

DAILY ECONOMIC COMMENT

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Let the Good Times Roll

Housing markets across Western Canada have had a pretty good summer, and according to information released this morning by the Realtors Association of Edmonton, that trend definitely continued in Alberta's capital city in September.

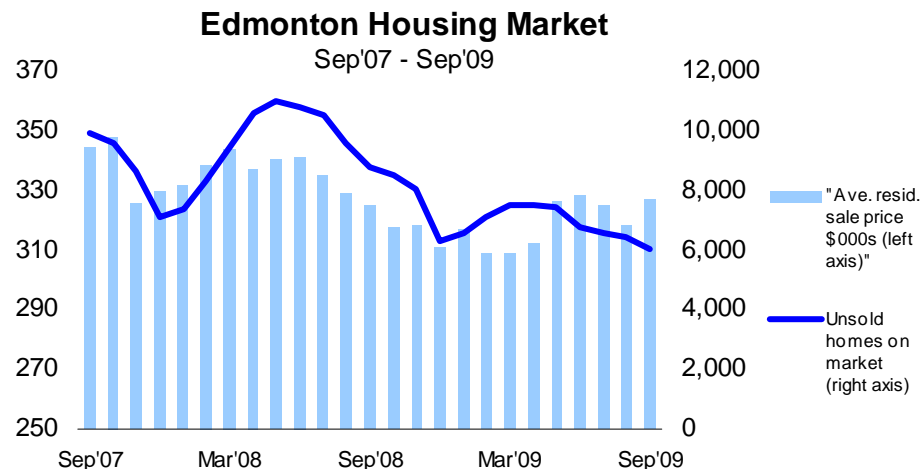
The average sale price of all types of residential dwellings in Edmonton was \$327,235, up 2.8% from August 2009 and 0.7% higher than September 2008. The total volume of sales also clipped along at a healthy rate with 1,704 residential properties changing hands in September, the third highest rate ever recorded in a September.

Interestingly, the Realtors Association of Edmonton also reported that the higher average sales price has not

induced homeowners to put their houses on the market, as the inventory of listings continued to fall as it has all summer. At the end of September there were 6,032 homes for sale in Edmonton, well below the rate of September 2008 (8,808).

These latest data suggest a healthy real estate market. Buyers still have reasonable selection, and sellers are seeing more optimism with respect to price.

But mortgage rates remain at exceptionally low levels, which is without question lifting the market at the moment. Some softening of sales and price may be anticipated when rates eventually start to rise.



Source: Realtors Association of Edmonton, Oct. 5, 2009

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Where there's a way