



economic analysis *report*



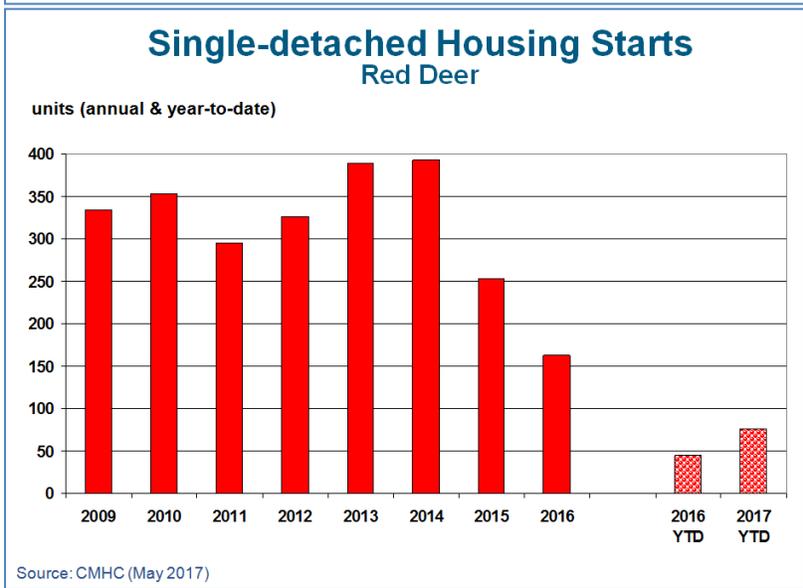
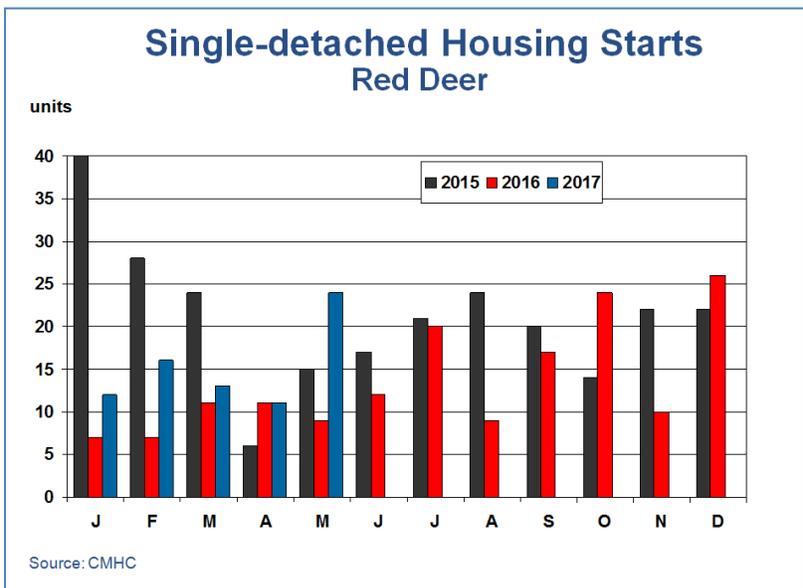
JUNE 2017

RED DEER MARKET UPDATE

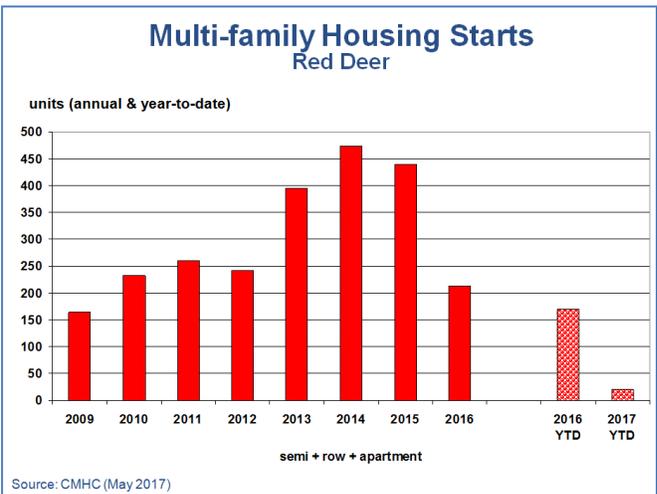
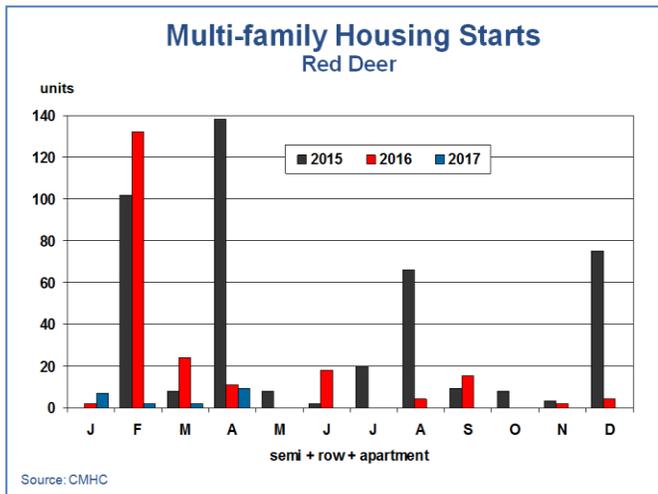
HOUSING STARTS

