

Saskatoon real estate market showing stability

BY CASSANDRA KYLE, THE STARPHOENIX MARCH 24, 2011

During the past few months Saskatoon's business and real estate community has been wondering the same thing: How is Harry Janzen?

The longtime executive officer of the Saskatoon Region Association of Realtors (SRAR) had been away from his beloved Eighth Street office receiving treatment for pancreatic cancer. But now the popular Saskatonian is back at work and is happy to say he's doing well.

But Janzen isn't interested in talking about his health -the 30-year veteran of the industry is far more interested in discussing the city's dynamic residential housing market.

StarPhoenix business reporter Cassandra Kyle asked Janzen five questions this week about local housing trends.

SP: I want to start by asking what people are wondering -how are you doing?

HJ: As far as the health condition is concerned, I was diagnosed with pancreatic cancer in the beginning of December and that took us on a bit of a whirling tour literally across Canada as well as the U.S. down to the Mayo Clinic for just a brief visit to see if additional medical help was available there.

Since then things are moving along quite nicely as far as a homeopathic and naturalistic approach to dealing with the cancer. We've certainly seen positive results in respect to the supplement approach. The CT scans are indicating the size of the tumor has not changed virtually at all in the last couple of months. As well, it verified that the cancer hasn't moved to other organs such as the liver or kidney or some of those types of things, so that's very, very positive.

Blood tests with the naturalist are very positive as well. There's improvements in the areas of blood pressure and all of the other levels of glycemic index and those other types of things that you normally check as far as blood tests are concerned. So all of those things are very positive and we'll continue on with that regime.

SP: How do you characterize the residential market so far this year?

HJ: I'd say the market is very stable. I think it's pretty exciting when you think about the fact that there's not a lot of change in our average selling price, for one thing.

When we look at the residential market for the month ending off in February, we're \$287,200. By comparison to 2010 we're one per cent lower at \$290,991 so we're pretty stable in that market. Again, even year-to-date we're at \$292,000 average and that's a change of about four per cent from last year, year-todate, so there's definitely consistency there.

Looking at the actual dollar volume, again because there's significant activity in the upper-and mid-price range homes we're up about 18 per cent in dollar volume with over \$80 million worth of real estate having sold in the first two months of this year. So it's a very active market.

SP: At some point spring will eventually come, so what will the real estate market look like then? I know it's a big time of the year for the industry.

HJ: If we look historically, the market in spring ends up being a little more active, although if we look at the last few years, we've had good sales activity pretty much in every month except for December.

So all months have actually been quite active and we certainly expect that to be the same this year. Interest rates are still very favourable to purchase homes.

I think there's always talk of elections and these types of things which typically have influenced consumers to either say, 'We're going to wait,' or, 'We're going to do something quickly.' I think most consumers are comfortable with the fact that there will be a consistent interest rate which, of course, makes it easier when it comes to purchasing a home.

SP: Will the construction of new homes change the current market conditions?

HJ: It's actually very positive to look at what's happening in new home sales.

First of all, if you look at the city, the amount of sales that they're experiencing as far as lots are concerned is very encouraging. We're getting private developers as well as our larger new home builders obtaining as much inventory as possible to build.

A lot of times what happens is that when people are looking at building a new home, that, of course, means in most cases the buyer will have an existing home that now, of course, becomes part of the existing market inventory. So also that provides a better inventory for people who are renting currently that would really like to enter into home ownership.

It's a real benefit not only for the new home industry, but for the development of new areas.

SP: What new Saskatoon neighbourhood would you most like to live in?

HJ: Well that's a tough question. The reason I'm being hesitant is that as we look at all of the new areas, each has a definite positive -whether we're looking at Willowgrove or Stonebridge, whatever area you want to look at is really positive.

Personally I might look at it from a new area, possibly the Willowgrove area might be appealing, but not so dramatically so that I wouldn't look at some of the other areas. It's kind of fun to think about it.

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