

PRESS RELEASE

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For Immediate Release**

OCTOBER SALES MIRROR LAST YEAR'S**MLS® Dollar Volume Up 10% to over \$200 million**

WINNIPEG – A recurring theme this year as evident in October has been the consistent dollar volume strength of the Winnipeg resale market. Despite sales being softer this year than the two previous years, dollar volume in 2009 is within reach of setting a new all time level above last year's record of \$2.42 billion. Helping spur October's high dollar volume relative to number of sales is three more million dollar plus home sales. There have now been 12 million dollar plus home sales and one million dollar plus condo sale, five more than the highest yearly total achieved in 2008. Also noteworthy in comparing October's dollar volume to last October is the more pronounced activity in the \$200,000 to \$250,000 price range – a 30% increase over the same price range from a year ago.

Significant to the progression in Winnipeg's housing market to this higher price range is the highest land transfer tax rate in the country at 2% kicks in after \$200,000. So, if someone is buying a home at the top end of this price range at \$250,000, they are paying the provincial government another \$1,000 in addition to the \$1,625 they are required to pay for a house value of \$200,000. What is most troubling is an increasing number of these home buyers are first time buyers who in essence are being double taxed as they are using after tax income dollars to come up with the necessary down payment and closing costs. At least for second time buyers they may have the benefit of using the proceeds from the sale of their first home to help cover off the province's land transfer tax. Of the provinces that have a land transfer tax, most offer a first time buyer exemption in recognition of this unfair tax treatment.

October MLS® unit sales were virtually identical (979/981) while dollar volume was up 10% (\$201.4 million/\$183.4 million) in comparison to the same month last year. Year-to-date MLS® sales are down 6% (10,726/11,470) while dollar volume is off less than 2% (\$2.17 billion/\$2.21 billion) in comparison to the same period in 2008. 37 % of the active MLS® inventory in October sold while 35% of homes sold in October went for above list price. These indicators show improvement over October 2008.

“Positive consumer sentiment combined with the opportunity to take advantage of historically low mortgage rates is fueling higher-end sales activity in our local market,” said Deborah Goodfellow, president of WinnipegREALTORS®. “Given what we faced earlier this year, the MLS® results now are encouraging and show consumers are confident in ownership of housing as a solid long-term investment.”

Even with rising house prices, affordability remains one of our market's strongest suits with 83% of all residential-detached homes sold in October selling for less than \$300,000. In comparison, Calgary had only 14% of its MLS® residential-detached sell for less than \$300,000. And Winnipeg nearly had one in every two homes selling for under \$200,000 whereas Calgary had less than 1% under \$200,000.

Whatever price range you are considering selling or buying in, it is strongly advised you contact a REALTOR® to help you devise a strategy based on current market and neighbourhood information.

For residential-detached sales, the most active price ranges were the \$150,000 - \$199,999 and the \$200,000 to \$249,999 representing 25% and 23% respectively of total sales. A distant third price was the \$100,000 to \$149,999 at 14%. The average days on market of sales of residential-detached listings in October was 29 days, one day quicker than last month and one day slower than October 2008.

The highest residential-detached sale sold for \$1,200,000 while the lowest went for \$7,500.

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