

RED DEER & DISTRICT REAL ESTATE BOARD CO-OP LTD.

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BUYERS BENEFIT FROM BALANCED REAL ESTATE MARKET FOR IMMEDIATE RELEASE

Red Deer – October 9, 2007 – Throughout Central Alberta homes continued to change hands at a reasonable rate last month according to the MLS® figures released by the Red Deer & District Real Estate Board.

Residential sales in Red Deer for September were 158, a decrease of 13 per cent from the 182 sales recorded in September 2006 and a decrease of 21 per cent from the 200 sales recorded in August 2007. Residential sales in the rural communities were 174, a decrease of 19 per cent from the 215 sales recorded in September 2006 and a decrease of 40 per cent from the 291 sales recorded in August 2007.

Year-to-date Red Deer residential sales up to September 30 totaled 1,874, an increase of 21 per cent compared to the 1,547 sales recorded for the first 9 months of 2006.

Year-to-date residential sales for the rural communities up to September 30 totaled 2,412, a decrease of 5 per cent compared to the 2,543 sales recorded for the first 9 months of 2006.

"Buyers and Sellers can take advantage of the greater variety of homes in all price ranges and should take advantage of this window of opportunity to purchase their first home, or sell and move up to a larger home", said Board President Dale Russell. "We are seeing house prices leveling off, and a return to a balanced market", said Russell.

Red Deer residential new listings added in September totaled 311, a 14 per cent increase over the 273 listings added in September 2006. This is a decrease of 9.86 per cent compared to the 345 new listings added in August 2007.

New listings for the Rural communities in September totaled 514, a 19 per cent decrease compared to the 323 listings added in September 2006, and a ½ per cent increase compared to the residential listings added in August 2007.

"What has happened in the past 9 months is that strong demand and a low supply drove prices up rapidly from January to May, said Mr. Russell. "Heading into the summer months, inventories climbed faster than sales and prices moderated as supply and demand came into balance" "The change is most likely the result of a slower oil patch which we expect to be busy again this winter." We expect sales to remain strong in 2008, but not to return to the rapid inflation experienced in early 2007".

Median price – single family homes:

| | 1Q-Jan, Feb, Mar | 2Q-Apr, May, Jun | 3Q-Jul, Aug, Sept |
|-------------|------------------|------------------|-------------------|
| RED DEER | \$325,000 | \$345,000 | \$330,000 |
| RURAL AREAS | \$266,000 | \$289,000 | \$287,000 |

The Red Deer & District Real Estate Board Co-Op Ltd. is a MLS® listing co-operative, representing 580+ Realtors® located in Red Deer and throughout Central Alberta. Details and photos of all Red Deer & District Real Estate Board Co-Op Ltd. listings can be found on the national public MLS® web site www.mls.ca.