Total housing starts in the Red Deer CA (Census Agglomeration) reached 24 units in May compared with nine units a year prior. After five months this year, housing starts in the Red Deer area have declined by over 55% from January to May 2016 to 96 units.

Single-detached: Single-detached starts in the Red Deer region amounted to 24 units in May, representing an increase of 166.7% year-over-year. So far in 2017, single-family starts have increased by almost 69% from the same time last year to 76 units.

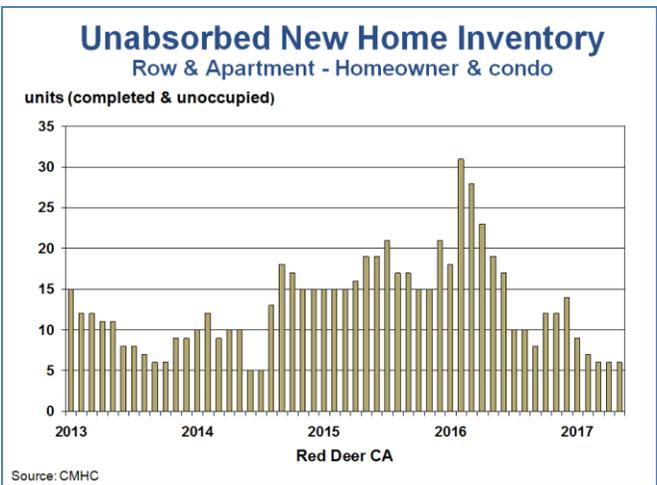
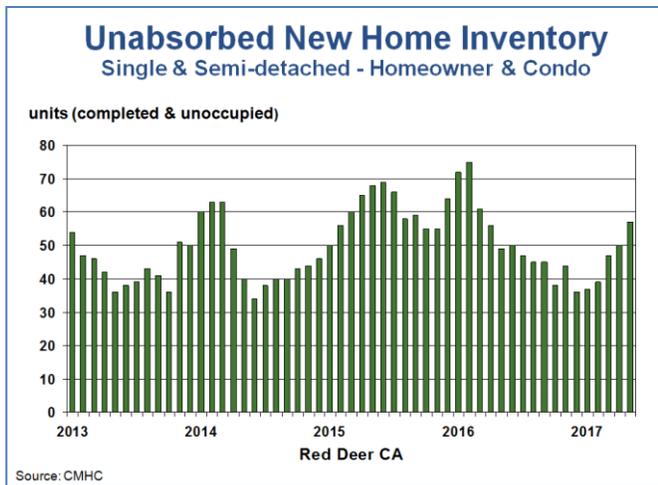


Multi-family (semi, row & apartment): There were zero multi-family starts reported by CMHC in the Red Deer CA in May, unchanged from a year ago. For the year-to-date, multiple dwelling starts have declined by 88.2% from first five months of 2016 to 20 units.



