

## Alberta Housing Market Monthly Bulletin

**July, 2008**

**Housing starts slowdown continues in July** – Total housing starts in Alberta's seven largest centres declined from 2,874 units in July 2007 to 1,793 units in July 2008, down nearly 38 percent.

July 2008				June 2008				July 2007			
Location	Single-Detached <sup>1</sup>	Multiple Dwellings <sup>2</sup>	Total	Single-Detached <sup>1</sup>	Multiple Dwellings <sup>2</sup>	Total	% Change	Single-Detached <sup>1</sup>	Multiple Dwellings <sup>2</sup>	Total	% Change
Calgary	431	446	<b>877</b>	450	127	<b>577</b>	52.0	800	284	<b>1,084</b>	-19.1
Edmonton	199	208	<b>407</b>	244	314	<b>558</b>	-27.1	682	559	<b>1,241</b>	-67.2
Grande Prairie	133	4	<b>137</b>	40	0	<b>40</b>	242.5	53	56	<b>109</b>	25.7
Lethbridge	79	2	<b>81</b>	66	2	<b>68</b>	19.1	89	25	<b>114</b>	-28.9
Medicine Hat	42	12	<b>54</b>	46	9	<b>55</b>	-1.8	46	26	<b>72</b>	-25.0
Red Deer	21	16	<b>37</b>	28	16	<b>44</b>	-15.9	95	27	<b>122</b>	-96.7
Wood Buffalo	25	175	<b>200</b>	38	54	<b>92</b>	117.4	132	0	<b>132</b>	51.5

### January to July 2008

	Single-Detached			Multiple Dwellings			Total		
	2008	2007	% Change	2008	2007	% Change	2008	2007	% Change
Calgary	2,759	4,699	-41.3	5,935	3,222	84.2	8,694	7,921	9.8
Edmonton	1,553	4,948	-68.6	2,994	3,834	-21.9	4,547	8,782	-48.2
Grande Prairie	302	513	-41.1	54	474	-88.6	356	987	-63.9
Lethbridge	501	573	-12.6	67	182	-63.2	568	755	-24.8
Medicine Hat	273	275	-0.7	141	414	-65.9	414	689	-39.9
Red Deer	205	686	-70.1	166	309	-46.3	371	995	-62.7
Wood Buffalo	395	688	-42.6	469	693	-32.3	864	1,381	-37.4

**The average residential resale prices remained largely unchanged** – Resale home prices so far this year have been constrained by high inventories and weaker sales. Growth in new housing prices also weakened in June 2008.

Average Resale Price – Single-Detached Dwellings						Average Sale Price – Newly Completed Single-Detached & Semi-Detached Dwellings				
Location	July '08	June '08	% Change	July '07	% Change	June '08	May '08	% Change	June '07	% Change
Calgary	\$542,747	\$563,310	2.4	\$474,809	14.3	\$552,286	\$552,473	0.0	\$407,510	35.5
Edmonton	\$494,427	\$488,235	2.7	\$446,284	10.8	\$472,521	\$470,131	0.5	\$338,434	39.6
Grande Prairie	\$364,891	\$342,026	-5.8	\$307,045	18.8	\$333,033	\$329,534	1.1	\$298,030	11.7
Lethbridge	\$336,401	\$308,118	-5.6	\$272,454	23.5	\$309,791	\$305,268	1.5	\$289,567	7.0
Medicine Hat	\$323,221	\$336,574	6.1	\$329,093	-1.8	\$308,715	\$314,128	-1.7	\$287,865	7.2
Red Deer	\$388,625	\$316,161	-13.1	\$318,710	21.9	\$344,859	\$340,198	1.4	\$262,532	31.4
Wood Buffalo	\$983,050	\$679,875	-6.4	\$600,488	63.7	N/A	N/A	N/A	N/A	N/A

Source: Canada Mortgage and Housing Corporation (CMHC)

<sup>1</sup> "Single-Detached" dwelling (also referred to as "Single") is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

<sup>2</sup> The term "Multiple" dwelling includes all other type of dwellings, i.e., Semi-detached (also referred as semi) is one of two dwellings located side-by-side in a building no other structure, Row (Townhouse), Apartment and other commonly known as stacked townhouse, duplexes, triplexes, double, duplexes and row duplexes.

**Calgary housing market presents great opportunities for buyers** – According to figures released by the Calgary Real Estate Board, Calgary’s MLS market remains steady for the month of July and still presents great opportunities for buyers.

Average Resale Price – Single –Detached Dwellings							Average Resale Price – Condominium						
July '08	June '08	% change	July '07	% change	Average Days on the Market July '08	Month End Inventory July '08	July '08	June '08	% Change	July '07	% Change	Average Days on the Market July '08	Month End Inventory July '08
\$456,380	\$473,774	-3.7	\$505,920	-9.8	52	6,038	\$296,338	\$315,042	-5.9	\$318,582	-6.9	52	2,888

Source: The Calgary Real Estate Board

**Edmonton resale housing market not plunging** – Despite reports that the national housing market is weakening, prices of existing homes in Edmonton are relatively stable and sales are increasing.

