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April 2011

Residential Listings

Ellerslie
 \$259,986
 3 Bdrm, 1205 sq ft.

Westmount
 \$158,888
 2 Bdrm, 796 sq ft.

Downtown—4 Units!
 From \$134,900-\$194,900
 1 Bdrm, 690 sq ft.

Prince Charles
 \$289,900
 2 + 2 suited house, 936 sq ft

View full details on any of the above listings, and view all properties on MLS updated live every hour at www.PreferredGroup.ca

Referrals

Thank you to Amanda Daub with TMG Mortgage Group for referring Kerry Thompson who bought a new home with us. Amanda is one of our recommended mortgage brokers, and provides tremendous service to our mutual clients. If you're looking for a mortgage, contact her on our 'Recommended Referrals' page.



Stay in touch & informed via social media.
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Testimonials

"Preferred Group took excellent care of me during the sale of my condo. John always kept in close contact with me and was careful to explain everything in full detail. With John's help I was able to get several thousand more than the list price on my condo within days of it's listing. Thank you Preferred Group!"
 - C. Braun—Seller



For more testimonials visit: www.PreferredGroup.ca under 'Referrals' and 'Testimonials'

Preferred Investments

4 Plex—Edmonton
 \$599,900
 All 2 beds, 6.0% cap

17 Units-Vegreville, AB.
 \$1,195,000
 8.0% cap, 12 two beds

Westmount, Edmonton
 From \$133,888—7units
 28% ROI , 800 sq. ft. 2 bed.

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 Get property deals first, and valuable market information as soon as it's available.

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Realtors Association of Edmonton - Market Report



Edmonton, April 5, 2011: REALTORS® expect the local real estate market to follow a well-worn annual sales track. However, like the stock market, large external forces can skew the market. In 2010, the threat of increased mortgage rates and a change to mortgage qualification rules accelerated sales in the first quarter and caused a sales slump in the following months that took all summer to work through. This year there are no external influences on the market and it is operating normally again.

According to the REALTORS® Association of Edmonton, residential sales in the first quarter are normal for this time of year although lower than 2010 numbers because of the abnormalities imposed on the previous market. There were 3,479 residential sales in the first quarter, which is down from 3,890 last year.

“We will see sales number bounce back as we move into the spring market period,” said REALTORS® Association of Edmonton President Chris Mooney. “All the fundamentals for this market are positive. There is job stability, low unemployment, income growth and in-migration. New home builders are busy and I expect buyers to be looking at the housing options which match their lifestyle changes.”

At the end of March, the average* residential price (includes all types of housing including condos) was down 4.6% from a year ago at \$327,725. The average price of a single family detached home was down to \$378,912 compared to 2010 (a -2.6% change) and condos were priced down 7.5% year-over-year at \$232,706.

As the market picks up momentum, prices inch up each month with the average residential price up 4.8% from a month ago. Compared to February, prices for SFDs were up 5.8% and condos up 0.8%.

“REALTORS® expect that prices will continue to climb slowly through the next quarter as usual,” said Mooney. “We are already seeing strong sales in the lower end of the market but tighter mortgage qualification rules have slowed sales in the upper end. Sellers should review their asking prices or consider minor home improvements that will appeal to the potential buyer.” Mooney urged both buyers and sellers to contact their REALTOR® to get assistance and advice on home selection and pricing strategy.

REALTORS® listed 2,960 residential properties in March and sold a total of 1,503 properties. Current residential inventory is 6,885 up 7.8% from last month. The residential sales-to-listing ratio in March was 45% with days on market down from 58 to 50 days. Total MLS® System sales this year are \$1.235 billion.

Quoted from www.ereb.com

MLS® STATS

Taken from ereb.com
(Changes from same month in 2010)

Total MLS® Sales this Month
1,659 ↘ 10.3%

Total Value of MLS® Sales this Month
\$554 Million ↘ 13.2%

Total Value of MLS® Sales this Year
\$1.24 Billion ↘ 13.5%

Average House Price
\$378,912 ↘ 2.6%

Average Condo Price
\$232,706 ↘ 7.5%

Total Average Residential Price (all types)
\$327,725 ↘ 4.6%

*Indicates a RECORD!!

Preferred Market Interpretation

2009 Deja vu...

We do have less external factors influencing the market today than in 2010 at this time, but when we take a look farther back, the current market is very similar to 2009. A balanced market for Edmonton is approximately 5000-6000 listings in the peak July/August period normally. With over 6800 at the beginning of April, we are seeing prices slowly climb (top graph) through normal spring seasonal amounts as demand grows. Consumer confidence in Alberta is very high at the moment, and with interest rates still low but increasing it creates urgency on the part of buyers to make decisions to buy, and not just ‘tour homes’. Sales volume is very similar to 2009 (bottom graph), and as the new ‘summer inventory’ hits the market, we can expect to see similar average price drops as supply exceeds demand consistent with the past four year trends.

What should you do? Where are the opportunities?

The best time to buy will most likely be the July—September period. We anticipate a flood of properties onto the market again come latest May or early June. So if you are looking to sell and move, now’s the time. Contact us to discuss your situation, and be kept up to date.



Market Trends -

