



4922 – 45 Street – Red Deer, Alberta – T4N 1K6 – 403.343.0881

CONTACT: SANDI GOUCHIE, PRESIDENT 403-782-3183

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2010 Forecast for Residential Real Estate in Central Alberta

Stability, Stability & More Stability!!

I expect that the Total Number of Residential Sales thru our Associations Multiple Listing Service will be in the neighbourhood of 4,300 units for the year. That would represent a slight INCREASE of 177 units or 4.3%. over 2009, but still under the past 5 year average of 4,870 units per year.

I expect that the Median Price of a Single Family Dwelling in the City of Red Deer will Increase by 3% over 2009, to \$325,000; and thus recording the Second Highest Value over the past 5 year period (second to 2007, where the Median Value was \$330K)

While other areas within our Region will see varying results, there is no reason to expect that Median Prices will Drop from the 2009 Values, and I think that overall, modest gains will be achieved.

Apartment Condo's and some Town home developments will see little to no value increase over the year, however I don't believe they will see any further significant declines either. History has demonstrated that in most cases, this segment of housing is quicker to decline and slower to recover than Single Family Dwellings.

Your handouts include Graphs showing the Annual Stats for the Number of Sales, Average, and Median Values, for Single Family Dwelling Sales over the past Six Years for 8 of the major urban centres within our Region.

I prefer to concentrate on the Single Family Dwelling segment of housing as I believe that it most accurately demonstrates the Market Picture.

For Central Alberta, our Market Corrections occurred during the latter part of 2008 and thru the first half of 2009. During the 3rd Quarter of 2009, we began to see the stabilization take hold and the 4th Quarter demonstrated the nature of our Market in Central Alberta.

In summary, I recall that when the Markets dived, the Recession was declared, fear and anxiety struck and the future became unclear and uncertain; Most People sought and hoped for STABILITY.

Ladies and Gentlemen, I am pleased to advise that I believe we have “weathered the Storm” and will now commence the return of a Healthy and Normal Housing Market in Central Alberta. Our Housing Market is STABLE.

The Central Alberta REALTORS® Association is an MLS® listing co-operative, representing more than 640 REALTORS® located in Red Deer and throughout Central Alberta. Details and photos of all Central Alberta REALTORS® Association listings can be found on the national public web sites www.cara.ca, www.REALTOR.ca (residential properties) and ICX.CA (commercial and investment properties).