



2019 Year in Review

HIGHLIGHTS



Housing Starts: Housing starts are below their 10-year average in all markets except Calgary, which recorded an increase of 1.1%. The drop has been the most dramatic in Wood Buffalo, which has seen a 76.9% decrease in housing starts compared to its 10-year average. In 2019, the province's total housing starts were 9.1% below the 10-year average.

Housing Inventory: Unabsorbed housing inventory is high for the province as well as Calgary, Edmonton and Wood Buffalo. The communities of Grande Prairie, Medicine Hat and Red Deer, had housing inventories that were below the 10-year average, while Lethbridge's inventory was marginally (0.5%) above its 10-year average.

Housing Sales: Compared to its 10-year average, home sales in Alberta declined 17.6%, with the largest decline occurring in Calgary (-14.7%). All locales except for Lethbridge saw a decrease in 2019 compared to its 10-year average.

Housing Sales Price: The average sales prices of a home in Alberta declined 0.3% compared to its 10-year average in 2019. Overall, it was a mixed year, with Grande Prairie, Lethbridge and Medicine hat seeing prices that were higher than the 10-year average, while Edmonton, Calgary, and Red Deer seeing marginal changes. Wood Buffalo has seen a substantial decline in its housing price, falling 29.8% compared to its 10-year average.

Key Indicators: 2019 vs 10-Year Average (%)					
Centre	Unabsorbed Housing Inventory	Total Housing Starts	Single Detached Housing Starts	MLS System Housing Sales	Average Sale Price
Alberta	+60.7%	-9.1%	-29.4%	-17.6%	-0.3%
Calgary (CMA)	+71.7%	+1.1%	-28.0%	-14.7%	+0.8%
Edmonton (CMA)	+73.1%	-14.7%	-22.7%	-8.1%	-0.3%
Grande Prairie (CA)	-12.8%	-46.6%	-54.1%	-0.9%	+5.3%
Lethbridge (CMA)	+0.5%	-8.9%	-29.8%	+6.6%	+5.4%
Medicine Hat (CA)	-43.9%	-60.5%	-69.6%	-6.3%	+3.0%
Red Deer (CA)	-12.8%	-53.7%	-62.1%	-13.3%	-0.7%
Wood Buffalo (CA)	+33.9%	-76.9%	-68.9%	-18.4%	-29.8%

Calgary

Calgary Housing Starts

Total housing starts in 2019 were 11,909 units, an 8.5% rise over 2018 and an increase when compared to the 3-, 5-, and 10-year averages. Single-detached starts fell by 6.8% in 2019 compared to 2018, and was lower than the 3, 5 and 10-year averages. 2019 was a strong year for row, semi-detached and multi-unit housing starts in Calgary.

	2019	2018 (%) [*]	3-Year Avg. (%) [*]	5-Year Avg. (%) [*]	10-Year Avg. (%) [*]
Total	11,909	10,971 (8.5%)	11,471 (3.8%)	11,338 (5.0%)	11,780 (1.1%)
Single	3,535	3,791 (-6.8%)	3,916 (-9.7%)	3,875 (-8.8%)	4,910 (-28.0%)
Row/Semi-Detached	2,991	2,777 (7.7%)	2,884 (3.7%)	2,771 (7.9%)	2,809 (6.5%)
Multi-Unit/Apartment	5,383	4,403 (22.3%)	4,670 (15.3%)	4,691 (14.7%)	4,062 (32.5%)
*Percentage change vs 2019 unless otherwise noted.					

Calgary Housing Inventory

Calgary's typical monthly housing inventory was 2,033 units in 2019, a 1.4% increase over 2018. This is marginally above the 3-year average and substantially above the 5- and 10- year average. Inventories of single- detached, row, and semi-detached were high compared to last year and long-term trends, however inventories of multi-unit homes were quite low compared to the previous 3 years.

