

# ASSOCIATION OF REGINA REALTORS® INC.



1854 McIntyre Street  
Regina, Sask.  
S4P 2P9  
Ph: 791-2700 Fax: 781-7940  
www.ReginaREALTORS.com

For immediate release

September 5, 2018

## **HOME SALES SLUGGISH IN AUGUST – MORTGAGE RULES HAVING DAMPENING IMPACT**

Home sales through the Regina and area MLS® System in August were sluggish, with federal mortgage qualification rules introduced at the beginning of the year continuing to have a dampening impact on demand in the local housing market, said the Association of Regina REALTORS® Inc.

There were 305 sales recorded during the month in all geographic areas, down 15.8% from last year when 362 sales occurred. This is the lowest level of sales since 2008 when 254 sales were recorded and well below the immediate past 5-year average of 360 sales and 10-year average of 351. There were 248 sales recorded in the city, a decrease of 16.8% from 2017 when 298 sales were posted. The number of sales in the city was also below the 5-year average of 289 and 10-year average of 285.

For the August year-to-date there have been 2,195 sales recorded in all areas, a decrease of 5.6% from 2,324 in 2017. In the city, there have been 1,762 sales compared to 1,898 last year, down 7.2%.

For August, the MLS® Home Price Index (HPI), a much more accurate measure of housing price trends than average or median price, reported a composite benchmark residential price of \$277,600 and index of 259.9 in the city, down 4.8% from \$291,500 at the same time last year. This is part of a price loss trend that began one year ago, and is now 8.7% below the composite price reported in August 2013 of \$304,100. The HPI measures residential price trends based on four benchmark home types, with the index set at a base of 100 for January 2005.

The majority of this price loss has occurred in the last twelve months due to slowing demand, elevated supply levels and the cooling impact of federal mortgage stress rules introduced in the fall of 2016 and a second round in January 2018. These rules have distorted demand locally by causing many buyers hoping to purchase a home to either look down in price range or leave the market altogether because they cannot qualify for mortgage financing.

The sales dollar volume of \$93.1M posted in all geographic areas for the month was down 22.2% from 2017's \$119.5M. Dollar volume in the city of \$78.4M was down 22.8% from 2017's \$101.5 M.

In the city, there were 1,750 active residential listings on the market at the end of August, an increase of 13.9% from 2017's 1,537 and virtually identical to 1,751 at the end of July. The number of active listings has been in the 1,750 range since May, contributing to some stability on the supply side of the market.

There were 652 new listings placed on the MLS® System during the month in all geographic areas, down 9.6% from 2017's 721. In the city, there were 513 new listings added, a decrease of 10.0% from 570 in 2017. This also contributed to stabilizing the level of supply in the city.

Homes that did sell in the city sold in average of 62 days in the city and 68 days in all areas. These compare to 53 and 57 days respectively last year.

"A slower economy coupled with federal mortgage rules making it more difficult for buyers to qualify for financing have had an effect on the demand side of the local market. These rules, primarily intended to cool off overheated markets in Vancouver and Toronto, have been applied to all markets in the country whether needed or not", said Gord Archibald, Chief Executive Officer of the Association of Regina REALTORS® Inc.

"The effect of a slower economy has only been exacerbated by these rules which were not needed in this market. This has not only hurt buyers, but also sellers and all home owners through lower home values and equity. They should be applied on a regional basis where needed, not with a broad-brush across all Canadian markets", concluded Archibald.

***The Association operates the Multiple Listing Service® System in Regina and area and publishes the Southern Sask Real Estate Review. The MLS® System is a co-operative marketing system used only by Canada's real estate Boards to ensure maximum exposure of properties for sale.***

Additional market information may be accessed [here](#):

-----30-----

For more information, contact:

