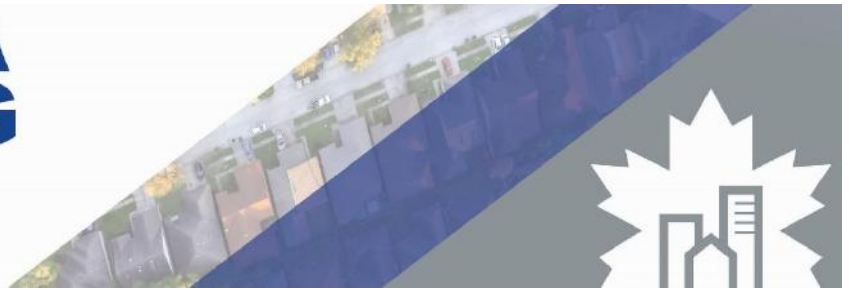




ALBERTA HOUSING REPORT

August 2019



HIGHLIGHTS

The Alberta housing market continues to struggle, with year-to-date statistics being down across the board compared to 2018. Completed and unabsorbed inventory in July 2019 totaled 5,455 units, which is 2,194 units higher than the 10-year average of 3,261 units. Sales and home prices have seen modest year-to-date declines compared to 2018. Total year-to-date housing starts are down in Alberta in 2018, with large decreases occurring for single-detached units.

Individual markets have seen fluctuations around this downward trend. Calgary, Wood Buffalo and Medicine Hat have seen declines in sales, prices and housing starts, as well as elevated inventories. The Edmonton and Red Deer markets have shown mixed signals. Inventories are declining in Red Deer, and overall housing starts are up, but sales and prices are down. Edmonton still has a significant amount of unsold inventory, but there are signs of a recovery. Year-to-date sales are up 8.4% compared to last year and prices are beginning to stabilize. Lethbridge's market has fared better than many other regions the province. Housing starts are up, prices are up, sales are on par with last year and inventories are down.

The following table provides a brief snapshot of key indicators for Alberta's major centres. More detailed information for the individual centres has been compiled in local reports.

Key Indicators: Year-to-Date Comparisons (% change)					
Centre*	Unabsorbed Housing Inventory**	Total Housing Starts	Single-Detached Housing Starts	Unit Sales	Average Sale Price
Alberta	21.3%	-12.3%	-24.5%	-2.2%	-3.2%
Calgary (CMA)	7.7%	-22.9%	-22.0%	-0.7%	-4.6%
Edmonton (CMA)	33.7%	2.0%	-27.3%	8.4%	-1.8%
Grande Prairie (CA)	3.3%	44.4%	-25.0%	-10.6%	-1.0%
Lethbridge (CMA)	-2.2%	30.0%	-18.4%	0.1%	4.4%
Medicine Hat (CA)	13.2%	-77.1%	-51.0%	-3.8%	-0.1%
Red Deer (CA)	-26.5%	102.2%	-12.5%	-8.5%	-0.4%
Wood Buffalo (CA)	6500.0%	-81.7%	-63.2%	-3.6%	-6.1%

* Data not available for Lakelands Region.

**Unabsorbed housing inventory is presented measuring year over year decline instead of year to date.

Legend:

