



Residential Unit Sales Soften as Market Continues to Correct

The active residential listings number dropped slightly during the month of November. Buyers had 1495 properties to choose from at the end of November that number down from 1667 properties being available in October of this year.

Saskatoon REALTORS® listed 425 homes in November that number up 13% from November 2007 when 375 homes were placed on the market, Year to date 7,891 residential properties have been listed for sale.

The average selling price remained steady for November at \$278,495.00 up 11% from November 2007 when the average selling price was \$251,209.00. Year to date the average selling price stands at \$288,807.00 up 25 % from 2007. These higher average sale price numbers indicate significant sales activity in the mid to upper price range.

The average residential price is derived by taking the month's dollar volume of homes sold and dividing that number by the unit sales number. The percentage of change should not be used unilaterally as prices vary from area to area. Consumers wishing an accurate estimate of value for their home should contact a REALTOR® member to do a comprehensive market analysis.

181 residential properties sold in November that number down 43% from November 2007 when 316 units sold. The year 2007 was a unique year for sales activity. When measured against 2005 and 2006 the unit sales are down 22% when 230 units sold. Year to date 3,360 units have sold down 21% from 2007 having a total of 4,234 residential units sold. The 2008 year to date unit sales number is up 2% measured against 2006 when 3,276 residential units sold. When 2008 sales numbers are compared to 2005, unit sales are up 15% when year to date number stood at 2,861 units sold.

Residential dollar volume year to date is on par with 2007 with REALTORS® having sold \$970,392,000.00 of real estate. Year to date dollar volume in 2006 stood at \$523,242,000.00.

The \$300 to 400,000 price range has experienced the highest activity in 2008 followed by the \$225 to 250,000.00 price range. Year to date 161 residential units have sold over \$500,000.00.

The global economic slow down will in some way effect all areas of Canada. All indicators point to Saskatchewan being one of the best places to weather the storm. As indicated in the Canadian Real Estate Association news release; consumer confidence is being battered by downbeat headline news. Homebuyer sentiment has become very cautious, by contrast to the urgency to purchase in 2007.

There are fewer buyers and they are taking longer to shop, so the pricing environment is very competitive. Unrealistically priced homes will sit on the market. Sellers are by and large under no distress to sell. Those who put their home on the market at an unrealistic price and are unwilling to cut it will likely take it off the market when the listing expires with a view to selling another day.

Canadians are definitely concerned by the economic news out of the U.S., and much of that news stems from distress in the U.S. housing market. Canadians should realize that Canada's economy and housing market are both in better shape. This means the downturn in Canadian consumer confidence will pass and when it does, housing demand will rebound, especially when they realize the window of opportunity to buy at reduced prices and at low interest rates will begin to narrow once economic growth shows signs of rebounding next year.

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