Average Resale Price – Single Family Dwellings (SFD)					Average Resale Price – Condominium						
July '08	June '08	% change	July '07	% change	July '08	June '08	% Change	July '07	% Change	Average Days on the Market July '08 (both SFD and condo)	Month End Inventory July'08 (includes SFD, Condo, Duplex, Mobile homes)
\$379,224	\$381,384	-0.6	\$426,028	-10.9	\$253,850	\$262,365	-3.2	\$271,908	-1.1	55	10,501

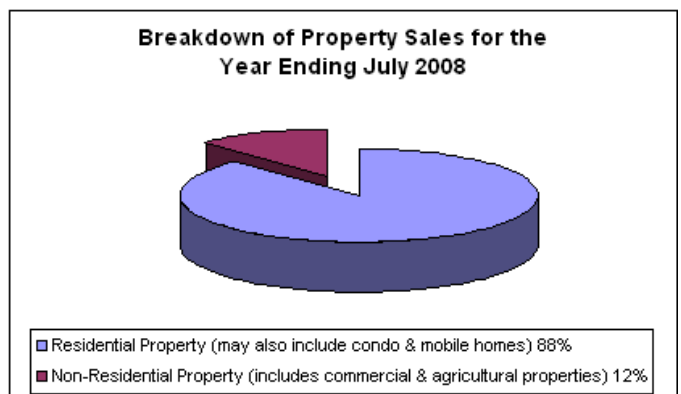
Source: The Realtors Association of Edmonton

**According to the Alberta Real Estate Board**, a total of 36,393 residential units have been sold province-wide from January to the end of July 2008.

Location	Average Residential Resale Price*				
	July '08	June '08	% Change	July '07	% Change
Calgary	\$402,800	\$418,900	-3.8	\$436,700	-7.8
Edmonton	\$335,100	\$341,400	-1.8	\$353,900	-5.3
Grande Prairie**	\$301,500	\$300,700	0.3	\$298,900	0.9
Lethbridge	\$243,900	\$244,000	0.0	\$243,200	0.3
Medicine Hat	\$261,400	\$252,400	3.6	\$273,400	-4.4
Red Deer	\$272,500	\$285,100	-4.4	\$288,000	-5.4
Wood Buffalo**	\$698,000	\$686,400	1.7	\$605,500	15.3

**Value of property sales**

- The value of total property sales for the year ending July 2008 was \$14,996,018,431, down 24 percent from the same period last year.
- Residential properties represent 88 percent (\$13,122,053,035) of total property sales for the year ending July 2008.



\* Residential includes single family dwellings, condo and mobile homes.

\*\* This figure denotes single family average price.

Source: Alberta Real Estate Association

**Alberta rebounds in inter-provincial migration** – The province gained 710 people in inter-provincial migration, as compared to a net loss of 880 in the fourth quarter of 2007.

**Consumer Price Index** – In Alberta, it was higher costs for owned accommodation that primarily pushed up consumer price 3.5 percent in the 12 months to July. This was a substantial slowdown from the 4.4 percent rate of growth posted in June 2008.

	<b>Net Inter-provincial</b>	<b>Net International</b>	<b>Net Migration</b>	<b>Average Weekly Wages</b>		<b>Consumer Price Index (CPI)</b>
2007 Oct - Dec	-880	3,934	5,522	\$687	June 2008	4.4%
2008 Jan-Mar	713	4,398	9,116	\$697	July 2008	3.5%
Apr – June	n/a	n/a	n/a	\$699		

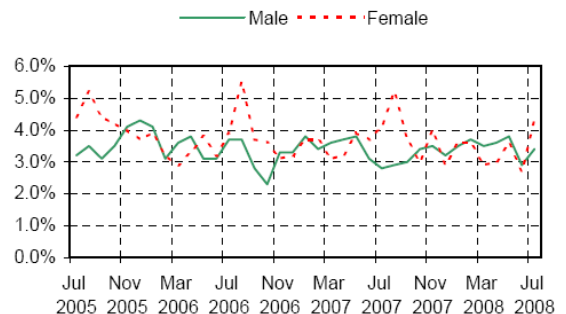
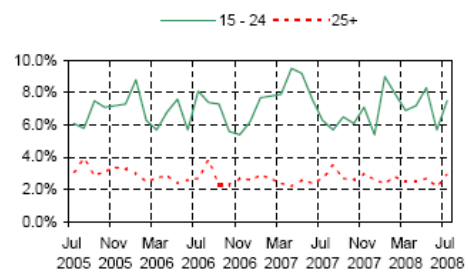
**Unemployment Rate (Alberta and Cities)**  
Seasonally Adjusted, 3-Month Moving Averages

	<b>Alberta</b>	<b>Edmonton</b>	<b>Calgary</b>
<b>July 2008</b>	<b>3.6%</b>	<b>3.7%</b>	<b>3.3%</b>
June 2008	3.3%	3.7%	3.2%
July 2007	3.4%	4.0%	3.4%

**Unemployment Rate (Regions)**  
Unadjusted, 3-month Moving Averages

	<b>July 2008</b>	<b>June 2008</b>	<b>July 2007</b>
Wood Buffalo – Cold Lake	<b>3.7%</b>	3.3%	3.3%
Athabasca – Grande Prairie	<b>4.8%</b>	4.7%	3.8%
Edmonton Region	<b>3.8%</b>	3.7%	4.1%
Red Deer Region	<b>4.1%</b>	3.9%	2.9%
Banff – Jasper Rocky	<b>3.5%</b>	3.7%	n/a
Calgary Region	<b>3.2%</b>	3.0%	3.2%
Camrose – Drumheller	<b>2.4%</b>	2.3%	3.7%
Lethbridge – Medicine Hat	<b>2.0%</b>	2.1%	2.9%

**Unemployment Rate by Age & Gender, Alberta**  
Unadjusted (%)



Source: Statistics Canada  
Alberta Finance and Enterprise  
Alberta Employment and Immigration