Improved

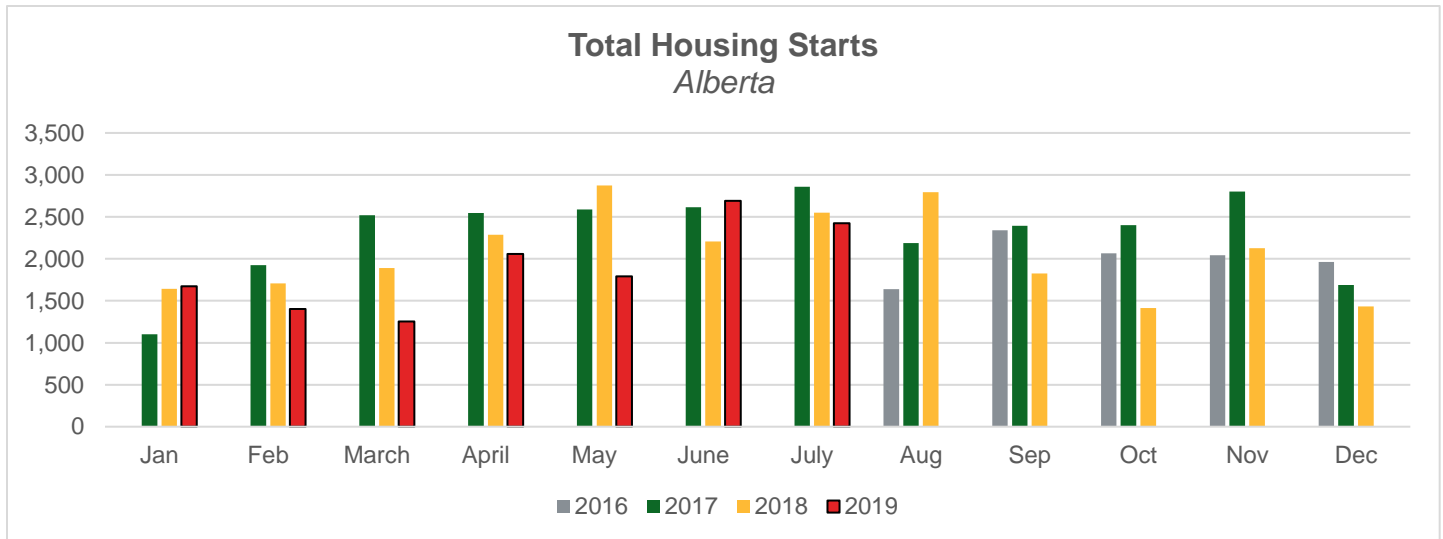
Worsened

Minimal Change (+/- 2%)

HOUSING STARTS

Total Housing Starts

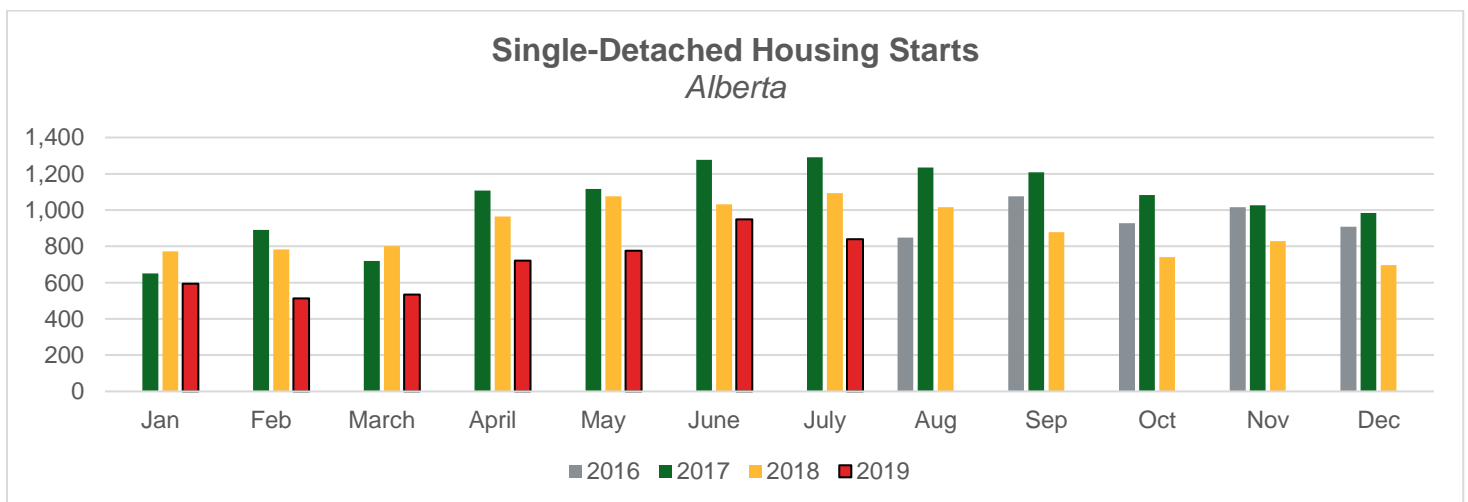
- Alberta had 2,425 total housing starts in July 2019, a decrease of 4.9% (125 units) from July 2018.
- Compared to June 2019, starts in July 2019 saw a 9.9% (265 units) decrease. 46.3% of housing starts in July 2019 were multi-unit and 34.6% were single-detached.
- Year-to-date housing starts are 13,290 units. This is a 12.3% (1,870 units) decrease from the previous year.



