



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%

Wood Buffalo

Wood Buffalo Housing Starts

Housing starts had a terrible year in Wood Buffalo in 2019. Total starts totaled 146 units, a 74.0% decline from 2018, and 76.9% below the 10-year average. The markets for single-detached, row and semi-detached, and multi-unit all took a tumble, with the market for single-detached faring the best, seeing a yearly decline of 48.1%.

	2019	2018 (%)*	3-Year Avg. (%)*	5-Year Avg. (%)*	10-Year Avg. (%)*
Total	146	562 (-74.0%)	778 (-81.2%)	532 (-72.6%)	632 (-76.9%)
Single	107	206 (-48.1%)	413 (-74.1%)	281 (-61.9%)	344 (-68.9%)
Row/Semi-Detached	26	199 (-86.9%)	251 (-89.6%)	163 (-84.0%)	144 (-81.9%)
MLS System (incl. newly built & resales)	13	157 (-91.7%)	114 (-88.6%)	89 (-85.4%)	144 (-91.0%)
*Percentage change vs 2019 unless otherwise noted.					

Wood Buffalo Housing Inventory

Housing inventories increased in Wood Buffalo in 2019. In previous years, Wood Buffalo would have small amounts of inventory, with the 10-year average totaling 33 units. This year averaged 44 units on the market at a given time, substantially higher than what has been seen in the past 3 to 5 years.

	2019	2018 (%)*	3-Year Avg. (%)*	5-Year Avg. (%)*	10-Year Avg. (%)*
Total	44	3 (1358.3%)	17 (164.3%)	25 (75.8%)	33 (33.9%)
Single	0	1 (-100.0%)	1 (-100.0%)	7 (-100.0%)	11 (-100.0%)
Row/Semi-Detached	20	2 (800.0%)	8 (-148.9%)	8 (135.4%)	6 (202.7%)
MLS System (incl. newly built & resales)	24	0 (N/A)	8 (200.0%)	9 (158.5%)	14 (67.8%)
*Percentage change vs 2019 unless otherwise noted.					

Wood Buffalo Housing Sales

Sales of newly built homes in Wood Buffalo declined by 32.5% in 2019 compared to 2018. The bulk of this decline was felt in the single-detached home market, which saw a fall of -74.2% compared to 2018. Homes sold by realtors (mostly the resale market) increased 1.6% in 2019 compared to 2018 and was above the 3- and 5- year average.

	2019	2018 (%)*	3-Year Avg. (%)*	5-Year Avg. (%)*	10-Year Avg. (%)*
Newly Built Homes	547	810 (-32.5%)	663 (-17.5%)	512 (6.8%)	629 (-13.1%)
Newly Built Single-Detached	139	538 (-74.2%)	417 (-66.7%)	302 (-53.9%)	373 (-62.7%)
Newly Built Row/Semi-Detached	255	272 (-6.3%)	195 (30.8%)	147 (73.5%)	147 (73.1%)
Newly Built Multi-Unit/Apartment	153	0 (N/A)	51 (200.0%)	63 (142.1%)	110 (39.7%)
MLS System (incl. newly built & resales)	1,172	1,154 (1.6%)	1,106 (5.9%)	1,036 (13.1%)	1,436 (-18.4%)
*Percentage change vs 2019 unless otherwise noted.					

Wood Buffalo Housing Sales Prices

Prices of homes sold by realtors averaged \$367,949, a decline of 7.0% compared to 2018. This is 7.1% below the 3-year average, 17.9% below the 5-year average, and 29.8% below the 10-year average.

	2019	2018 (%)*	3-Year Avg. (%)*	5-Year Avg. (%)*	10-Year Avg. (%)*
MLS System (incl. newly built & resales)	\$367,949	\$395,554 (-7.0%)	\$396,058 (-7.1%)	\$448,148 (-17.9%)	\$524,439 (-29.8%)
*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.