

Alberta Housing Market Monthly Bulletin

August, 2008

Housing starts remain weak in August – Total housing starts in Alberta's seven largest centres decreased from 3,353 units in August 2007 to 1,403 units in August 2008, down 58 percent. Wood Buffalo was the exception, illustrating a 43 percent improvement over August 2007, due to stronger multi-family activity.

August 2008				July 2008				August 2007			
Location	Single-Detached ¹	Multiple Dwellings ²	Total	Single-Detached ¹	Multiple Dwellings ²	Total	% Change (Jul – Aug '08)	Single-Detached ¹	Multiple Dwellings ²	Total	% Change (Aug '07 – Aug '08)
Calgary	334	260	594	431	446	877	-32.3	718	779	1,497	-60.3
Edmonton	184	241	425	199	208	407	4.4	697	581	1,278	-66.7
Grande Prairie	67	0	67	133	4	137	-51.1	131	34	165	-59.4
Lethbridge	71	10	81	79	2	81	0.0	75	15	90	-10.0
Medicine Hat	25	14	39	42	12	54	-27.8	51	69	120	-67.5
Red Deer	21	0	21	21	16	37	-43.2	70	10	80	-73.8
Wood Buffalo	77	99	176	25	175	200	-12.0	88	35	123	43.1

January to August 2008

	Single-Detached			Multiple Dwellings			Total		
	2008	2007	% Change	2008	2007	% Change	2008	2007	% Change
Calgary	3,093	5,417	-42.9	6,195	4,001	54.8	9,288	9,418	-1.4
Edmonton	1,737	5,645	-69.2	3,235	4,415	-26.7	4,972	10,060	-50.6
Grande Prairie	369	644	-42.7	54	508	-89.4	423	1,152	-63.3
Lethbridge	572	648	11.7	77	197	-60.9	649	845	-23.2
Medicine Hat	298	326	-8.6	155	483	-67.9	453	809	-44.0
Red Deer	226	756	-70.1	166	319	-48.0	392	1,075	-63.5
Wood Buffalo	472	776	-39.2	568	728	-22.0	1,040	1,504	-30.9

The resale housing market has softened – The trend of new listings generally reflects the recent price trends. New listings in Alberta were down in August 2008 and rising sales activity has stabilized the resale housing market while the average resale prices have softened.

Average Resale Price – Single-Detached Dwellings						Average Sale Price – Newly Completed Single-Detached & Semi-Detached Dwellings				
Location	August '08	July '08	% Change (Jul – Aug '08)	August '07	% Change (Aug '07 – Aug '08)	July '08	June '08	% Change (Jun – Jul '08)	July '07	% Change (Jul '07 – Jul '08)
Calgary	\$529,844	\$542,747	-2.4	\$486,814	8.8	\$546,043	\$552,286	-1.1	\$410,485	33.0
Edmonton	\$514,570	\$494,427	4.1	\$456,184	12.8	\$474,282	\$472,521	0.4	\$365,603	29.7
Grande Prairie	\$379,905	\$364,891	4.1	\$301,094	26.2	\$334,313	\$333,033	0.4	\$295,933	13.0
Lethbridge	\$324,343	\$336,401	-3.6	\$306,134	5.9	\$314,555	\$309,791	1.5	\$304,966	3.1
Medicine Hat	\$314,174	\$323,221	-2.8	\$324,922	-3.3	\$307,030	\$308,715	-0.5	\$304,370	0.9
Red Deer	\$396,883	\$388,625	2.1	\$344,987	15.0	\$358,722	\$344,859	4.0	\$291,141	23.2
Wood Buffalo	\$808,875	\$983,050	-17.7	\$673,467	20.1	N/A	N/A	N/A	N/A	N/A

Source: Canada Mortgage and Housing Corporation (CMHC)

¹ "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.

² The term "Multiple" dwelling includes all other types of dwellings, i.e., Semi-detached (also referred to 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's resale housing market continued to favour buyers – According to figures released by the Calgary Real Estate Board, the average price for a single-family home fell by about 9 percent in August 2008 compared to last August, while the average price for a condominium fell more than 10 percent compared to August 2007.

Average Resale Price – Single –Detached Dwellings							Average Resale Price – Condominium						
August '08	July '08	% Change (Jul – Aug '08)	August '07	% Change (Aug '07 – Aug '08)	Average Days on the Market Aug '08	Month End Inventory August '08	August '08	July '08	% Change (Jul – Aug '08)	August '07	% Change (Aug '07 – Aug '08)	Average Days on the Market Aug '08	Month End Inventory August '08
\$440,625	\$456,380	-3.5	\$485,914	-9.3	52	5,541	\$287,832	\$296,338	-2.9	\$320,790	-10.3	58	2,699

Source: The Calgary Real Estate Board

Edmonton residential sales up 18.6 percent in August 2008 as compared to August 2007 – New listings were down for the month of August 2008 compared to last year resulting in a net drop of 889 properties available on the Multiple Listing Service dropping below the 10,000 mark for the first time since March 2008.