Source: CMHC Housing Market Information Portal

Single-Detached

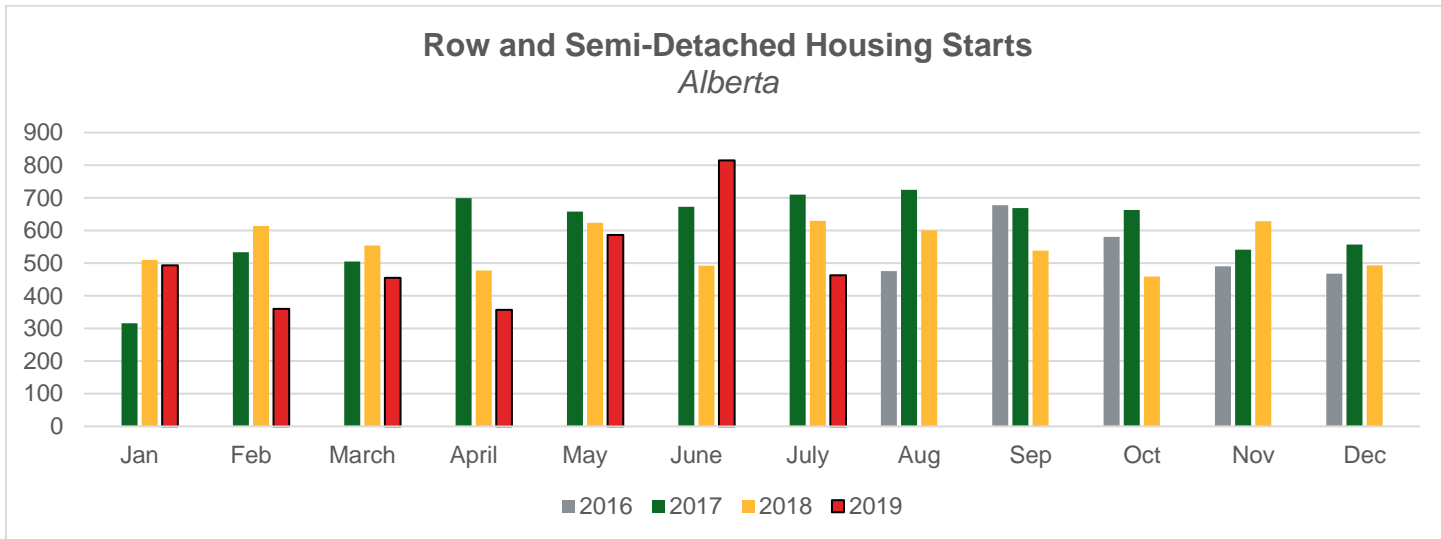
- There were 839 single-detached starts in Alberta in July 2019, a decrease of 11.6% (110 units) from June 2019.
- Compared to July 2018, starts in July 2019 declined by 23.3% (255 units).
- Year-to-date single-detached housing starts are 4,927 units. This is a 24.5% (1,596 units) decrease from the previous year.



