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SUNDAY, APRIL 27, 2008

Plunging sales raise spectre of U.S.-style meltdown

MARIO TONEGUZZI
 CALGARY HERALD

Sales in the MLS residential real estate market have plunged in the first quarter of this year compared with a year ago in Calgary.

At the same time, new listings have soared.

And prices have stabilized over the past few months.

The million-dollar question in Calgary these days is where the market is headed after experiencing such a dramatic turn from where it was just 12 months ago.

Like many in the city, Jacquelynn Benson, 26, and her husband Scot have been searching for a single-family home in the Calgary area. They moved to Calgary from Saskatchewan a year ago and bought a condominium in McKenzie Towne in April 2007.

Last year, they bought a home in a seller's market. This year, it has turned into a buyer's market as the Bensons hunt for their dream home. But prices in the city remain steep for the type of home they want.

As of Friday, the Calgary Real Estate Board website was showing an average MLS sale price of \$471,863 for single-family homes in Calgary metro sold in the past 30 days,

with a median sale price of \$420,000. During that time, total single-family home sales were 1,391 and active listings have ballooned to 6,775 in the city itself.

"It's difficult," says Jacquelynn Benson of the couple's search, which has taken them outside the city to places like Langdon, where there is more bang for their buck with bigger house sizes on larger pieces of land.

She says it's evident the market has shifted into one that favours buyers.

"We're concerned about when we do buy, whether or not we're even going to sell our condo," says Benson. "We don't have it on the market. We're waiting to see what we're going to do. I think that even says it right there: We're not even sure if we're going to sell it. We could rent it out. The market is not where it was last year."

The most recent CREB data reflects that, with officials saying it's now a buyer's market, unlike a year ago.

Total MLS inventory at the end of March was 12,597, a whopping 167 per cent increase from 4,723 registered in March 2007. The month-end inventory for single-family homes in Calgary metro was 5,957, up 155 per cent from a year ago, while for condos it was up a staggering 283 per cent from a year ago, to 2,781 listings from 726.

With that inventory, about one in five homes on the market were selling in March.

"The days of the sellers in the last couple of crazy market years just naming their price and throwing their house on without presenting their house correctly, those days are done," CREB president Ed Jense said when the organization released its data.



"Right now, the excess inventory is allowing the buyers to choose what they want... That allows them to be picky and sellers need to pay attention to whatever their specific marketplace is doing... You just can't name your price."

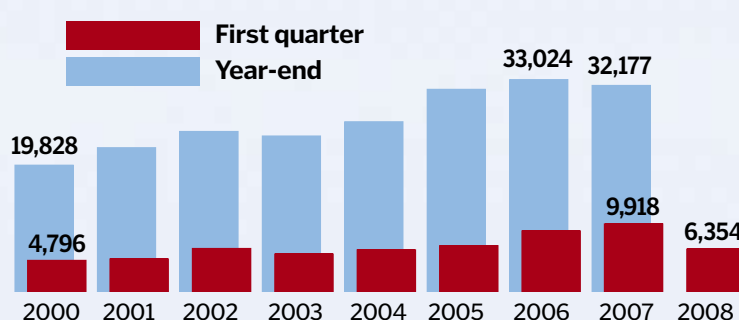
Whether you're a potential homebuyer or seller — or even an interested observer — people want to know where the market is headed.

Garth Turner, a Tory member of Parliament and author of Greater Fool, a recently published real estate book, says Canada has much in common with the United States in that we've had a booming real estate market essentially since 2001. Interest rates have been low since 9/11 and, at the same time, people were afraid of the stock market.

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Signs of a cooling market

Calgary-area MLS sales: 2000-08

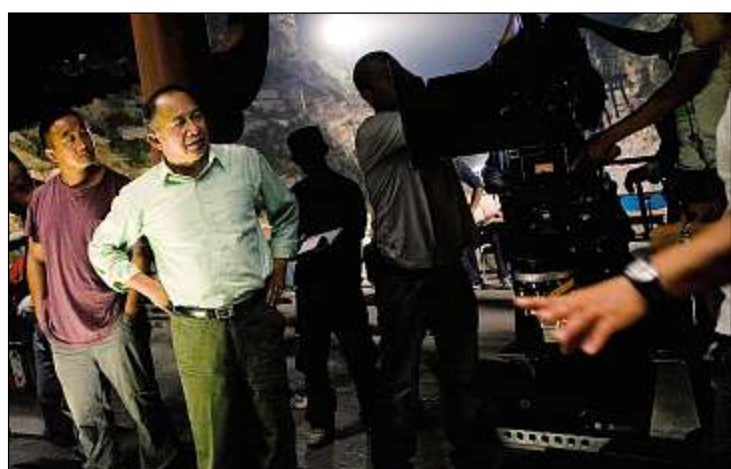


Source: Canada Mortgage and Housing Corp.



Stuart Gradon, Calgary Herald
 Scot and Jacquelynn Benson are looking for a house in the Calgary area. While prices remain steep, they say they aren't dealing with the seller's market of a year ago.

Asian history powers next generation of games



Bloomberg Archive
 Director John Woo oversees shooting of Red Cliff, one of the films set to generate interest in the West about Asian history.

Ancient battles come to life for online players

RHEE SO-EUI
 REUTERS
 SEOUL

After exhausting just about every elf, dragon and knight featured in western online games, makers of popular online games are turning to ancient Asian history and war heroes for new inspiration.

Chief among their sources is Romance of the Three King-

doms, an epic Chinese novel whose plots and characters are familiar to most Asians.

"Romance," which long existed in oral form before it was put together in writing in the 14th century, covers a chaotic two-century period in ancient China marked by infighting between warlords following the fall of the Han Dynasty.

The story, full of dramatic and bloody episodes about ruthless ambition, military tactics, loyalty and betrayal, yielded numerous battle legends and war heroes that are still venerated by Asians.

It also makes for an ideal theme for movies and TV shows,

with the latest being John Woo's Red Cliff, to be released just before the Beijing Olympics.

While awareness of ancient Chinese history is still limited in the West, critical and popular hits such as the film Crouching Tiger, Hidden Dragon and this month's Jackie Chan vehicle Forbidden Kingdom are preparing western gamers for the idiosyncrasies of Asian-based games.

Japanese game developer Koei Co. Ltd. has pioneered games based on Romance of the Three Kingdoms, from PC games in floppy disk to brand new console versions running on Microsoft's Xbox 360.

Its Dynasty Warriors series,

featuring legendary characters from the novel combined with kung-fu style action, sold more than 15 million copies worldwide.

Now, makers of online games are trying to bring the well-known saga into multi-player role-playing games. They say the novel provides all the materials needed, from characters to political landscape, to entertain online gamers for months of play.

The Romance game could re-energize an industry suffering from the lack of a major blockbuster since World of Warcraft by **Blizzard Entertainment Inc.**, launched in 2004.

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