Average Resale Price – Single Family Dwellings (SFD)					Average Resale Price – Condominium						
August '08	July '08	% Change (Jul – Aug '08)	August '07	% Change (Aug '07 – Aug '08)	August '08	July '08	% Change (Jul – Aug '08)	August '07	% Change (Aug '07 – Aug '08)	Average Days on the Market August '08 (both SFD and condo)	Month End Inventory August '08 (includes SFD, Condo, Duplex, Mobile homes)
\$369,190	\$379,224	-2.6	\$403,757	-8.6	\$251,048	\$253,850	-1.1	\$269,139	-6.7	63	9,612

Source: The Realtors Association of Edmonton

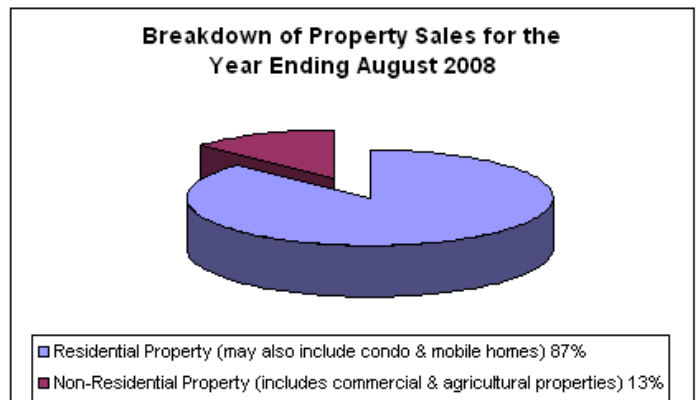
According to the Alberta Real Estate Board, a total of 41,247 residential units have been sold province-wide from January to the end of August 2008. The number of units in August 2008 shows a decrease of 13 percent when compared to August 2007.

Location	Average Residential Resale Price*				
	August '08	July '08	% Change (Jul – Aug '08)	August '07	% Change (Aug '07 – Aug '08)
Calgary	\$390,100	\$402,800	-3.2	\$423,800	-8.0
Edmonton	\$329,200	\$335,100	-1.8	\$345,800	-4.8
Grande Prairie**	\$292,000	\$301,500	-3.2	\$322,700	-9.5
Lethbridge	\$238,400	\$243,900	-2.3	\$243,300	-2.0
Medicine Hat	\$279,600	\$261,400	7.0	\$246,100	13.6
Red Deer	\$269,500	\$272,500	-1.1	\$274,300	-1.7
Wood Buffalo**	\$690,800	\$698,000	-1.0	\$631,200	9.4

Value of property sales

The value of total property sales for the year ending August 2008 was \$16,921,828,888 (down 23% from the same period last year).

Residential properties represent 87% (\$14,793,993,970 of total property sales for the year ending August 2008).



* Residential includes single family dwellings, condo and mobile homes.
Source: Alberta Real Estate Association

** This figure denotes single family average price.

Alberta saw a resurgence in inter-provincial migration – In the second quarter of 2008, Alberta gained 6,730 people (the largest gain in Canada) in inter-provincial migration. Alberta’s international migration also remained very strong with a net inflow of 6,340 international migrants choosing this province.

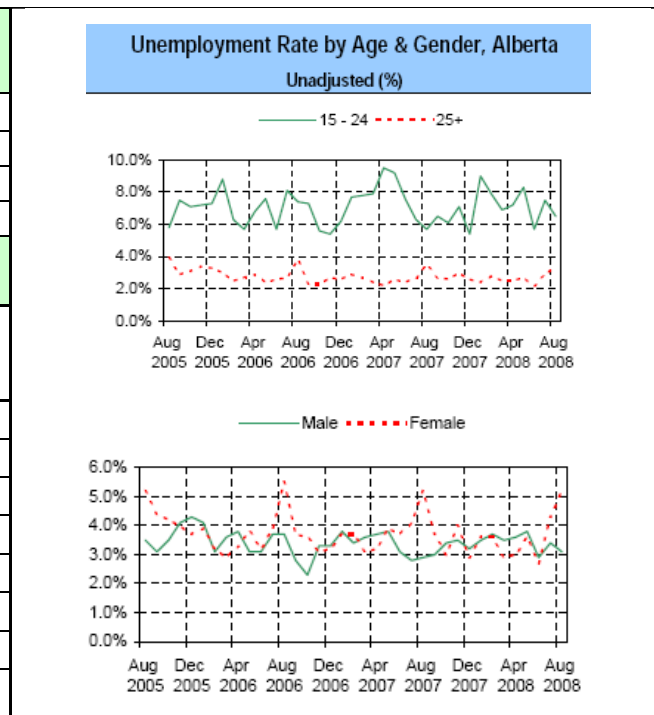
Consumer Price Index – The advance in consumer prices in Alberta between the 12-month variations reported in July and August was due largely to increasing natural gas prices.

Net Inter-provincial		Net International	Net Migration	Average Weekly Wages	
2008				May 2008	\$861.88
Jan – Mar	2,761*	4,306*	10,897*	June 2008	\$872.96
Apr – June	6,730	6,340	20,169		

*Statistics Canada revised historical figures on September 29, 2008.

Consumer Price Index (CPI)		Consumer prices by province	
July 2008	3.5%		
August 2008	4.0%		

Unemployment Rate (Alberta and Cities) Seasonally Adjusted, 3-Month Moving Averages			
	<i>Alberta</i>	<i>Edmonton</i>	<i>Calgary</i>
August 2008	3.5%	3.4%	3.6%
July 2008	3.6%	3.7%	3.3%
August 2007	3.6%	3.9%	3.2%
Unemployment Rate (Regions) Unadjusted, 3-Month Moving Averages			
	<i>August 2008</i>	<i>July 2008</i>	<i>August 2007</i>
Wood Buffalo – Cold Lake	3.9%	3.7%	4.3%
Athabasca – Grande	5.0%	4.8%	4.1%
Edmonton Region	3.6%	3.8%	4.1%
Red Deer Region	4.3%	4.1%	2.9%
Banff – Jasper Rocky	3.9%	3.5%	n/a
Calgary Region	3.5%	3.2%	3.2%
Camrose – Drumheller	2.5%	2.4%	3.3%
Lethbridge – Medicine Hat	2.4%	2.0%	3.5%



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