

## Alberta Housing Market Monthly Bulletin

### September, 2008

**Housing starts fall again in September** – Across Alberta, total housing starts in the seven largest urban centre's decreased 63 percent, from 4,134 units in September 2007 to 1,544 units in 2008. Higher activity in Grande Prairie and Medicine Hat was countered by lower activity in Calgary, Edmonton, Wood Buffalo, Lethbridge, and Red Deer.

September 2008					August 2008				September 2007		
Location	Single-Detached <sup>1</sup>	Multiple Dwellings <sup>2</sup>	Total	% Change Sep '07-Sep '08	Single-Detached <sup>1</sup>	Multiple Dwellings <sup>2</sup>	Total	% Change Aug '08-Sep '08	Single-Detached <sup>1</sup>	Multiple Dwellings <sup>2</sup>	Total
Calgary	308	265	573	-58.7	334	260	594	-3.5	697	689	1,386
Edmonton	235	193	428	-78.4	184	241	425	0.7	672	1,306	1,978
Grande Prairie	69	238	307	94.3	67	0	67	358.2	51	107	158
Lethbridge	37	12	49	-54.6	71	10	81	-39.5	68	40	108
Medicine Hat	41	20	61	10.9	25	14	39	56.4	45	10	55
Red Deer	30	4	34	-84.7	21	0	21	61.9	56	166	222
Wood Buffalo	82	10	92	-59.5	77	99	176	-47.7	38	189	227

#### January to September 2008

	Single-Detached			Multiple Dwellings			Total		
	2008	2007	% Change	2008	2007	% Change	2008	2007	% Change
Calgary	3,401	6,114	-44.4	6,460	4,690	37.7	9,861	10,804	-8.7
Edmonton	1,972	6,317	-68.8	3,428	5,721	-40.1	5,400	12,038	-55.1
Grande Prairie	438	695	-37.0	292	615	-52.5	730	1,310	-44.3
Lethbridge	609	716	-14.9	89	237	-62.4	698	953	-26.8
Medicine Hat	339	371	-8.6	175	493	-64.5	514	864	-40.5
Red Deer	256	812	-68.5	170	485	-64.9	426	1,297	-67.2
Wood Buffalo	554	814	-31.9	578	917	-37.0	1,132	1,731	-34.6

**Alberta real estate continues to swing to balanced market** – A combination of fewer new listings and a moderation in the drop in property sales moved the real estate market in Alberta into a more balanced position by the end of September 2008.

Average Resale Price – Single-Detached Dwellings						Average Sale Price – Newly Completed Single-Detached & Semi-Detached Dwellings				
Location	September '08	August '08	% Change Aug '08-Sep '08	September '07	% Change Sep '07-Sep '08	August '08	July '08	% Change Jul '08-Aug '08	August '07	% Change Aug '07-Aug '08
Calgary	\$533,932	\$529,844	0.8	\$470,220	13.5	\$545,093	\$546,043	-0.2	\$428,266	27.3
Edmonton	\$531,261	\$514,570	3.2	\$462,536	14.9	\$481,115	\$474,282	1.4	\$374,176	28.6
Grande Prairie	\$346,794	\$379,905	-8.7	\$339,485	2.2	\$333,133	\$334,313	-0.4	\$312,974	6.4
Lethbridge	\$345,997	\$324,343	6.7	\$285,437	21.2	\$308,578	\$314,555	-1.9	\$302,869	1.9
Medicine Hat	\$336,951	\$314,174	7.2	\$325,962	3.4	\$306,648	\$307,030	-0.1	\$304,345	0.8
Red Deer	\$406,038	\$396,883	2.3	\$352,210	15.3	\$368,803	\$358,722	2.8	\$306,532	20.3
Wood Buffalo	\$698,011	\$808,875	-13.7	\$731,387	-4.6	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 types of dwellings, i.e., Semi-detached (also referred as semi) is one of two dwellings located side-by-side in a building with no other structure, Row (Townhouse), Apartment and other commonly known as stacked townhouses, duplexes, triplexes, double, duplexes and row duplexes.

**Calgary's real estate market still seeking balance** – According to the Calgary Real Estate Board, a buyer's market trend continued in September 2008 in Calgary. Some communities in the Calgary area are stabilizing, while others are in the midst of a market shift.

Average Resale Price – Single – Detached Dwellings							Average Resale Price – Condominium						
September '08	August '08	% Change Aug '08-Sep '08	September '07	% Change Sep '07-Sep '08	Average Days on the Market Sep '08	Month End Inventory Sep '08	September '08	August '08	% Change Aug '08-Sep '08	September '07	% Change Sep '07-Sep '08	Average Days on the Market Sep '08	Month End Inventory Sep '08
\$444,048	\$440,625	0.8	\$470,888	-5.7	51	5,387	\$287,426	\$287,832	-0.1	\$321,614	-10.6	54	2,659

Source: The Calgary Real Estate Board

**Edmonton resale housing market sizzled in third quarter** – In September 2008 residential sales were up 65.9 percent from the same month in 2007. "Edmonton may be the only housing market in the western Canada that has increased sales in the third quarter" said Marc Perras, President of the Realtors Association of Edmonton.

