



## Team Members:

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Associate

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**Preferred**  
**Real Estate Group**

with RE/MAX River City  
Each office independently owned and operated

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August 2010

## Preferred News and Updates

### Keeping today's market in perspective

It seems as though many Albertans are hesitant about the housing market at the moment. We've heard anecdotes of people holding off on their decision to buy because they expect the housing market to soften further. That may happen, but realistically, the second half of 2010 seems to be a great opportunity for buyers. Don't believe me? Compare today's market to the previous peaks in 2006 and 2007:

- Mortgage interest rates are substantially lower now than they were in 2006 and 2007
- Home prices are lower than they were in 2006 and 2007
- Real estate inventory is substantially higher than 2006 and 2007
- There are fewer buyers to compete with and nobody has a gun to your head to make an unconditional offer

If you're a buyer you can take advantage of all the above to find a great home, make an aggressive offer, get fantastic terms on your mortgage, and do it in a lower stress environment. **For more detail about porting your mortgage visit our [BLOG at www.PreferredGroup.ca](http://www.PreferredGroup.ca)**

### Current Mortgage Rates & The Reality... it's less per month today!

We all know the market has slowed down, and many attribute that to rising interest rates on Mortgages. However, looking at the chart below we can see:

1. Interest rates are relatively the same over the past two years
  2. People who were buying in 2007, had higher prices AND higher interest rates
- Today's qualifying rate of 5.99 is very close to the discount rate being offered in 2007

Year	Posted interest rate	Discounted Rate	Average House price	Monthly-Mortgage
Amount (30 year amortization at discounted rate for \$300,000 mortgage)				
<b>June 2010</b>	<b>5.99</b>	<b>4.49</b>	<b>\$359000</b>	<b>\$1,511</b>
June 2009	5.85	4.49	\$338000	\$1,511
June 2008	6.65	5.39	\$358000	\$1,672
June 2007	7.14	5.79	\$363000	\$1,745



## Referrals

*We would like to thank... Scott Forest and Crystal Kadach  
for referring Francois and Kristi to our team!*

We greatly appreciate all referrals to friends and family, our business depends on it. You can send us referrals by phone to 780-701-2626 or email to:

[info@PreferredGroup.ca](mailto:info@PreferredGroup.ca)



## Testimonials

"The entire process was **quick, simple and painless**. There was minimal time that we had to spend, and before we knew it, we were in our new home. John was diligent at keeping us informed as well as doing follow-up after we had moved. Thanks John!"

- Sarah & Kevin Lafoy - Buyers

For more Testimonials visit: [www.PreferredGroup.ca](http://www.PreferredGroup.ca) under 'Referrals' and 'Testimonials'





**MLS® STATS**

Taken from ereb.com  
(Changes from same month in 2009)

**Total MLS® Sales this Month**  
1,476 ↘ 40.8%

**Total Value of MLS® Sales this Month**  
\$497 Million ↘ 40.5%

**Total Value of MLS® Sales this Year**  
\$3.98 Billion ↘ 8.2%

**Average House Price**  
\$378,979 ↗ 1.52%

**Average Condo Price**  
\$240,371 ↘ 1.43%

**Total Average Residential Price (all types)**  
\$329,734 ↗ 1.5%

\*Indicates a RECORD!!