Gord Archibald, Chief Executive Officer

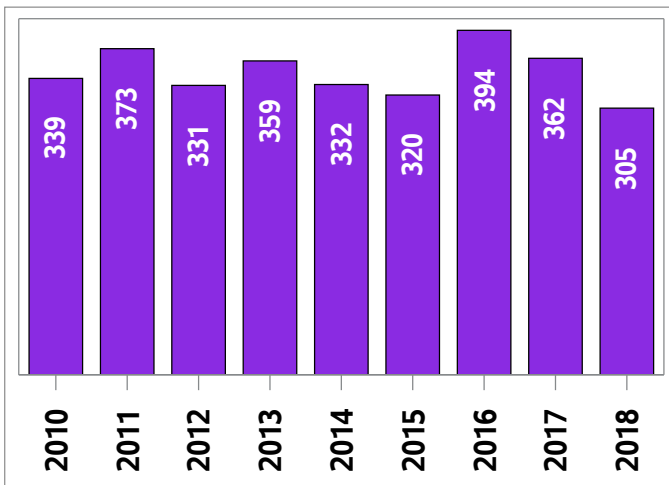
306-791-2705

[GArchibald@ReginaREALTORS.com](mailto:GArchibald@ReginaREALTORS.com)

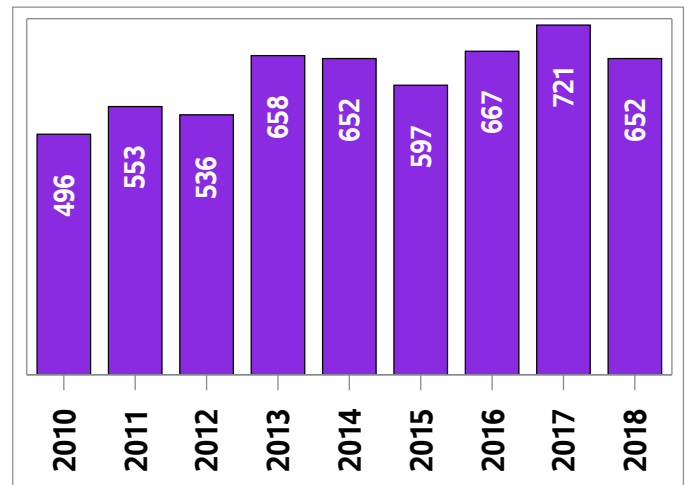
Trademark owned or controlled by the Canadian Real Estate Association. Used under license.

## Regina City and Region MLS® Residential Market Activity

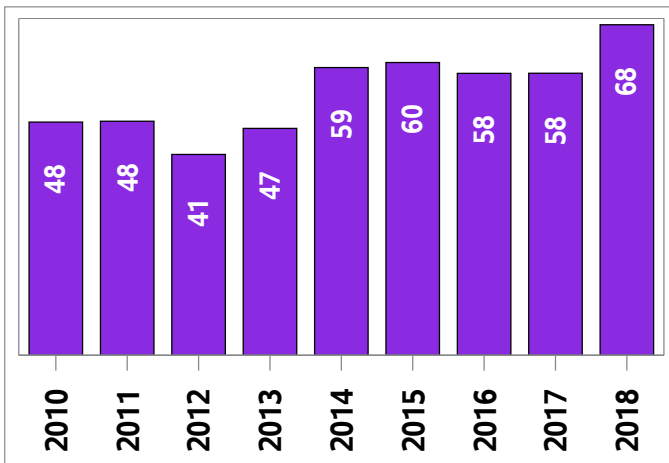
Sales Activity (August only)



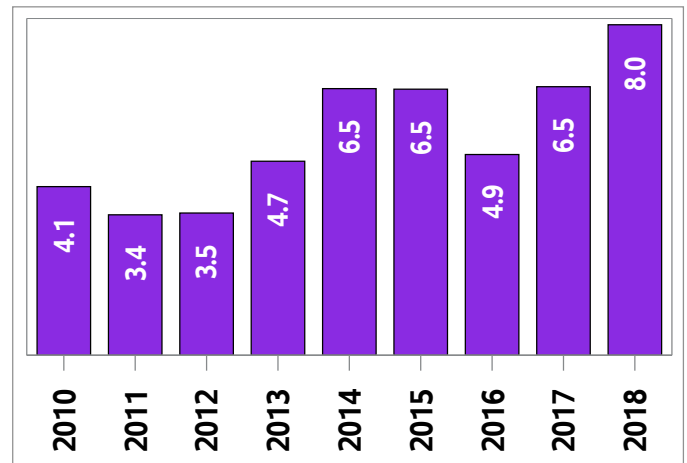
New Listings (August only)



Average Days on Market (August only)