Average Resale Price – Single Family Dwellings (SFD)					Average Resale Price – Condominium						
September '08	August '08	% Change Aug '08-Sep '08	September '07	% Change Sep '07-Sep '08	September '08	August '08	% Change Aug '08-Sep '08	September '07	% Change Sep '07-Sep '08	Average Days on the Market September '08 (both SFD and condo)	Month End Inventory September '08 (includes SFD, Condo, Duplex, Mobile homes)
\$362,097	\$369,190	-1.9	\$399,555	-9.4	\$252,234	\$251,048	0.5	\$270,745	-6.8	61	8,808

Source: The Realtors Association of Edmonton

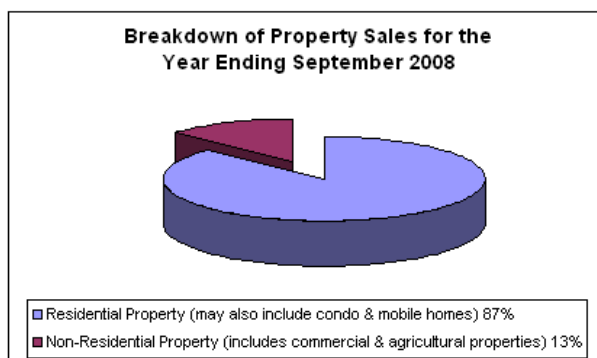
**According to the Alberta Real Estate Board**, a total of 46,233 residential units were sold province-wide from January to the end of September 2008. There were 29,205 active residential listings in Alberta at the end of September 2008, a 10 percent increased compared to the number of listings at the end of September 2007.

Location	Average Residential Resale Price*				
	September '08	August '08	% Change Aug '08-Sep '08	September '07	% Change Sep '07-Sep '08
Calgary	\$390,600	\$390,100	0.1	\$415,300	-5.9
Edmonton	\$324,900	\$329,200	-1.3	\$344,300	-5.6
Grande Prairie**	\$287,900	\$292,000	-1.4	\$287,600	0.1
Lethbridge	\$244,400	\$238,400	2.5	\$245,700	-0.5
Medicine Hat	\$244,000	\$279,600	-12.7	\$263,300	-7.3
Red Deer	\$280,100	\$269,500	3.9	\$280,900	-0.3
Wood Buffalo**	\$686,800	\$690,800	-0.6	\$640,900	7.2

**Value of property sales**

The value of total property sales for the year ending September 2008 was \$18,897,035,167 (down 21 percent from the same period last year).

Residential properties represent 87 percent (\$16,508,854,632 of total property sales for the year ending September 2008).



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

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

Source: Alberta Real Estate Association

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

**Consumer Price Index** – Consumers in Alberta faced a 2.8 percent rise in consumer prices in September 2008, down from the 4.0 percent rise posted in August. Easing prices for natural gas was the primary contributor to the slowdown.

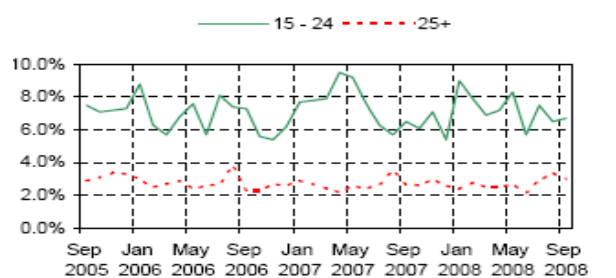
	Net Inter-provincial	Net International	Net Migration		Average Weekly Wages
2008				June 2008	\$871.51
Jan – Mar	2,761*	4,306*	10,897*	July 2008	\$864.42
Apr – June	6,730	6,340	20,169		

Statistics Canada revised historical figures on September 29, 2008.

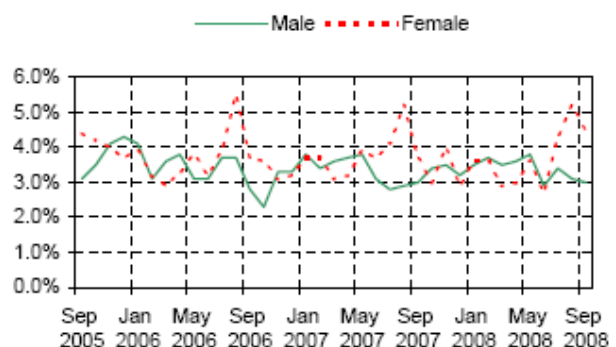
Consumer Price Index (CPI)		Consumer price increases in Alberta slow considerably
August 2008	4.0%	<p>12-month percentage change</p>
September 2008	2.8%	

Unemployment Rate (Alberta and Cities) Seasonally Adjusted, 3-Month Moving Averages			
	Alberta	Edmonton	Calgary
September 2008	3.8%	3.5%	3.7%
August 2008	3.5%	3.4%	3.6%
September 2007	3.6%	4.1%	3.1%

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



Unemployment Rate (Regions) Unadjusted, 3-month Moving Averages			
	September 2008	August 2008	September 2007
Wood Buffalo – Cold Lake	4.1%	3.9%	4.5%
Athabasca – Grande Prairie	5.1%	5.0%	4.0%
Edmonton Region	3.7%	3.6%	4.2%
Red Deer Region	4.6%	4.3%	2.8%
Banff – Jasper Rocky Mountain	4.3%	3.9%	n/a
Calgary Region	3.8%	3.5%	3.2%
Camrose – Drumheller	2.6%	2.5%	2.8%
Lethbridge – Medicine Hat	3.0%	2.4%	3.3%



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