



economic analysis *report*



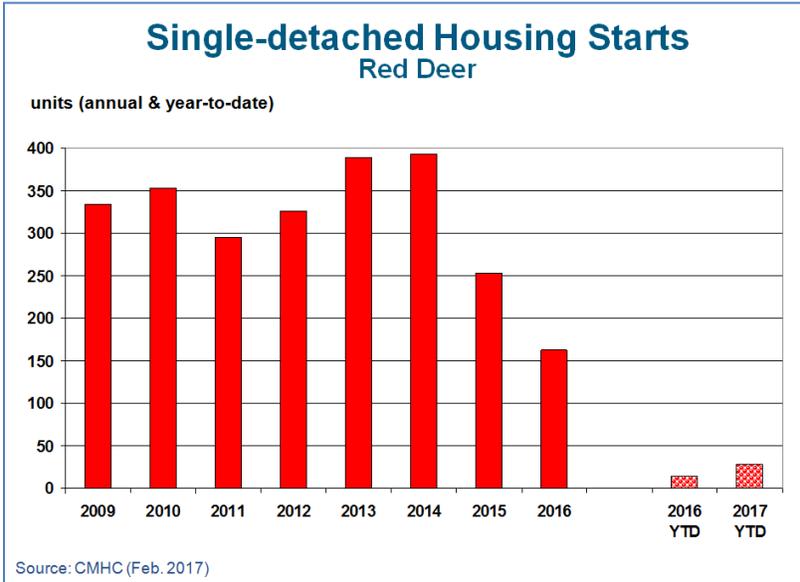
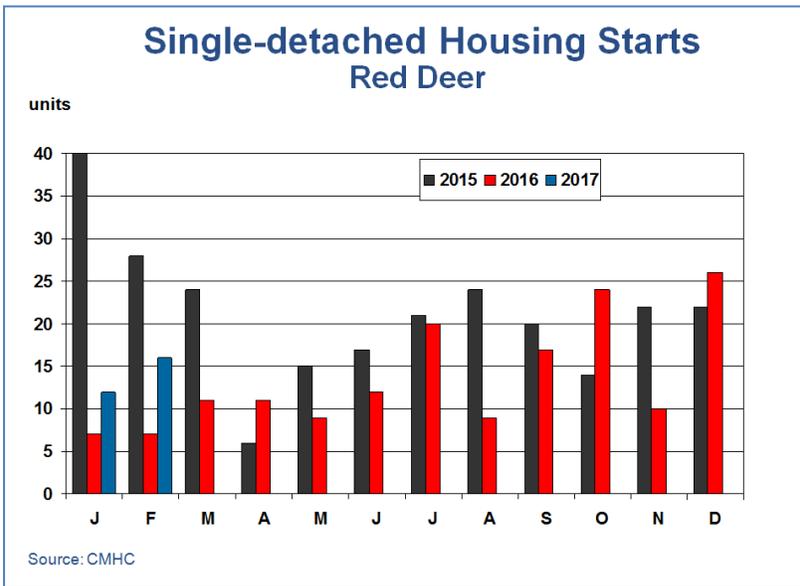
MARCH 2017

RED DEER MARKET UPDATE

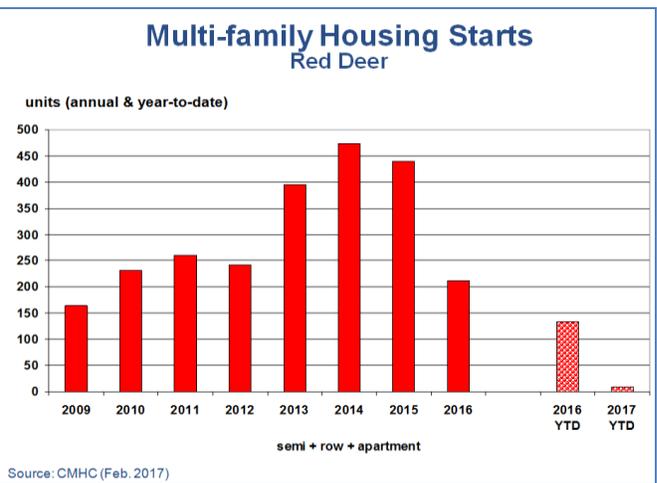
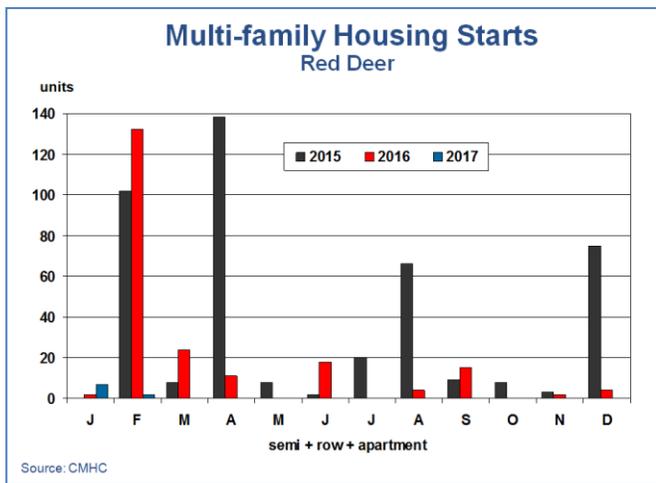
HOUSING STARTS

Total housing starts in the Red Deer Census Agglomeration (CA) decreased in February by 87% year-over-year to 18 units. So far this year, housing starts have declined by 75% from the first two months of 2016 to 37 units.

