

APRIL 2008 REAL ESTATE NEWS LETTER

Edmonton Real Estate Stats

Edmonton, April 3, 2008: In the first quarter of 2008, housing prices remained relatively stable. Small monthly fluctuations resulted in slight overall price increases since January 1 according to the REALTORS® Association of Edmonton for sales through the Multiple Listing Service®.

"Now is the time to be buying," said Marc Perras, president of the REALTORS® Association of Edmonton. "The selection of available homes is very high and prices will increase by year end as inventory levels drop. The interest rate dropped last month and that made it possible for a wider range of buyers to enter the market as well."

At the end of March, there were 9,464 residential properties available in the Edmonton area. That is up 1,220 properties from February and up 268% from a year ago. With the high inventory, demand was strong with residential sales near traditional volumes. There were 1,557 residential properties sold in March with new listings of 4,236 for a sales-to-listing ratio of 37%. Days-on-market dropped one day to 51 as compared to last month.

Single family home prices rose for the second month in a row to an average* sale price of \$387,632 in March. After two months of price increases condo prices dropped back slightly (-0.48%) to \$263,023 and duplex and row house prices (\$308,908) recovered from a five month slide to increase 4.8% over the previous month. The average residential price (which includes SFD, condo, duplex, mobile homes and other types of residential property) was up another 1.6% to \$343,760. The average residential price is 5.66% higher than March 2007.

"Total MLS® sales are off as compared to a year ago. Total sales of \$610 million in March were down 31% from the record setting pace in March 2007," said Perras. In the first quarter REALTORS® sold over \$1.5 billion worth of real estate in Edmonton and area.

What is the ideal Selling Price for your House?

"How much can we get for our house?" That's often the first question asked when putting a house on the market. Obviously, you want to get the most money possible for your house. But if you set your price too high you'll scare off potential buyers— and their agents! If you set your price too low you'll be leaving money on the table. People might also reasonably assume that there's something wrong with the property. "Why the low selling price?" Ideally, the selling price should reflect the market value of your house, and should be influenced by how quickly you want to sell it.

What is market value?

It's simply the price that potential home buyers are willing to pay for a home like yours in your neighborhood.

Your agent should suggest an asking price for your house, based on market research. The analysis should include sales of properties in your area that are similar to yours - taking into account the number of rooms, lot size, square footage, special features (such as pools), etc. —and provide a comparison. For example, if your house is a two storey with three bedrooms and a finished basement the research should include other houses in your neighborhood with the same features. If these houses sold for an average of \$345,000, then it's a good bet that potential buyers would be willing to pay that much for your house.

An agent will try to find at least three recent house sales in your neighborhood. (The more recent the better, as home prices can fluctuate.)

Don't take it personally.

Market value doesn't take into account any emotional attachment you may have to any particular feature of your house. You may look at your backyard garden with pride and remember the many hours of hard work you spent planning, planting and nurturing. But, no matter how much more valuable you think the garden makes your house, it is still only worth whatever someone else is willing to pay for it.

Need help setting the ideal price for your house, so it sells quickly and for the highest possible price?

Call me today.