WinnipegREALTORS®

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PRESS RELEASE

March 8, 2013
For Immediate Release

FEBRUARY MLS® SALES DROP OFF 11%

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MLS® New Listings Decline 12%

WINNIPEG – Call it what you will, whether some rather harsh winter weather conditions or just softening in the local marketplace for this time of year, there was a real parallel in the drop off of new listings and sales at 12 and 11% respectively. The conversion of new or current listings to sales remained the same this February as in the past two years. So one way of interpreting what happened this year to precipitate less sales activity is there were less property owners willing to put their property on the market. At the same time, buyers at least for single family homes did not reach into the older existing inventory to any great extent to buy what was on the market.

One area where home sales were down significantly were in the price ranges under $200,000 where the inventory was well off what existed last year at the beginning of February. They also as a property type experienced a drop in the percentage of listings being converted to sales and consequently saw overall market share in February represent only two out of every three sales. It is usually closer to three out of four in a good month.

Condominium sales activity was much closer to last year as inventory was actually higher than what existed in February 2012 and conversions were similar to last year.

A sign of less demand this February was the percentage of sales that went for over list price. In single family homes or residential-detached properties, 35% of total sales went for greater than list price where in February 2012 there were close to 44% achieving higher than list price. The same occurred in condominium sales activity with a drop in sales above list price from 31% to 24%.

As a result of less MLS® sales activity in February, MLS® inventory for all property types loosened up to nearly three and one-half months compared to three months last year.

February MLS® unit sales were down 11% (698/781) while dollar volume decreased 6% ($178.7 million/$191.0 million) in comparison to the same month last year. Year-to-date MLS® unit sales are down 2% (1,312/1,345) while dollar volume is up less than 1% ($325.7 million/$$324.3 million) in comparison to the same period last year.

"We are still converting the same percentage of MLS® listings we did in our last two near record sales years so there is no reason to get overly concerned with what happened this February," said Richard Dettman, president of WinnipegREALTORS®. "As we see in a number of Winnipeg MLS® areas, there is a real scarcity of active listings so not surprisingly you cannot convert what you do not have. What is something we need to watch

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more closely is the underperformance of the residential-detached property type which remains the predominant one in our MLS® system."

Dettman added, "March MLS® market results will be more revealing as it is a busier month for real estate activity and helps set the stage for the spring market. With spring around the corner and aggressive lending mortgage rates being offered up, it may indeed kickstart better performance in the residential-detached property type category which is the most price sensitive due to its higher prices in comparison to other residential property types."

The most active residential-detached price range in February was the $250,000 to $299,999 at 22% of total sales activity. The second most active price range was from $200,000 to $249,999 at 17%. The highest residential-detached sale price was $1,075,000 and the lowest only $20,000. For condominiums, it was a tie with the $200,000 to $249,999 and $150,000 to $199,999 price ranges both having 24 sales or 25% each of total market share.

The average days on market for residential-detached sales was 27 days, 2 weeks faster than last month and one ahead of the pace set in February 2012. The average days on market for condominium sales was 46 days, 5 days slower than last month and 15 days off the turnover in February 2012. Note: A change in how condominium units are being sold and accounted for in new projects is overstating how long they have actually been on the market.

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