Single-detached: Single-detached starts in the Red Deer area amounted to 16 units in February, more than double the seven units started a year ago. Single-family starts for the year-to-date have increased two-fold from January and February 2016 to 28 units.

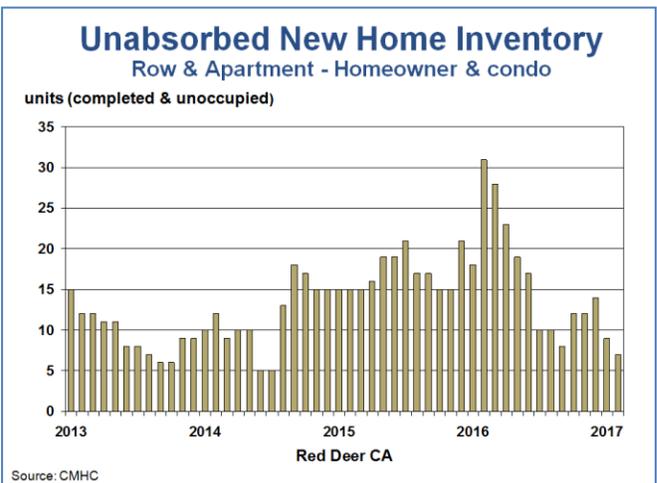
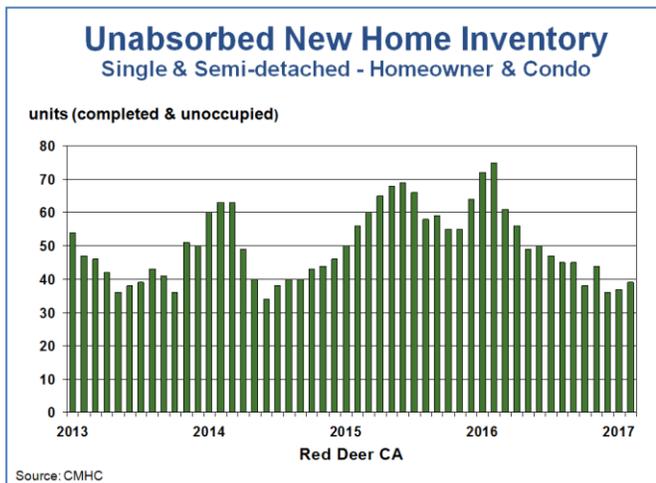


Multi-family (semi, row & apartment): Multi-family starts in the Red Deer region decreased in February by 98.5% from a year prior to two (semi-detached) units. Last February's numbers were bolstered by 130 apartment units. After two months this year, multi-unit starts have declined by 93.3% from the same period in 2016 to nine units.



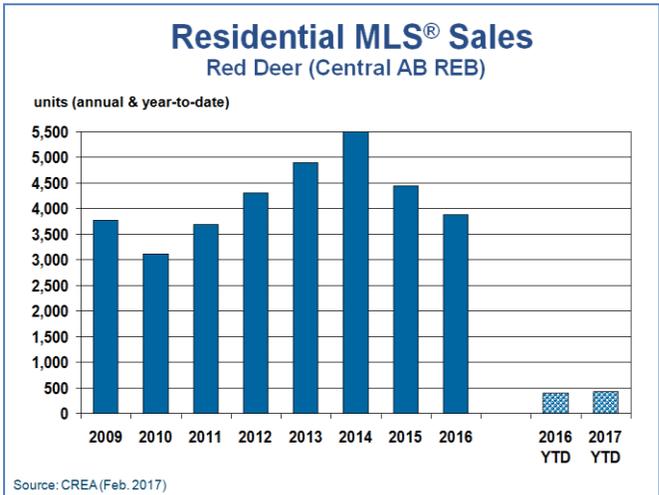
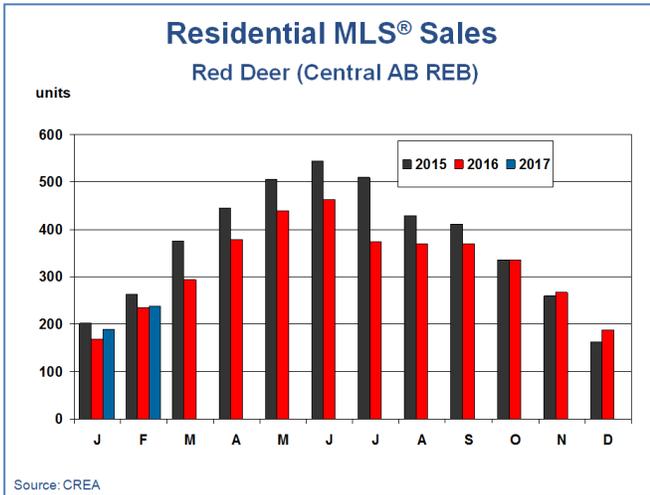
NEW HOME INVENTORY

