



# 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%

# Lethbridge

## Lethbridge Housing Starts

Total housing starts in 2019 were 637 units, a 13.8% rise over 2018. However, this is a decrease when compared to the 3-, 5-, and 10-year average. Single-detached starts fell by 10.4% in 2019 compared to 2018, and was lower than the 3, 5 and 10-year averages. Multi-unit/apartment starts had a strong year, rising 200.0% over 2018.

	2019	2018 (%) <sup>*</sup>	3-Year Avg. (%) <sup>*</sup>	5-Year Avg. (%) <sup>*</sup>	10-Year Avg. (%) <sup>*</sup>
<b>Total</b>	637	560 (13.8%)	655 (-2.8%)	695 (-8.4%)	700 (-8.9%)
<b>Single</b>	345	385 (-10.4%)	406 (-15.0%)	454 (-24.0%)	492 (-29.8%)
<b>Row/Semi-Detached</b>	124	119 (4.2%)	131 (-5.3%)	143 (-13.5%)	142 (12.9%)
<b>Multi-Unit/Apartment</b>	168	56 (200.0%)	119 (41.6%)	98 (71.8%)	66 (156.1%)
*Percentage change vs 2019 unless otherwise noted.					

## Lethbridge Housing Inventory

Total housing inventories and single-detached home inventory were on par with last year, seeing only marginal change (1.8% and -0.8% respectively). Row and semi-detached inventory increased 19.6% in 2019 compared to 2018, and multi-unit inventory decreased by 57.8%.

	2019	2018 (%) <sup>*</sup>	3-Year Avg. (%) <sup>*</sup>	5-Year Avg. (%) <sup>*</sup>	10-Year Avg. (%) <sup>*</sup>
<b>Total</b>	189	186 (1.8%)	180 (4.8%)	176 (7.4%)	188 (0.5%)
<b>Single</b>	128	129 (-0.8%)	132 (-2.6%)	126 (1.7%)	102 (25.3%)
<b>Row/Semi-Detached</b>	57	48 (19.6%)	42 (35.4%)	35 (61.7%)	33 (74.1%)
<b>Multi-Unit/Apartment</b>	4	9 (-57.8%)	6 (-44.6%)	14 (-75.3%)	53 (-93.2%)
*Percentage change vs 2019 unless otherwise noted.					

## Lethbridge Housing Sales

Housing sales of newly built homes in 2019 was 565 units, a 4.4% decrease from 2018. The bulk of this decline was felt in the markets for single detached and multi-unit homes, which saw declines of 14.2% and 31.3%. Sales of newly built row/semi-detached homes rose 37.9% in 2019 compared to 2018. Homes sold by realtors increased 1.0%, which seems to indicate a sales shift towards the resale market, and newly built row and semi-detached.

	2019	2018 (%)*	3-Year Avg. (%)*	5-Year Avg. (%)*	10-Year Avg. (%)*
<b>Newly Built Homes</b>	565	591 (-4.4%)	607 (-6.9%)	651 (-13.2%)	684 (-17.4%)
<b>Newly Built Single-Detached</b>	394	459 (-14.2%)	452 (-12.8%)	485 (-18.7%)	513 (-23.2%)
<b>Newly Built Row/Semi-Detached</b>	160	116 (37.9%)	128 (24.7%)	142 (13.0%)	139 (15.3%)
<b>Newly Built Multi-Unit/Apartment</b>	11	16 (-31.3%)	27 (-58.8%)	24 (-54.5%)	33 (-66.2%)
<b>MLS System</b> (incl. newly built & resales)	2,492	2,467 (1.0%)	2,505 (-0.5%)	2,526 (-1.3%)	2,338 (6.6%)
*Percentage change vs 2019 unless otherwise noted.					

## Lethbridge Housing Sales Prices

Sales prices rose in Lethbridge in 2019 compared to 2018. The sales price of newly built single/semi-detached homes rise 3.4%, while the prices of home sold by realtors rose 3.2%. Prices are above their 3, 5, and 10-year averages.

	2019	2018 (%)*	3-Year Avg. (%)*	5-Year Avg. (%)*	10-Year Avg. (%)*
<b>Newly Built Single/Semi-Detached Homes</b>	\$430,565	\$416,397 (3.4%)	\$419,616 (2.6%)	\$415,808 (3.5%)	\$385,686 (11.6%)
<b>MLS System</b> (incl. newly built & resales)	\$271,613	\$263,185 (3.2%)	\$267,890 (1.4%)	\$266,468 (1.9%)	\$257,804 (5.4%)
*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 2<sup>nd</sup>, 3<sup>rd</sup> 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.