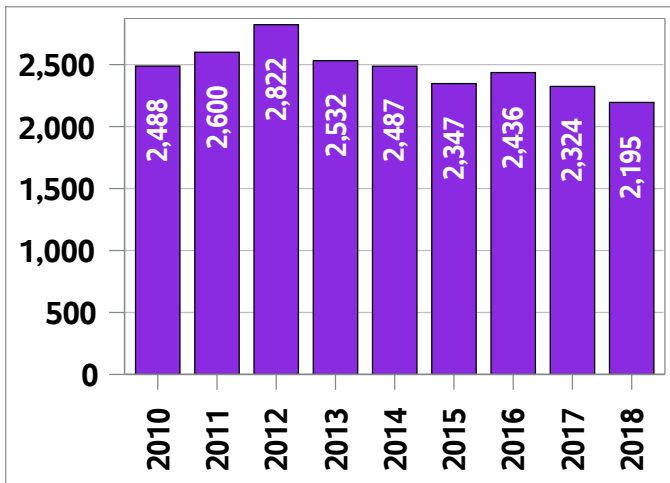


Months of Inventory (August only)

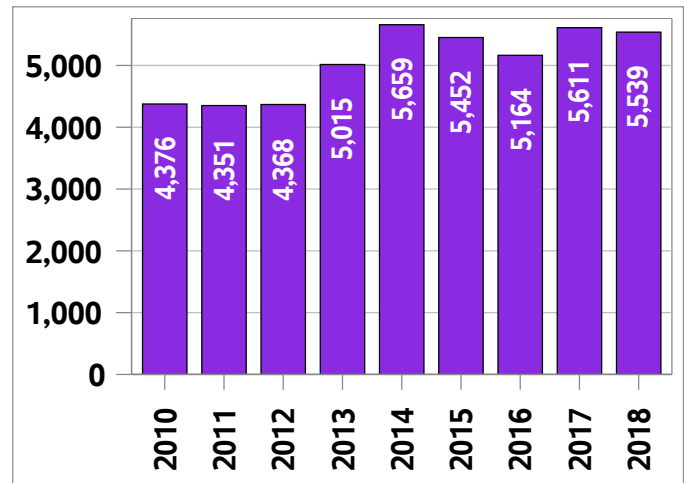


## Regina City and Region MLS® Residential Market Activity

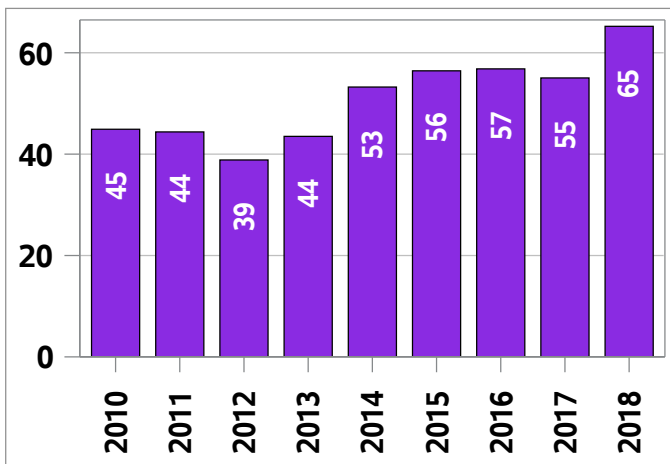
Sales Activity (August Year-to-date)



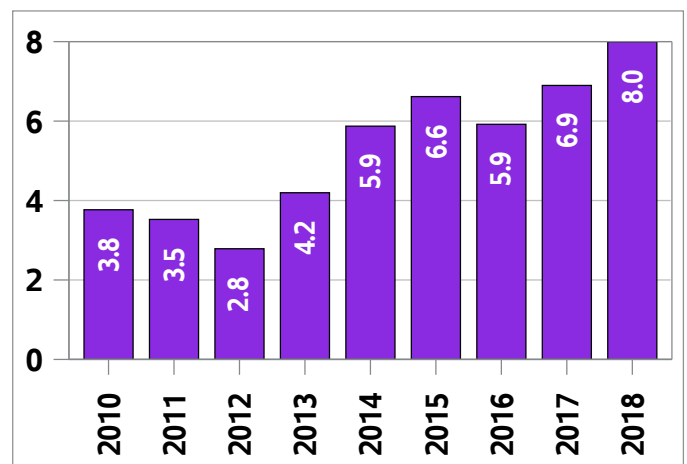
New Listings (August Year-to-date)



