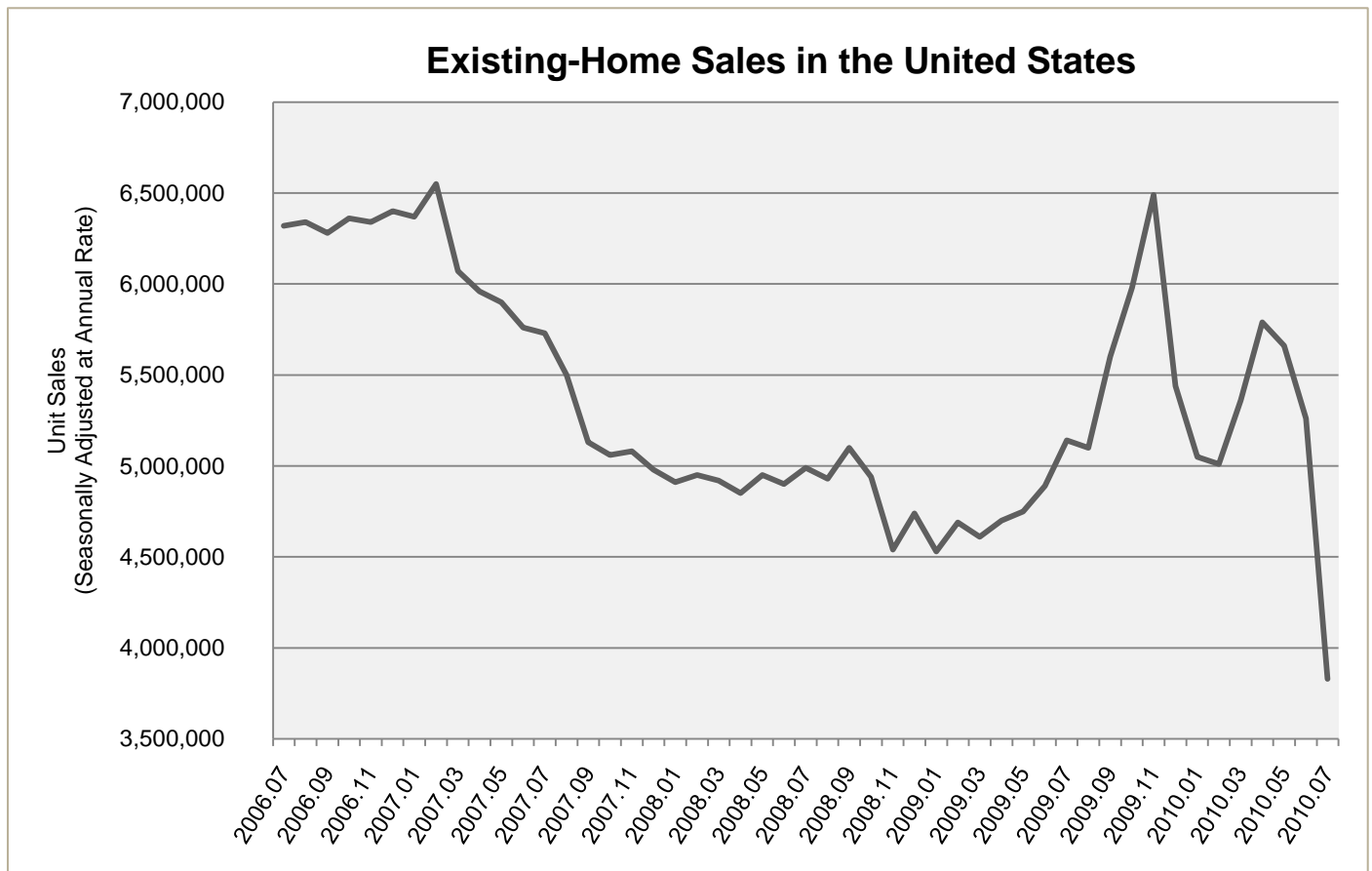


Sharp Decrease in Residential Sales in the U.S. in July

According to the National Association of Realtors (NAR), sales of existing homes in the United States decreased by 27.1 per cent (seasonally adjusted) in July 2010 compared to the previous month. This is the third consecutive month in which existing-home sales have decreased in the U.S. Respective decreases of 2.2 and 7.1 per cent were recorded in the months of May and June (revised data). This slowdown comes after the expiry of the tax credit offered to home buyers, which was extended until April 30.

