



The Man With The Hat

Join me on Wednesday morning at the Sunrise Rotary's pancake Breakfast in the 'Lodge' parking lot.

July 20 / 2010

RE/MAX
Real Estate
Central Alberta

Prime rate increased to 2.75 this morning
Still... rates are so low

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Market Update

Local Market Comment – The Central Alberta market is a reflection of what is happening in the rest of the province. New housing starts are slowing, because we haven't had the population growth to sustain the pace we were on.

The reason we haven't had population growth is because we had negative job growth in the last two quarters of 2009 and only a very small net gain in the first quarter of 2010. There were a lot of jobs created in Canada in the last quarter but almost all of them were in Ontario and Quebec. For the first time in years, Alberta has been lagging behind the rest of the country when it comes to job growth.

The reason we haven't had job growth here is because there has been low demand for commodities in the world wide economic slowdown we have been experiencing for the past two years. **It's never quite that simple though.** There are other factors that have had an effect on our local economy. As an example, the Alberta Provincial Royalty review and subsequent changes to the oil and natural gas royalty structure caused jobs and workers to move to Sask. and B.C.



There are some positive signs that job creation in Alberta may be on the up-swing. Well licences are up over last year, oil & gas land lease sales are up over last year, there are more drilling rigs working than at this time last year and well completions are up over last year. **All very positive signs of recovery in the energy sector and when the energy sector recovers in Alberta, everything else follows behind.**

Locally Buyers continue to reap huge savings in our Real Estate Market

Market Update to July 15/10 Red Deer						
Price Range	All Active	Pending	Active 1 Year Ago	Sold MTD July 8/10	Sold MTD July 15/10	Sold MTD July 15/09
< 100	19	0	26	1	2	0
100 – 150	46	2	30	0	1	1
150 – 200	84	1	64	3	5	12
200 – 250	106	7	103	3	9	18
250 – 300	144	7	89	7	13	19
300 – 325	82	4	45	1	6	14
325 – 350	78	6	44	1	5	7
350 – 375	53	3	32	1	2	4
375 – 400	52	0	34	2	4	6
400 – 450	61	1	46	2	5	3
450 – 500	33	1	23	2	4	2
500+	76	2	65	2	6	1
Total	834	34	601	25	62	87
Avg. Price	\$327,347.		\$322,164.	\$365,856.	\$344,858.	\$284,413.
Days On Market	50		49	58	52	45

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