Source: CMHC Housing Market Information Portal

Row and Semi-Detached

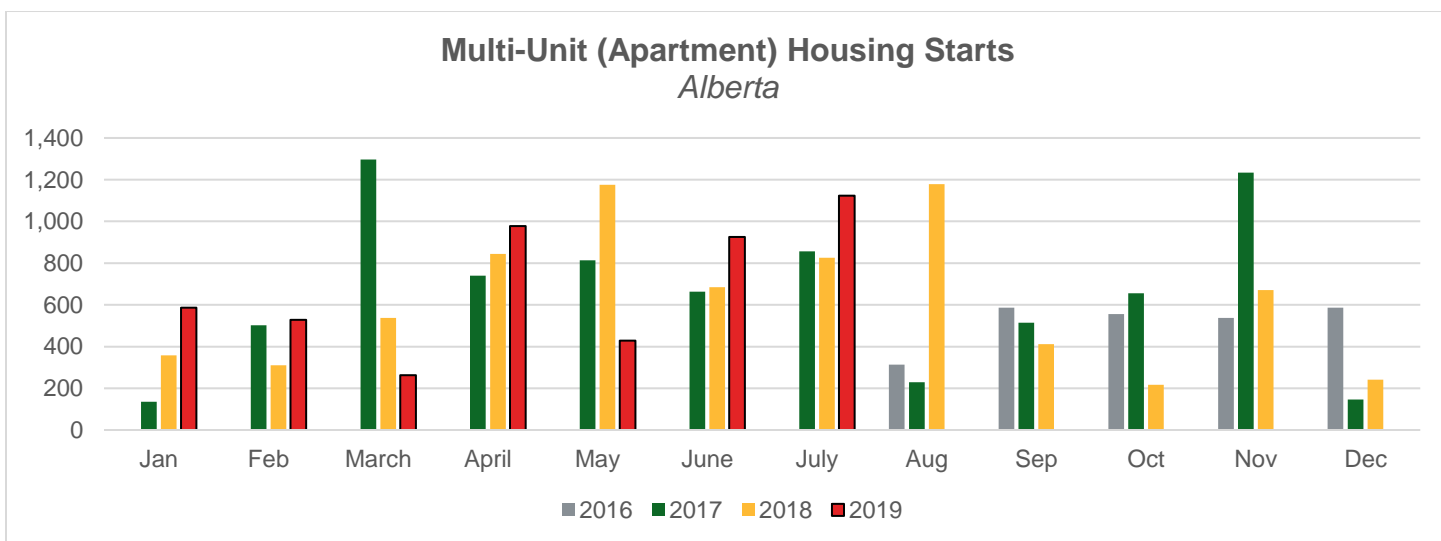
- There were 463 semi-detached and row housing starts in Alberta in July 2019, a decrease of 43.2% (352 units) from June 2019.
- Compared to July 2018, starts in July 2019 were 26.5% (167 units) lower.
- Year-to-date row and semi-detached housing starts are 3,529 units. This is a 9.6% (373 units) decrease from the previous year.



Source: CMHC Housing Market Information Portal

Apartments / Multi-Units

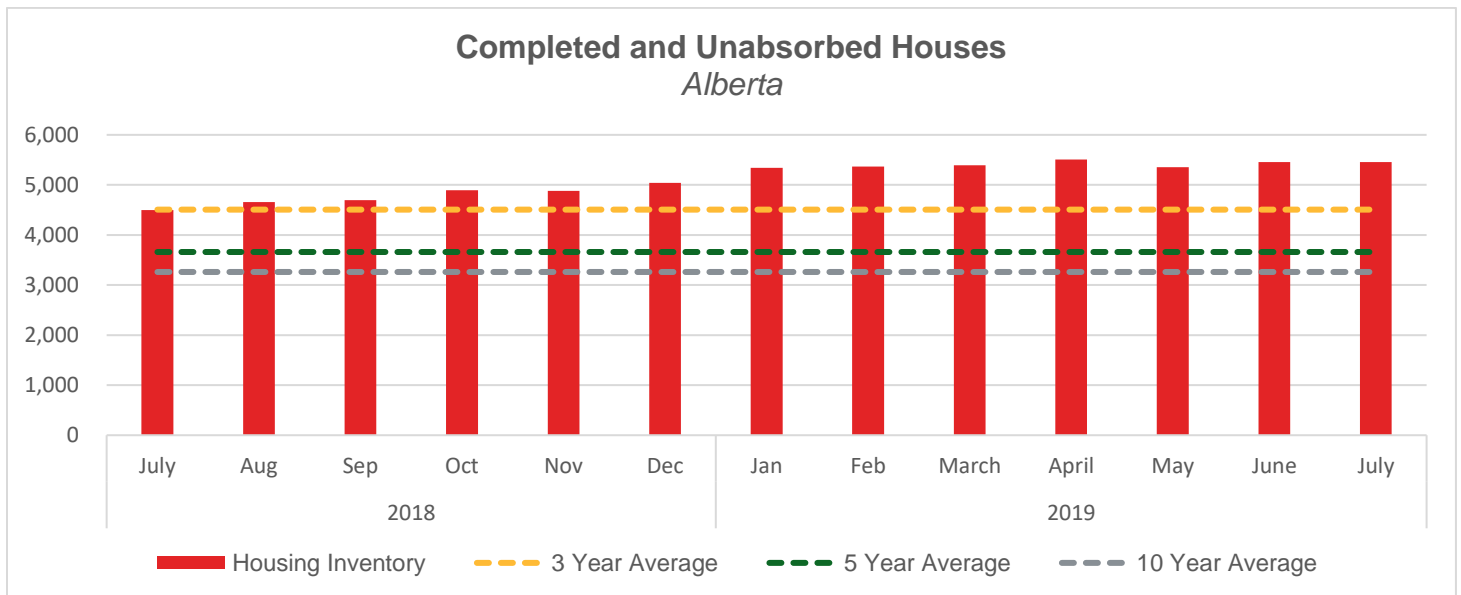
- There were 1,123 apartment / multi-unit housing starts in Alberta in July 2019. This is a 21.3% (197 units) increase from June 2019.
- Compared to July 2018, starts in July 2019 increased 36.0% (297 units).
- Year-to-date apartment (multi-unit) housing starts are 4,834 units. This is a 2.1% (99 units) increase from the previous year.