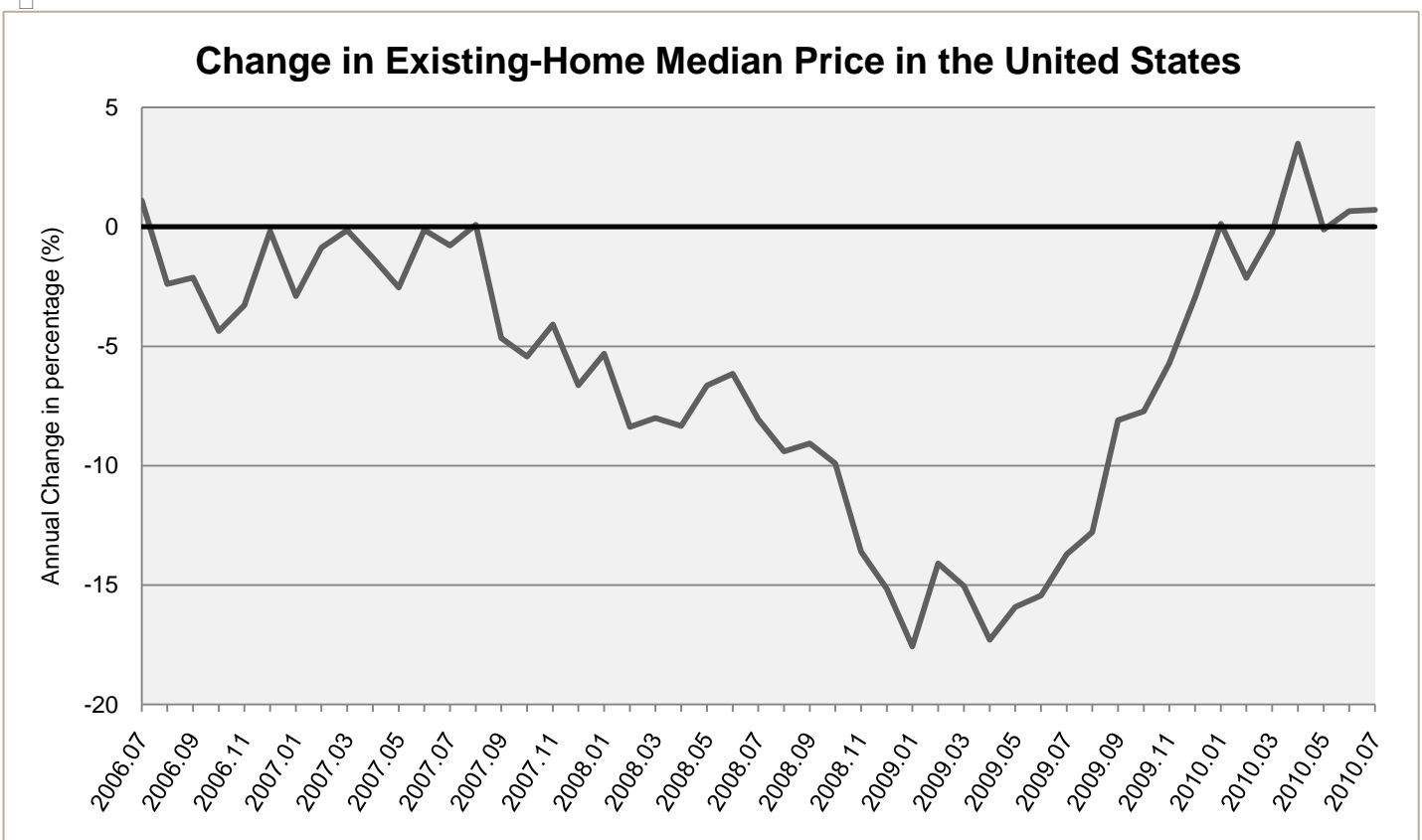
On an annualized basis, sales reached 3,830,000 in July, the lowest level ever recorded since the NAR began publishing data on existing homes, which was in January 1999.



Source: National Association of Realtors

There were 389,000 existing-home sales (not seasonally adjusted) in the United States in July, a 26.9 per cent decrease compared to the same period last year. This decrease puts an end to a series of 13 months of sales increases compared to the previous year.

The median price of houses reached \$182,600 in July 2010, an increase of 0.7 per cent compared to the median price in July 2009. A 0.7 per cent (revised data) increase in median price was also registered in June.



Source: National Association of Realtors

To read the official NAR press release, [click here](#).

Details About the United States Resale Market

Figures on existing home sales in the United States are published every month by the National Association of Realtors (NAR). They are expressed on a seasonally adjusted and annualized basis, which represents what the annual sales level would be if the sales pace of the current month is maintained for a full year. As we do here for the Québec resale market, the NAR publishes the median price of properties sold, rather than the average price. .

The Resale Market in the United States and the Resale Market in Québec

The evolution of the U.S. resale market is a good point of comparison with real estate activity in Canada and Québec.

Activity on the U.S. resale market may affect the housing market in Canada and Québec due to its potential influence on consumer confidence here in Canada. For example, a difficult situation on the U.S. real estate market may have a negative impact on Canadian consumer confidence, as consumers here may worry about a potential deterioration of Canada's real estate activity.