



Date: October 23, 2009

US Existing Home Sales, August 2009 Results

Source: National Association of REALTORS

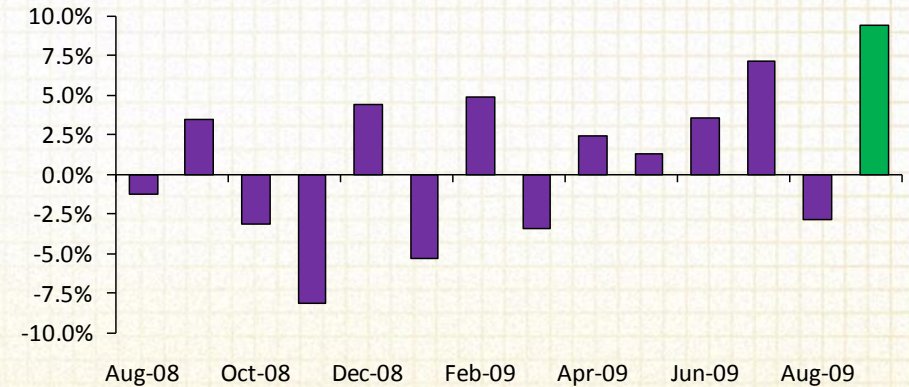
Link to Release:

http://www.realtor.org/press_room/news_releases/2009/10/rebound_shows

Summary: Existing U.S. home sales reached a seasonally adjusted rate of 5.57 million units in September, up 9.4 per cent from the August level of 5.1 million units. September marks the sixth gain in nine months, and the highest sales level recorded since the 5.73 million transactions seen in July of 2007. Meanwhile, the national median price, at \$174,900, was down 8.5 per cent from the \$191,600 recorded during September of 2008, due to the presence of large numbers of distressed properties among the recorded sales.

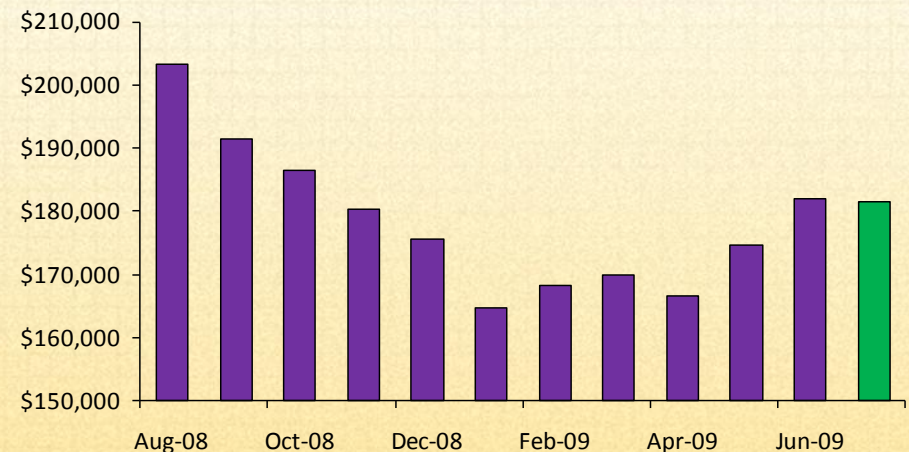
Analysis: According to the National Association of Realtors (NAR), the encouraging September figures resulted from a combination of declining inventory which bolstered prices, the best affordability situation since 1970 and the \$8,000 federal tax credit for first time buyers. Going forward, there is a fear that first-time buyers may be sidelined should the tax credit expire as it is scheduled to do at the end of November. However, initiatives are apparently underway to have the credit program extended until at least June of 2010. If conditions continue to tighten in the US resale market, more buyers could start to spill over into the new home market. Increased US home construction would directly impact the demand for building products produced in Canada, providing a boost to our export sector.

US Existing Home SALES
Monthly Per Cent Change (Seasonally Adjusted)



Source: National Association of REALTORS

US Existing Home MEDIAN PRICE



Source: National Association of REALTORS

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