Average Days on Market (August Year-to-date)



Months of Inventory <sup>2</sup> (August Year-to-date)



## Regina City and Region MLS® Residential Market Activity

Actual	August 2018	Compared to <sup>5</sup>					
		August 2017	August 2016	August 2015	August 2013	August 2011	August 2008
Sales Activity	305	-15.7	-22.6	-4.7	-15.0	-18.2	18.2
Dollar Volume (\$)	\$93,047,259	-22.2	-25.1	-8.5	-18.6	-13.2	48.2
New Listings	652	-9.6	-2.2	9.2	-0.9	17.9	11.8
Sales to New Listings Ratio <sup>1</sup>	47	50.2	59.1	53.6	54.6	67.5	44.3
Months of Inventory <sup>2</sup>	8.0	6.5	4.9	6.5	4.7	3.4	5.9
Average Price (\$)	\$305,073	-7.6	-3.3	-4.0	-4.2	6.2	25.4
Sale to List Price Ratio	94.8	96.2	95.9	95.9	96.5	96.0	95.7
Average Days on Market	68.2	58.2	58.2	60.4	46.8	48.3	37.3

Year-to-date	August 2018	Compared to <sup>5</sup>					
		August 2017	August 2016	August 2015	August 2013	August 2011	August 2008
Sales Activity	2,195	-5.6	-9.9	-6.5	-13.3	-15.6	-6.6
Dollar Volume (\$)	\$671,037,618	-9.9	-14.3	-10.2	-16.9	-8.6	20.2
New Listings	5,539	-1.3	7.3	1.6	10.4	27.3	25.1
Sales to New Listings Ratio <sup>3</sup>	40	41.4	47.2	43.0	50.5	59.8	53.1
Months of Inventory <sup>4</sup>	8.0	6.9	5.9	6.6	4.2	3.5	2.8
Average Price (\$)	\$305,712	-4.6	-4.9	-4.0	-4.2	8.3	28.6
Sale to List Price Ratio	95.2	96.1	96.0	96.1	96.9	96.7	98.4
Average Days on Market	65.2	55.0	56.8	56.4	43.5	44.4	19.3

<sup>1</sup> Sales / new listings \* 100; Compared to Levels from previous periods

<sup>2</sup> Active listings at month end / monthly sales; Compared to levels from previous periods

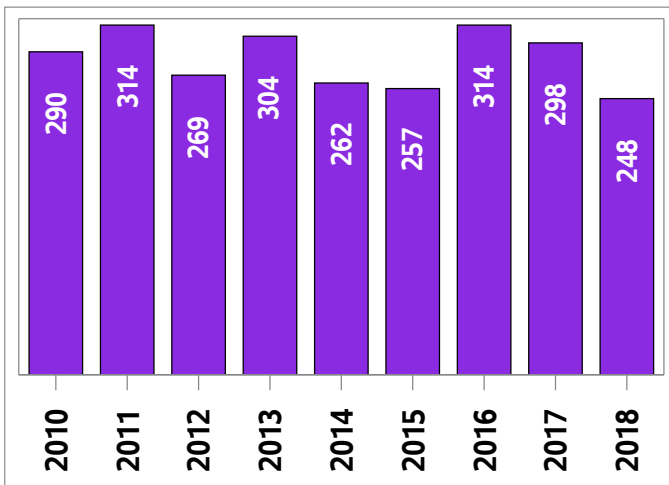
<sup>3</sup> Sum of sales from January to current month / sum of new listings from January to current month

<sup>4</sup> Average active listings from January to current month / average sales from January to current month

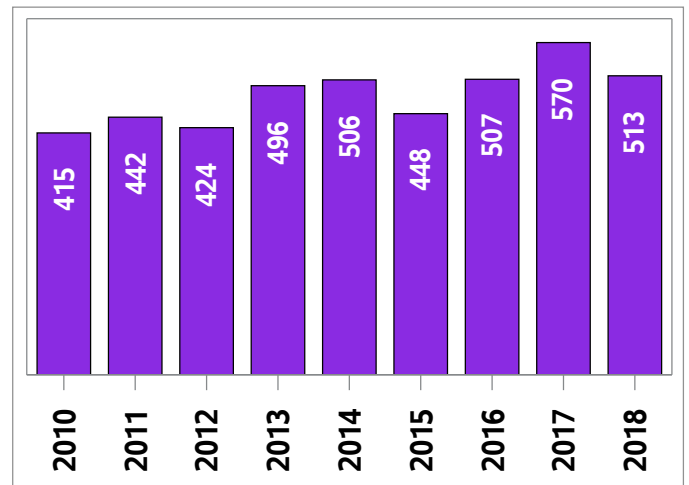
<sup>5</sup> Sales to new listings ratio and months of inventory shown as levels; all others calculated as percentage changes

