

PRESS RELEASE

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For Immediate Release**

MAY USHERS IN A MORE BALANCED MARKET**Over 2,000 Residential-Detached Listings Going Into June**

WINNIPEG - While no panacea for some homebuyers depending on the neighbourhood and price ranges they are searching for, the good news in May is WinnipegREALTORS®' MLS® residential-detached listing inventory is in better shape going into June than it has been in a long time. Moreover, a good influx of new listings in early June bodes well for a healthier supply in the summer months. The same holds true for condominiums. You have to go back to May 2001 when supply is comparable to this year with over 2,000 residential-detached listings. Contrast this total with 2007, which had the busiest May and year on record, residential-detached listings for May were only 1,153. Similarly, there were 315 condominium listings at the end of May 2010 in sharp contrast to 174 at the end of May 2007.

MLS® sales in May 2010 slightly edged out May 2009 but were well off the torrid pace set in May 2007 with 1,652 sales. This means there is a widening gap between sales and listings which provides more inventory and choice for buyers. It will also help keep a lid on the rise in prices as more supply helps satisfy the demand in our local market. Evidence of that occurring this May was a reduction in the percentage of above list price residential-detached and condo sales to the more active May 2007 and May 2008. It was also down from the previous month. Another statistic to watch in this regard is the average residential-detached sales price. The \$249,523 reached in May 2010 leveled off from last month where it eclipsed the quarter of a million dollar mark.

The average condominium monthly sale price has for the first time in WinnipegREALTORS®' 107-year history surpassed the \$200,000 mark. In April and May 2010, the average condominium price was \$202,000 and \$208,000 respectively.

CREA just released a revised national MLS® market forecast where its chief economist Gregory Klump said more stability and balance will become part of our real estate market given tighter mortgage rules and the inevitable rise in interest rates, albeit at a slow and measured rate. As Klump stated, "In keeping with the return of a balanced housing market and typical demand-driven housing market cycle dynamics, prices will remain stable."

May MLS® unit sales were up 2% (1,394/1,367) while dollar volume rose 17% (\$325.9 million/\$278.3 million) in comparison to the same month last year. Year-to-date MLS® sales are up 9% (5,020/4,606) while dollar volume has risen 21% (\$1.12 billion/\$928.3 million) over the same period in 2009. The over 8,000 listings entered on the MLS® this year are up 8% from 2009 and the highest amount in 11 years.

“To some extent, we had the best of both worlds in May with MLS® house prices remaining firm yet more listings coming on the market to provide buyers with better selection to choose from,” said Claude Davis, president of the WinnipegREALTORS®. “This does not mean however that buyers should rejoice just yet as homes on MLS® in May were selling on average in only three weeks. The very active sales activity in the two price ranges from \$150,000 to \$250,000 were selling on average in only 17 days.”

The market share of residential-detached sales under \$200,000 continues to shrink as it went from 45% in May 2009 to 38% in May 2010. There was an even larger percentage decline in sales activity under \$200,000 with respect to condominium sales in May as it dropped from 67% in 2009 to 55% in 2010.

The shift to higher price points including the fact there were 43 residential-detached sales over \$500,000 (includes one in Headingley for \$1,050,000) this May compared to only 18 in May 2009 helps explain why May 2010 reached the highest monthly dollar volume level on record.

For residential-detached sales, the most active price ranges were \$200,000 - \$249,999 and the \$150,000 - \$199,999. They represented 23% and 19% respectively of total sales. A more distant third price range was the \$250,000 - \$299,999 at 14%. The average days on market for sales of residential-detached listings was 21 days, the same as last month and 6 days quicker than May of 2009.

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