

REALTORS® Forecast Slow and Steady for 2009 Housing Sales

Edmonton, January 8, 2009: The president of the REALTORS® Association of Edmonton released his forecast for 2009 MLS® residential sales today. He is confident that, despite the global economic uncertainty, Edmonton can expect a reasonably good year ahead.

"Buyer reluctance will continue through the first part of the year," said Charlie Ponde. "But confidence will return in the latter part of the year and sales will pick up." He predicted that total residential sales through the Multiple Listing Service® will be down slightly when compared to 2008 figures. Sales in 2008 totaled 17,317 and REALTORS® expect to sell just 15,500 homes in 2009.

The rapid increase in housing prices in 2006-7 was unsustainable and single family dwelling prices leveled off at around \$350,000 in 2008. Ponde expects that the average price of SFDs will vary throughout the year but will be at about the same level when the Christmas trees are put up next December.

A large inventory of new condominiums could enter the market in 2009. This will put downward pressure on resale condos and average prices are expected to drop about 5%. The average price of a condo in December 2008 was \$234,286. Ponde expects that the average price will be \$222,500 at the end of 2009.

While sales will be slower overall in 2009, buyers will still benefit from the wide choice of property available. Inventory will continue to drop through the year. "Buyers are urged to make a buying decision before the options become limited," said Ponde. "Sellers will have to compete for the attention of buyers and should improve the curb appeal of their homes to remove negatives that reduce the opportunities of a sale."

Ponde reminded homebuyers to focus on the purchase of a residential property that matches their families lifestyle needs rather than their financial needs. They should find a home that makes them happy and ignore the day-to-day fluctuations of the market until they need to move again.

The sales-to-listing ratio of recreational properties in 2008 was just 26%. The decrease in value of stock market portfolios and other investments may mean that some clients will need to liquidate recreational properties. This suggests there may be bargains in this sector this year.

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The REALTORS® Association of Edmonton (Edmonton Real Estate Board), founded in 1927, is a professional association of over 3,100 Brokers and Associates in the greater Edmonton area. The Association administers the Multiple Listing Service®, provides professional education to its members and enforces a strict Code of Ethics and Standards of Business Practice. The Association also advertises property listings and publishes consumer information on the Internet at www.realtor.ca and www.ereb.com, as well as in the Real Estate Weekly and on their web site at www.rewedmonton.ca. REALTORS® support charities involving shelter and the homeless through the REALTORS® Community Foundation (RCF).

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