# City of Regina MLS® Residential Market Activity

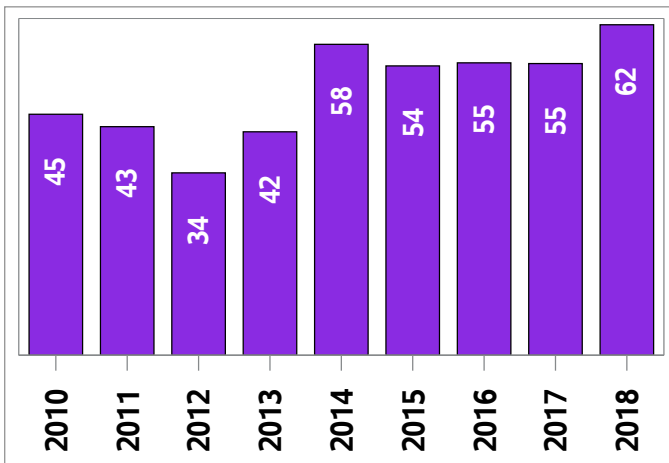
Sales Activity (August only)



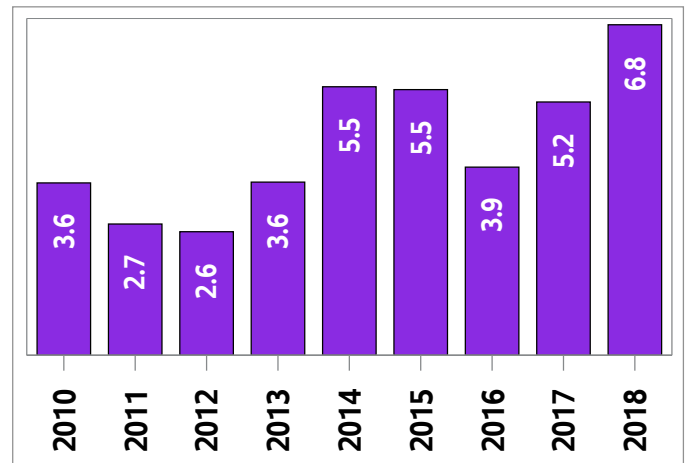
New Listings (August only)



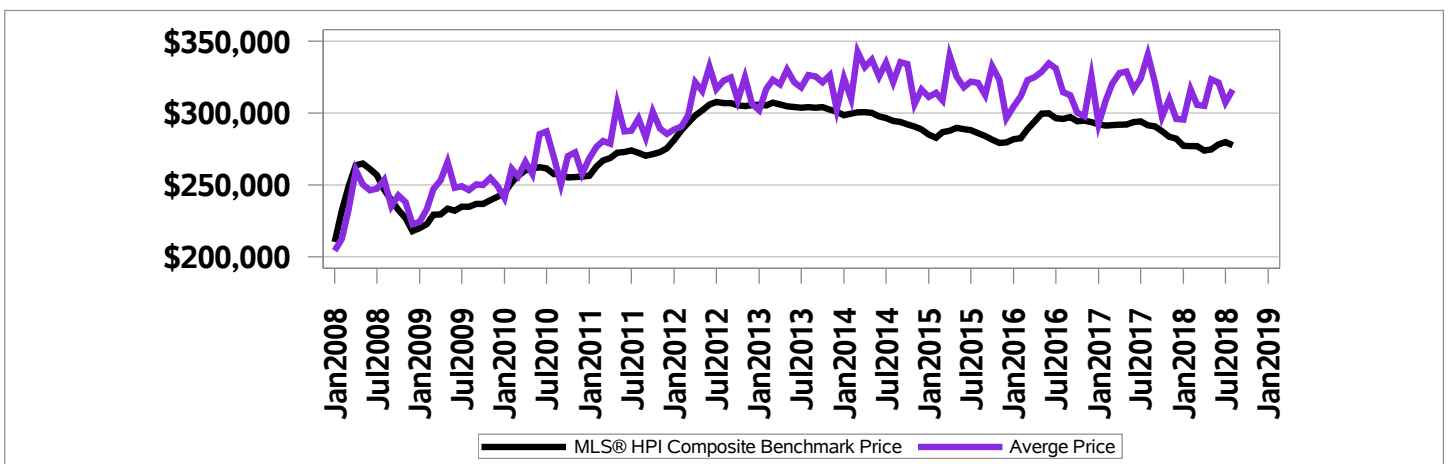
Average Days on Market (August only)



