 with a dollar volume of \$1.13 billion. They represent 77% of total MLS® sales. The next highest property type sale category was condominiums. They enjoyed total sales of 977 which represented 9% of total MLS® sales.

The most active residential-detached price ranges in 2004 were three in particular. Leading the way was the \$100,000 to \$129,999 price range with 21% of total sales, second was the \$130,000 to \$159,999 price range at 18% and third was the \$70,000 to \$99,999 at 17%. Upper-end sales over \$200,000 are up 51% over 2003. Conversely, sales under \$70,000 were down 23% from 2003.

“WREB is confident 2005 will be another good year for MLS® market activity,” said Cliff King. “Winnipeggers are bullish on their prospects and for good reason with favourable employment conditions and continuing low interest rates. Our optimism is tempered to some extent by the Province’s lack of progress on dealing with our unreasonably high education taxes on property and it will be a real significant issue in 2006 when property taxes will be based on much higher property assessment values.”

The Winnipeg Real Estate Board is a professional industry association representing over 1,200 real estate brokers, salespeople, appraisers, and financial members active in the local real estate market. It exists to serve its members and to promote the benefits of organized real estate.

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