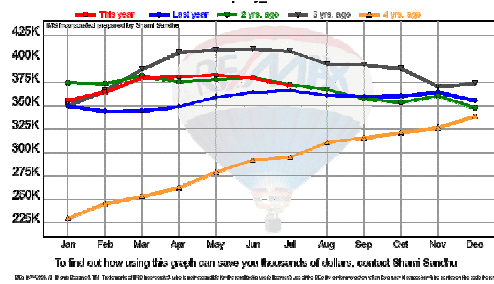


**Realtors Association of Edmonton - Market Report**

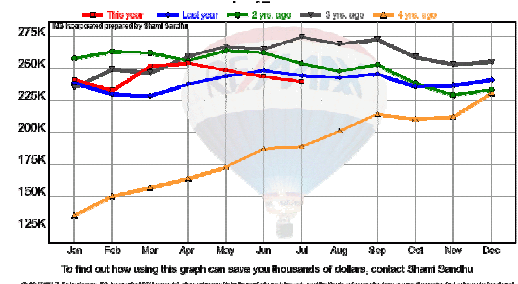


**Edmonton, August 4, 2010:** While the summer temperatures rose in July, housing prices cooled and prices for all types of residential properties dipped slightly according to figures released by the REALTORS® Association of Edmonton. Single family dwelling prices slid 3.1% while condo prices were down 1.5% and duplex/rowhouse prices dipped just less than one percent. The all-residential average price dropped just 1.7%. “The number of homes in the inventory is giving buyers’ choice,” said Larry Westergard, president of the REALTORS® Association of Edmonton. “As a result many buyers are taking their time and prices are beginning to soften slightly. At the same time, some sellers who have been standing firm have been pushed to discount their initial list price.” Less than half of the active listings over 30 days have had a price reduction. However, 93% of July sales sold below the list with about 40% having already taken a price reduction. Single family homes sold on average\* for \$378,979 in July; a reduction from the previous month but up 1.5% from what they sold for last year. Condominiums dropped in price slightly in July moving down about 1.5% from June. The average condo price was \$240,371 in July. The duplex/rowhouse average price was also down 0.9% to \$304,032 and the average residential price (including all types of residential property) was down 1.7% since last month at \$329,734. The large inventory of 8,892 residential properties available at month end dampened both listings and sales. New listings were off 15% from last month and 3.3% from last July. Sales dropped from 1,741 in June to 1,294 in July (a 15% drop). The sales-to-listing ratio was 43.8% (down from June). As you might expect, sales were also slower and the average days-on-market was up 4 at 51 days. “A well presented property with the right price might still attract multiple offers,” said Westergard. “Most buyers are receiving the expert advice of their REALTOR® and getting access to day-to-day changes to numbers and sales results. It is critical that sellers remain in contact with their REALTOR® and be prepared to modify the price as the market moves.” Residential inventory is expected to follow a seasonal trend and fall through the latter part of the year leading to a more balanced market and price stability.

**Average House Price**



**Average Condo Price**



To find out how using this graph can save you thousands of dollars, contact Shami Sanchu. Green represents the 2008 year, Blue the 2009 year, and Red the current 2010 year

**Preferred Market Interpretation**

**Inventory is getting back to normal...** Listing inventory is balancing out in just the last month. From a scary high level of around 8000 listings, we are around 5500 active listings in mid August. This was driven from below average new listings hitting the market last month as many sellers held off due to the overall oversupply in the market, and other inventory selling.

**What is still selling?** Three bedroom and larger homes under \$375,000, and min. three bedroom townhouses under \$225,000 are both selling very well, with prices even climbing slightly. Two bedroom apartment condos under \$200,000 are also selling well generally too, but depends on area. If you are debating the idea of selling your property, give us a call or an email with your address and details on your home. We will be happy to offer you specific market advice on your property to help you make the best decision for you. We don't 'pressure sell' and don't charge you anything unless we put your home for sale and end up selling it. You will know all costs up front, and exactly how much you will net at the end of the day. Tell your friends about us too, because not all Realtors operate the way we do.

**What to do in a buyer's market?** Sell now! Depending on the property type, if you are considering selling you will likely get the best possible price in the next year if you sell immediately. As far as buying goes, generally now is a great time to buy. You have lots of selection to choose from for properties for sale, we often are able to find great deals, and negotiate even better deals. Current mortgage rates and products also factor into the overall home ownership costs too, and they are still very attractive. If you are worried about buying and the value going down, don't! We've helped many clients buy into new homes so far this year, in many cases below market value. In a few very recent examples, clients have bought homes with \$15,000-40,000 of intrinsic equity at current conservative values.