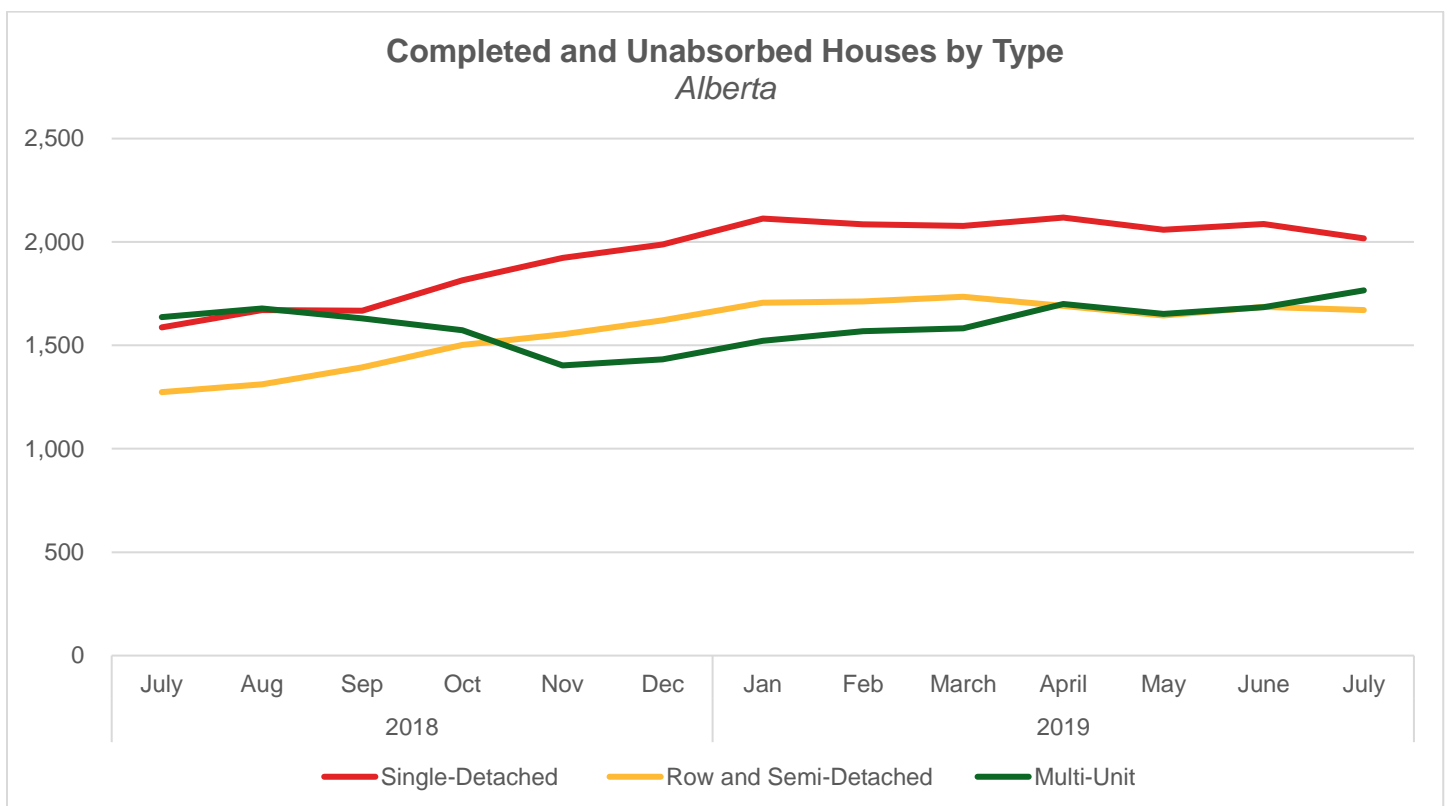
Source: CMHC Housing Market Information Portal