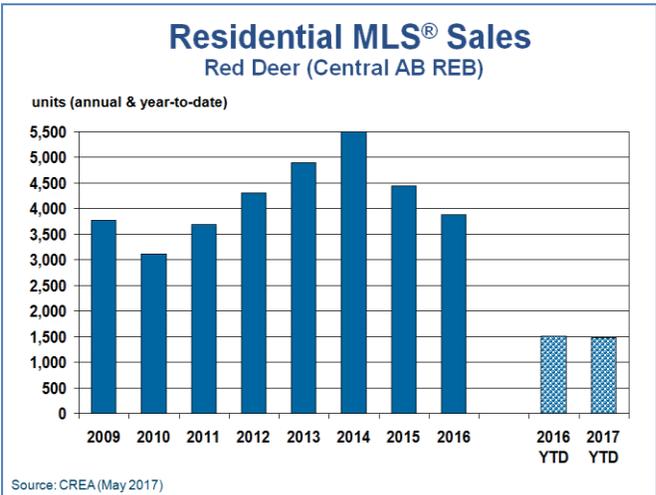
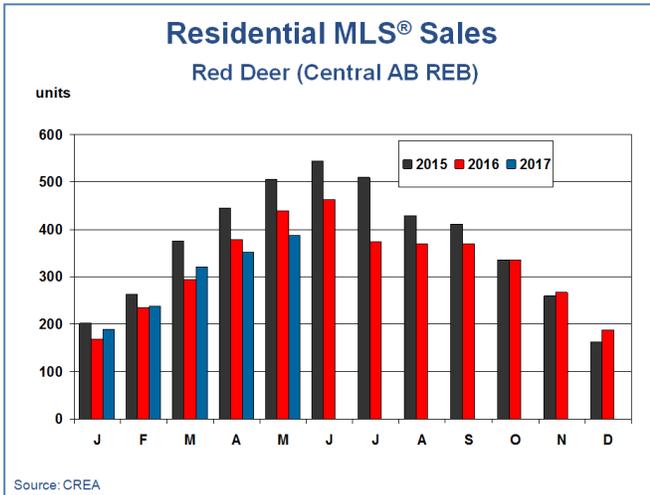
NEW HOME INVENTORY

There were 57 completed and unoccupied single and semi-detached dwellings (including show homes) recorded by CMHC in the Red Deer area in May, up from 50 units in the previous month and 49 units in May 2016. Unabsorbed new townhomes and apartments amounted to six units in May, unchanged from the preceding month but down from 19 units a year earlier.



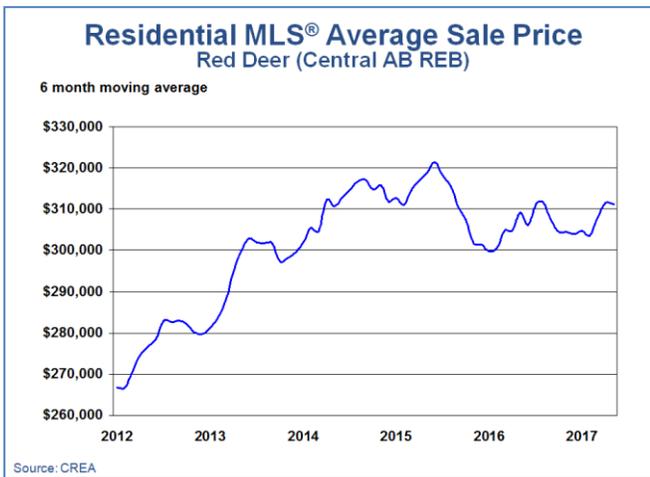
RESIDENTIAL (MLS) SALES

Residential sales in the Red Deer MLS region (Central Alberta) decreased in May by 11.6% year-over-year to 388 units. For the year-to-date, sales have declined by 2% from January to May 2016 to 1,485 units.



RESIDENTIAL SALE PRICES

The average residential sale price (MLS) in the Red Deer region remained largely unchanged in May from the same month last year at \$323,252. So far this year, the average price for homes sold by realtors has increased by 1.8% from the average reported to the end of May 2016 to \$312,655.



MARKET SUMMARY	Current Month: May			YTD: May		
	2017	2016	% ch	2017	2016	% ch
Red Deer CA						
Single-family starts	24	9	166.7%	76	45	68.9%
Multi-family starts	0	0	0.0%	20	169	-88.2%
Total housing starts	24	9	166.7%	96	214	-55.1%
Central AB REB (MLS)						
Residential sales	388	439	-11.6%	1,485	1,515	-2.0%
Residential avg. price	\$323,252	\$323,726	-0.1%	\$312,655	\$307,093	1.8%
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.

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