

SREDA INSIGHTS

► SASKATOON HOUSING PRICES REMAIN STEADY

In contrast to skyrocketing home prices in Toronto and Vancouver that have vexed regulators concerned about affordability, housing prices in Saskatoon have remained fairly stable.

LATEST FIGURES

According to figures released by the Saskatoon Region Association of Realtors earlier last week, the median sales price of a home in Saskatoon came in at \$335,500 in June and a total of 547 units sold during the month.

CONTEXT

The median sales price in Saskatoon has remained stable within a range of \$330-\$350k over the past approximately 30 months. This stability has been despite low commodity prices, which have weighed on the Saskatoon economy in 2015/2016.

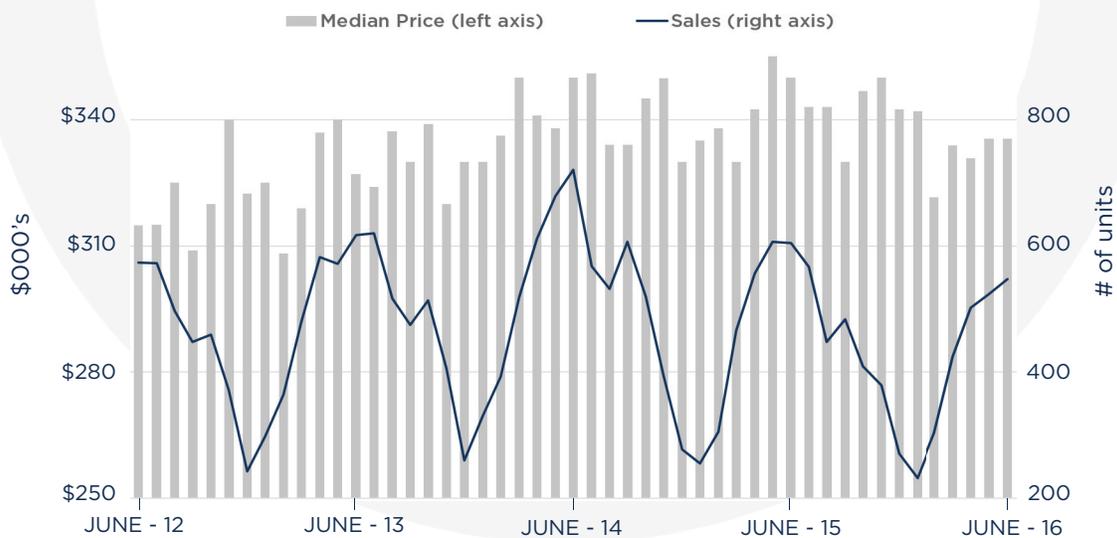
Meanwhile, housing sales volumes, which follow a predictable seasonal pattern (see graph), were down in June compared to previous year levels (605 sales in June 2015, 721 in June 2014).

Housing markets across Western Canada also appear to be navigating the downturn fairly well. Median and benchmark resale prices in Regina have actually climbed slightly in 2016; Edmonton has been fairly stable, and even in Calgary prices are only down 5% or less from a year ago. What has changed in these markets is an increase in inventory, which provides buyers with wider selection and more flexibility when negotiating price.

OUTLOOK

Moving forward, the state of Saskatoon's housing market will continue to depend on the economy, interest rates and other factors. If commodity prices decline further and employment takes a hit, then housing will likely give up some ground. For the time being however, Saskatoon's housing market appears to holding its own despite current economic conditions.

SASKATOON RESALE HOUSING MARKET



Source: Saskatoon Association of Realtors

SREDA Insights provides commentary and analysis on key economic issues influencing Saskatoon Region businesses and industry. By providing timely, digestible and relevant economic analysis, SREDA helps local businesses adapt to changing market conditions. SREDA provides SREDA Insights to its members in conjunction with other ongoing initiatives through its Economic Forecasting & Analysis division.