Months of Inventory (August only)

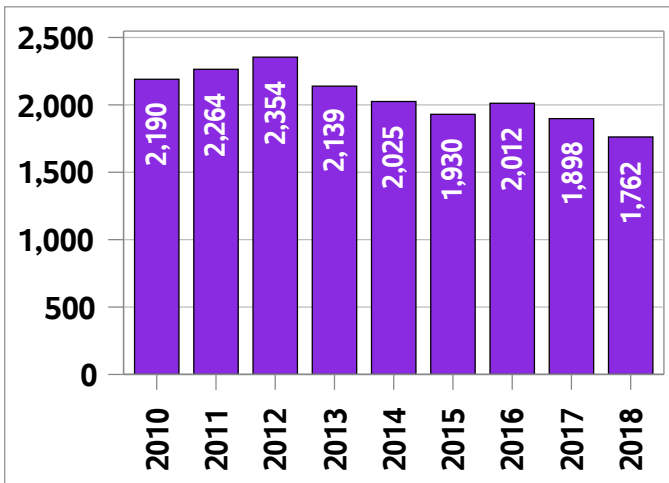


MLS® HPI Benchmark Price and Average Price



## City of Regina MLS® Residential Market Activity

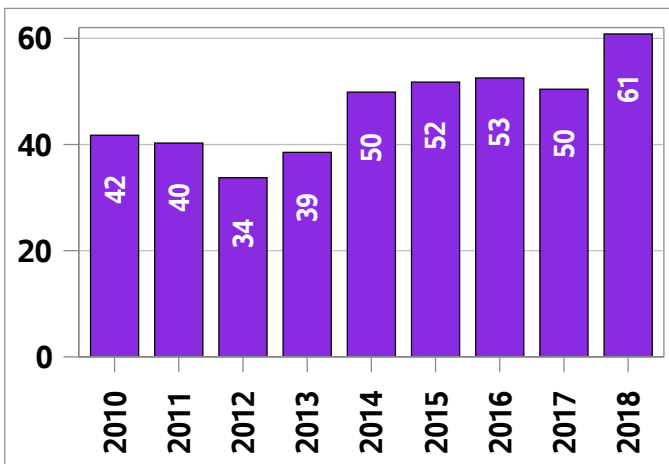
Sales Activity (August Year-to-date)



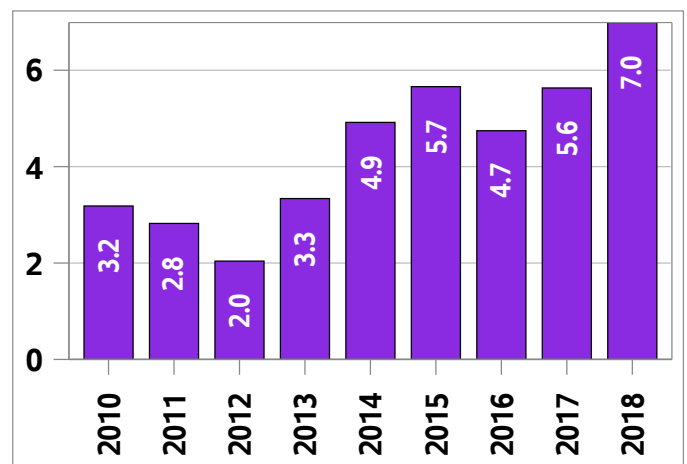
New Listings (August Year-to-date)



Average Days on Market (August Year-to-date)



Months of Inventory <sup>2</sup> (August Year-to-date)