	2019	2018 (%) [*]	3-Year Avg. (%) [*]	5-Year Avg. (%) [*]	10-Year Avg. (%) [*]
Total	2,033	2,004 (1.4%)	1,961 (3.7%)	1,523 (33.5%)	1,185 (71.7%)
Single	568	493 (15.3%)	497 (14.3%)	440 (29.1%)	427 (33.0%)
Row/Semi-Detached	732	487 (50.1%)	517 (41.5%)	389 (87.8%)	254 (187.9%)
Multi-Unit/Apartment	734	1,024 (-28.4%)	947 (-22.5%)	693 (5.8%)	503 (45.8%)
*Percentage change vs 2019 unless otherwise noted.					

Calgary Housing Sales

Housing sales was a mixed bag in Calgary in 2019. Sales of newly built single-detached declined by 17.9% compared to 2018 and were well below long term trends. Sales of newly built row, semi-detached multi-unit were high in 2019 compared to 2018, rising 17.4% and 18.2% respectively, however these numbers were still below 5-year trends. Homes sold by realtors in 2019, the bulk of which were resales, saw a marginal 2.0% increase. This data seems to indicate that buyers this year shifted away from single-detached homes to less expensive row, semi, and multi-unit housing.

	2019	2018 (%)*	3-Year Avg. (%)*	5-Year Avg. (%)*	10-Year Avg. (%)*
Newly Built Homes	8,682	8,637 (0.5%)	8,742 (-0.7%)	9,845 (-11.8%)	10,092 (-14.0%)
Newly Built Single-Detached	3,427	4,175 (-17.9%)	3,847 (-10.9%)	4,118 (-16.8%)	4,970 (-31.0%)
Newly Built Row/Semi-Detached	2,674	2,278 (17.4%)	2,427 (10.2%)	2,703 (-1.1%)	2,551 (4.8%)
Multi-Unit/Apartment	2,581	2,184 (18.2%)	2,467 (4.6%)	3,023 (-14.6%)	2,572 (0.4%)
MLS System (incl. newly built & resales)	20,938	20,534 (2.0%)	21,780 (-3.9%)	22,371 (-6.4%)	2,455 (-14.7%)

*Percentage change vs 2019 unless otherwise noted.

Calgary Housing Sales Prices

Sales prices were mixed in Calgary in 2019. While the sales price of newly built single-detached homes as well as homes sold by realtors decreased in 2019 compared to 2018, sales of semi-detached homes rose a marginal 0.3%. This is rather tepid growth considering that sales of row/semi-detached homes rose 17.4% in 2019 and it seems likely that prices are being suppressed by high levels of inventory and moderate growth in housing starts.

	2019	2018 (%)*	3-Year Avg. (%)*	5-Year Avg. (%)*	10-Year Avg. (%)*
Newly Built Single-Detached Homes	\$672,007	\$686,357 (-2.1%)	\$677,168 (-0.8%)	\$699,823 (-4.0%)	\$636,774 (5.5%)
Newly Built Semi-Detached Homes	\$538,266	\$536,659 (0.3%)	\$529,715 (0.3%)	\$561,681 (-4.2%)	\$543,986 (-1.1%)
MLS System (incl. newly built & resales)	\$441,834	\$458,093 (-3.5%)	\$454,463 (-3.5%)	\$455,470 (-3.0%)	\$438,348 (0.8%)

*Percentage change vs 2019 unless otherwise noted.

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 must 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 3 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. An **absorbed unit** is simply a unit that has been sold.

The **homes sales and sales price data** come from two sources, the CMHC and the CREA. CMHC tracks newly built and sold units whereas the CREA tracks all homes sold by realtors through their MLS (Multiple Listing Service) system. Since some members of BILD use realtors, while others do not, this means that some of the sales tracked by CREA will include newly built homes being sold for the first time. In practice, most homes sold by realtors in Alberta tend to be resales – homes being sold for the 2nd, 3rd or higher time. Hence, the CREA data is more representative of the whole housing sales market, whereas the CMHC data is representative of newly built homes being sold for the first time.

Sources

Information on housing starts, housing inventory, newly built home sales and prices, come from [CMHC's Housing Market Information Portal](#).

Information on MLS 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.