HOUSING INVENTORY

- CMHC reported 5,455 completed and unabsorbed units in July 2019. This is an increase of 21.3% (957 units) over July 2018 and a decrease of 0.1% (3 units) when compared to June 2019.
- The Edmonton CMA represents 55.8% (3,048) of this inventory while the Calgary CMA accounts for 36.6% (1,999 units).



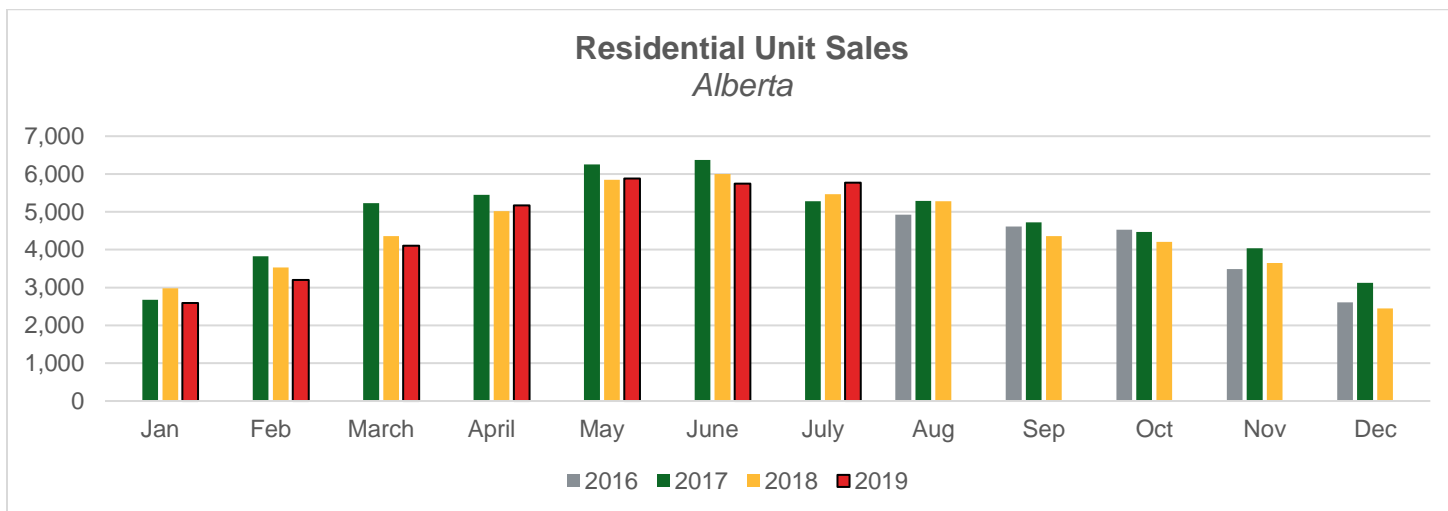
Source: CMHC Housing Market Information Portal