## City of Regina MLS® Residential Market Activity

Actual	August 2018	Compared to <sup>5</sup>					
		August 2017	August 2016	August 2015	August 2013	August 2011	August 2008
Sales Activity	248	-16.8	-21.0	-3.5	-18.4	-21.0	8.3
Dollar Volume (\$)	\$78,412,259	-22.8	-20.6	-4.9	-21.0	-15.7	35.0
New Listings	513	-10.0	1.2	14.5	3.4	16.1	3.4
Sales to New Listings Ratio <sup>1</sup>	48	52.3	61.9	57.4	61.3	71.0	46.2
Months of Inventory <sup>2</sup>	6.8	5.2	3.9	5.5	3.6	2.7	5.5
Average Price (\$)	\$316,178	-7.2	0.5	-1.5	-3.1	6.8	24.7
Sale to List Price Ratio	95.9	96.9	96.2	96.7	97.0	96.5	96.0
Average Days on Market	62.0	54.7	54.9	54.3	41.9	42.9	36.7

Year-to-date	August 2018	Compared to <sup>5</sup>					
		August 2017	August 2016	August 2015	August 2013	August 2011	August 2008
Sales Activity	1,762	-7.2	-12.4	-8.7	-17.6	-22.2	-20.9
Dollar Volume (\$)	\$551,267,873	-10.0	-15.3	-11.0	-19.7	-15.2	3.8
New Listings	4,250	1.1	10.2	1.4	9.3	21.6	6.4
Sales to New Listings Ratio <sup>3</sup>	41	45.1	52.2	46.0	55.0	64.8	55.7
Months of Inventory <sup>4</sup>	7.0	5.6	4.7	5.7	3.3	2.8	2.6
Average Price (\$)	\$312,865	-3.1	-3.3	-2.5	-2.6	9.0	31.2
Sale to List Price Ratio	95.8	96.5	96.5	96.5	97.3	97.0	98.6
Average Days on Market	60.8	50.4	52.5	51.8	38.5	40.3	19.0

<sup>1</sup> Sales / new listings \* 100; Compared to Levels from previous periods

<sup>2</sup> Active listings at month end / monthly sales; Compared to levels from previous periods

<sup>3</sup> Sum of sales from January to current month / sum of new listings from January to current month

<sup>4</sup> Average active listings from January to current month / average sales from January to current month

<sup>5</sup> Sales to new listings ratio and months of inventory shown as levels; all others calculated as percentage changes



## City of Regina MLS® HPI Benchmark Price

Benchmark Type:	August 2018	percentage change vs.						
		1 month ago	3 months ago	6 months ago	12 months ago	3 years ago	5 years ago	10 years ago
Composite	\$277,600	-0.8	1.1	0.2	-4.8	-2.9	-8.7	12.5
Single Family	\$288,900	-0.9	1.1	0.1	-5.3	-1.8	-7.8	15.3
One Storey	\$277,100	-1.1	1.5	-0.5	-5.6	-0.8	-6.5	19.1
Two Storey	\$324,700	-0.4	0.3	1.4	-4.9	-4.1	-10.5	7.5
Townhouse	\$240,200	1.7	0.6	5.1	-2.4	-5.7	-13.3	4.4
Apartment	\$173,100	-2.0	-1.0	-3.1	-1.1	-13.5	-15.6	-8.7

Benchmark Type:	August 2018	Historical Values						
		1 month ago	3 months ago	6 months ago	12 months ago	3 years ago	5 years ago	10 years ago
Composite	\$277,600	\$279,800	\$274,700	\$277,000	\$291,500	\$286,000	\$304,100	\$246,700
Single Family	\$288,900	\$291,500	\$285,700	\$288,600	\$305,100	\$294,300	\$313,500	\$250,500
One Storey	\$277,100	\$280,200	\$273,100	\$278,600	\$293,500	\$279,200	\$296,500	\$232,700
Two Storey	\$324,700	\$325,900	\$323,600	\$320,300	\$341,400	\$338,500	\$362,600	\$302,000
Townhouse	\$240,200	\$236,300	\$238,800	\$228,500	\$246,100	\$254,600	\$276,900	\$230,100
Apartment	\$173,100	\$176,600	\$174,900	\$178,600	\$175,000	\$200,200	\$205,000	\$189,500