**RE/MAX COMMERCIAL** Commercial Snapshot - [www.PreferredInvestments.ca](http://www.PreferredInvestments.ca)

**Single-Family Investments**

**Mayfield**

- 2 bdrm units, 750 sq ft. Rented for \$800 & \$825 respectively
- **Asking \$145,900 & \$149,900**



**Near GMCC & NAIT**

- 1 bdrm + den, 700 sq ft. Rents for \$725-790 (with rental pool option)
- **Asking \$114,900**



**Multi-Family For Sale**

**Edmonton, Alberta**

The following are upcoming properties for sale, please email John for further details if you are interested or want to be added to our direct email list for opportunities like these:

- 4 plex—116st & 111 ave
- 4 plex—80ave & 70st (up/down style)
- 4 plex—80ave & 71st (row style)
- 17 Unit in Vegreville Alberta



**QUOTE**

**“It is never too late to be who you might have been.”**

~George Eliot

For more information on Commercial Listings contact: [John@PreferredGroup.ca](mailto:John@PreferredGroup.ca)

**City of Edmonton Community Spotlight**

**Fringe Theatre Festival**

**Thursday, August 12 - Sunday, August 22, 2010**



Edmonton's International Fringe Festival attracts playgoers and performers from across Canada and the world. The celebration of arts and entertainment occurs over 10 days each August. Theatrical performances are put on at various venues throughout the Old Strathcona district.



[www.fringetheatre.ca](http://www.fringetheatre.ca)

**Preferred Value Added Service Provider**

**LUZZARA COFFEE BAR**

Welcome to Luzzara

Luzzara is a boutique coffee shop, located in the heart of Old Strathcona next to Top Gear Scooters. We specialize in great coffee, hearty & healthy food and a great atmosphere.

10011 82 Ave Edmonton, AB

Buy one cup of Coffee and get the second for FREE!

And...

Don't forget about FREE cookie Friday - free cookie with the purchase of any drink.



\* Limited time offer, please present this coupon with purchase



Follow Luzzara on Twitter

**SPECIAL FRINGE HOURS**

August 12 - 22nd  
 Thurs & Fri 9-8, Sat 9-6  
 Sun 11-3, Mon 11-3,  
 Tues & Wed 9-6, Thurs & Fri 9-8, Sat 9-6, Sun Closed



## Preferred Group Team Member Update

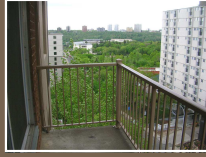
Well I'd like to start by introducing myself! My name is Dayna Rollic and I am proud to be a part of the Preferred Group at RE/MAX River City. I recently joined the team in May 2010 as an unlicensed Assistant. I oversees all of the daily office operations. It's my primary goal to ensure that each client (you) receives the highest level of personal and professional service possible. All sale transactions and resulting details that follow are in my capable hands. My main focus is to provide exceptional client care. I have been working in the real estate field since 2006. Graduated in 2007 from Sauder School of business (Vancouver) obtaining my real estate license. I bring a wealth of knowledge to help assist you in top notch service and bring my youth and enthusiasm to our Team. I look forward to meeting you in person soon.

**Dayna Rollic**



## Featured Listings from Preferred Real Estate Group

**Dwntwn High-rise**  
From \$169,900  
1 Bdrm, 710 sq ft.



**Mayfield**  
\$145,900  
2 Bdrms, 753 sq ft.



**Westmount**  
\$169,900  
2 Bdrm, 796 sq ft.



**Millwoods**  
\$279,986  
3 Bdrm House!



**Millwoods**  
\$179,986  
2 bdrm Townhouse



**North Side**  
289,888  
4 bdrm, 1069 sq ft



**Castledowns**  
\$239,900  
3 bdrm, 1216 sq ft.



### **WANTED**

- 2 Bedroom Condos under \$200,000
  - Houses under \$3750,000
- All areas, we have buyers looking!!

For more details on any of the listings above, either visit us at [www.PreferredGroup.ca](http://www.PreferredGroup.ca) or call our office with any questions.

### Seminars & Events

## Client Appreciation Event

We have an event in the works to celebrate with our favorite clients and friends. Stay tuned to this newsletter!!



Join us on Facebook and stay updated too [www.facebook.com](http://www.facebook.com) & search:

“Preferred Real Estate Group” to be our fan  
“Preferred Group with RE/MAX River City” for the group and receive our newsletter monthly.

Stay tuned for something exciting yet to come!!

### Preferred Group - Mission Statement

**Preferred** Real Estate Group works with families and individuals in Edmonton who want to make **educated** choices with their housing needs and create **wealth** through Real Estate.