There were 39 completed and unoccupied single and semi-detached dwellings (including show homes) recorded by CMHC in the Red Deer area in February, up slightly from 37 in the preceding month but down from 75 units in February 2016. Unabsorbed new townhomes and apartments stood at seven units in February, down from nine in January and 31 units a year earlier.



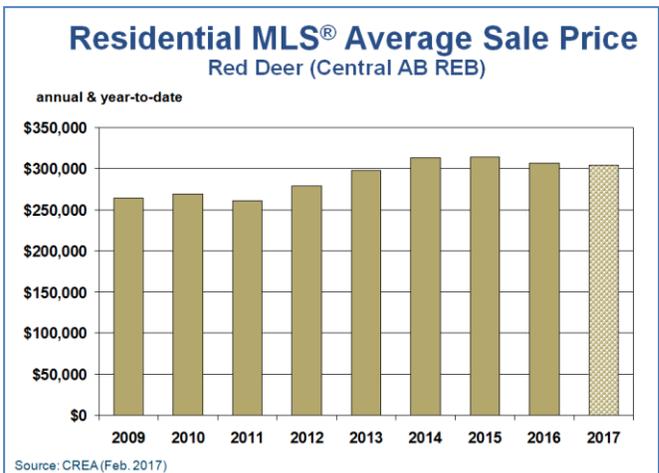
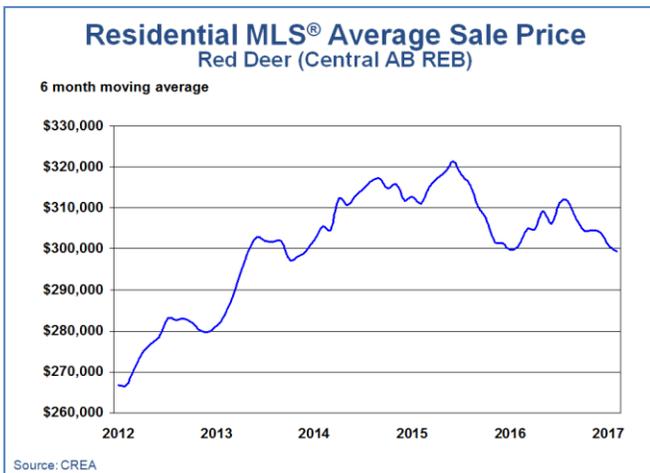
RESIDENTIAL (MLS) SALES

Residential sales in the Red Deer MLS region (Central Alberta) edged upward in February by just under 1% year-over-year to 237 units. So far this year, the number of homes sold by realtors has increased by 5.5% from the first two months of 2016 to 425 units.



RESIDENTIAL SALE PRICES

The average residential sale price (MLS) in the Red Deer region decreased in February by 6.3% from year-ago levels to \$297,580. For the year-to-date, the average MLS sale price was largely unchanged from January and February of last year at \$304,263.



MARKET SUMMARY	Current Month: February			YTD: February		
Red Deer CA	2017	2016	% ch	2017	2016	% ch
Single-family starts	16	7	128.6%	28	14	100.0%
Multi-family starts	2	132	-98.5%	9	134	-93.3%
Total housing starts	18	139	-87.1%	37	148	-75.0%
Central AB REB (MLS)						
Residential sales	237	235	0.9%	425	403	5.5%
Residential avg. price	\$297,580	\$317,707	-6.3%	\$304,263	\$304,831	-0.2%
Source: CMHC/CREA						

Notes to Readers

These monthly market updates are available for the province of Alberta and its seven major cities. The charts are also available in PowerPoint and Excel formats upon request.

CMHC's count of unsold new home inventory defines an unabsorbed unit as a new home that has finished construction and is available for sale. Show homes are typically counted as part of the unabsorbed inventory.

CREA cautions that average price information can be useful in establishing trends over time, but does not indicate actual prices in centres comprised of widely divergent neighborhoods or account for price differential between geographic areas. The monthly average price statistic can also be affected by changes in the mix of sales activity by dwelling type.

***For more information please contact:
Richard Goatcher, Economic Analyst, CHBA - Alberta
richard.goatcher@chbaalberta.ca***