Source: CMHC Housing Market Information Portal

RESIDENTIAL UNIT SALES

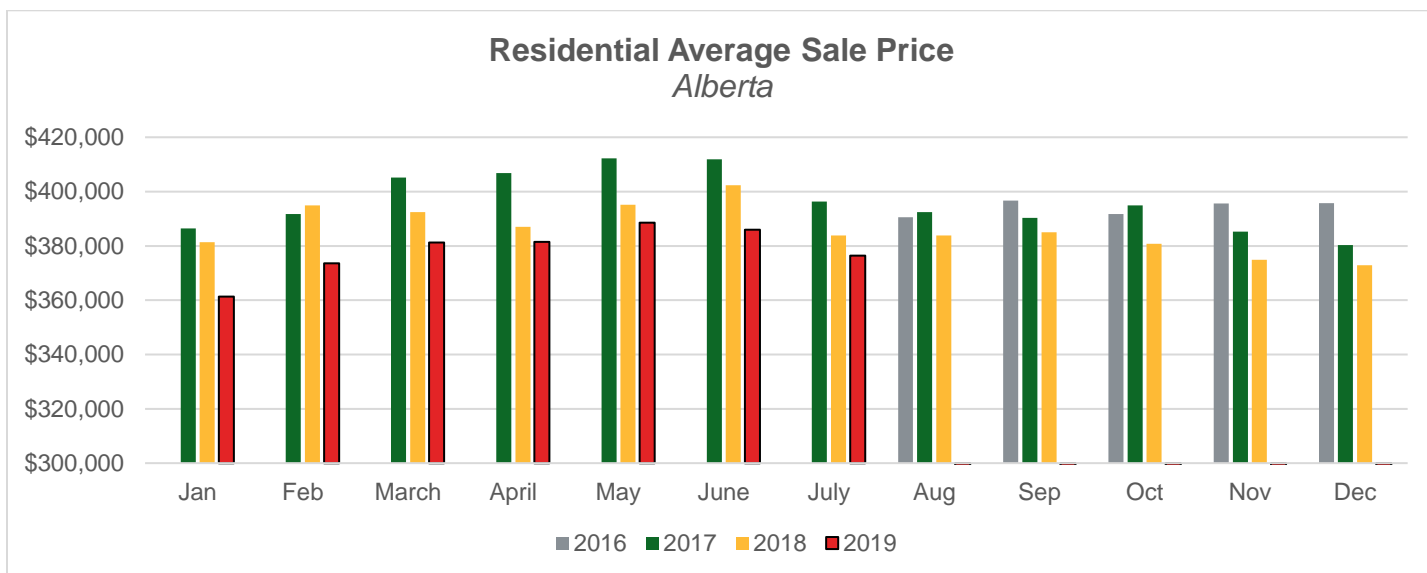
- Residential unit sales in July 2019 totaled 5,774 units. Compared to July 2018, this is a 5.5% (303 units) increase.
- Compared to June 2019, sales in July 2019 were 0.5% (29 units) higher.
- Year-to-date residential unit sales are 32,476. This is a 2.2% (730 units) decrease from the previous year.



Source: Alberta Real Estate Association

RESIDENTIAL UNIT SALE PRICE

- The provincial average MLS residential sale price in July 2019 was \$376,363, which was a 2.5% (\$9,649) decrease from June 2019.
- Compared to July 2018, the July 2019 average sale price declined 1.9% (\$7,474).
- Year-to-date average residential sale price is \$378,365. This is a 3.2% (\$12,665) decline from the previous year.



Source: Alberta Real Estate Association

DEFINITIONS, CONCEPTS AND SOURCES

Definitions

A housing “start” is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure. Construction has to be on a new foundation to be counted as a housing start. If a dwelling is built on an existing foundation, it is considered a renovation regardless of the extent of new construction.

A “single detached” dwelling is a building containing only one dwelling unit which is completely separated on all sides from any other dwelling or structure.

A “semi-detached” dwelling is one of two dwellings located side-by-side in a building, adjoining no other structure and separated by a common or party wall extending from ground to roof.

A “row” dwelling is a ground-oriented dwelling attached to two or more similar units so that the resulting row structure contains three or more units.

An “apartment or other” dwelling includes all dwellings other than those described above, including structures commonly referred to as duplexes, triplexes, double duplexes and row duplexes.

The survey of unsold new home inventory from CMHC defines an unabsorbed unit as a new home that has finished construction and is available for sale. Showhomes are typically counted as part of the unabsorbed inventory.

Sources

Information on housing starts along with completed and unabsorbed dwelling units come from [CMHC's Housing Market Information Portal](#).

Information on July 2019 residential unit sales and residential housing prices are provided by the [Alberta Real Estate Association](#) (AREA) monthly market report. Historic unit sales and price information are based on monthly reports provided by the [Canadian Real Estate Association](#) (CREA) and catalogued by BILD Alberta.