



REALTORS® Association of Edmonton

Edmonton Real Estate Board – Co-operative Listing Bureau Limited

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Edmonton Market at Low Risk

Edmonton, May 4, 2015: Canadian Home and Mortgage Corporation (CMHC) released the Updated Results of its *House Price Analysis and Assessment Framework for Canada and 12 Markets* last week. The report focused on housing market risk factors such as overheating, acceleration in house prices, overvaluation, and overbuilding. Their conclusion about the Edmonton market was that it presented a low risk in all these factors.

“While price growth has increased slightly since 2011, price increases remain in line with growth in the population of first-time home buyers and growth in personal disposable income. As is the case for Calgary, the economy is being impacted by lower oil prices and slower inflows of migrants that will likely contribute to an expected slowdown in the rate of price growth in 2015,” stated the report from CMHC.

“Quebec and cities like Regina and Winnipeg have all be tagged with a high risk of overvaluation. A moderate risk increase for overvaluation has been assigned to Calgary, Toronto, and Montreal. We are still confident that our market remains stable. We are seeing prices starting to level off. While still higher than last year, the average Edmonton single family home still remains one of the most affordable among major Canadian cities,” REALTORS® Association of Edmonton President Geneva Tetreault explains.

Residential sales in Edmonton’s Census Metropolitan Area (CMA) are beginning to pick up with 1,597 in April 2015. That is up 10% from 1,453 in March but still down 13% from April 2014. Reported sales are down in all categories except duplex/rowhouse – which are up again like last month, but this month over 24%. Single family sales were 1,001 - down 13% over last April (1,147 reported). Condos took the biggest hit down 20% over last year with 432 sold.

Despite a decline in all residential sales, the average sale price was \$337,270 up 3% from April last year. Single family dwellings sold for an average of \$438,641 (up 2% from last April), condos for \$252,935 (up 0.2% y/y) and duplex/rowhouses were \$356,022 (up 7.23% y/y).

“Sales are definitely down this year, but the sales numbers are still higher than 2011. It is unlikely that anyone would call 2011 a bad year for housing sales. It’s just in comparison to last year, we are not quite as busy. Prices are stabilizing and inventory is robust. We will continue to see increases in sales as we move into the selling season,” Tetreault says. “Our REALTORS® are out there working hard, not just listing new properties, but selling properties to clients who have been waiting for more inventory. The increase in listings is allowing REALTORS® to find the property that is right for their buyers. A lot of buyers waited to see what would happen in the first quarter. We are starting to see their confidence come back as a result of the continued stability of our market.”

The end of month residential active inventory was 6,784 for the Edmonton CMA. April residential new listings were up 11% from last year at 3,298. Average days on market were 44 compared to just 42 in April 2014.

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Review these statistics and more at www.ereb.com.

Highlights of MLS® System activity

MLS® System Activity (for all-residential sales in Edmonton CMA ¹)	April 2015	M/M % Change	Y/Y % Change
SFD ² average ³ selling price – month	\$438,641	-.05%	2.39%
SFD median ⁴ selling price – month	\$410,000	-0.61%	2.24%
Condominium average selling price	\$252,935	1.24%	0.21%
Condominium median selling price	\$235,000	1.29%	0.00%
All-residential ⁵ average selling price	\$377,270	1.14%	3.13%
All-residential median selling price	\$359,000	-0.28%	2.57%
# residential listings this month	3,298	4.63%	10.78%
# residential sales this month	1,597	9.91%	-13.02%
# residential inventory at month end	6,784	14.13%	38.17%
# Total ⁶ MLS® System sales this month	2,082	12.18%	-21.14%
\$ Value Total residential sales this month	\$673 million	12.90%	-18.83%
\$ Value of total MLS® System sales – month	\$792 million	13.34%	-19.22%
\$ Value of total MLS® System sales - YTD	\$2.4 billion	53.48%	-14.55%

¹ Census Metropolitan Area (Edmonton and municipalities in the four surrounding counties)

² Single Family Dwelling

³ Average: The total value of sales in a category divided by the number of properties sold

⁴ Median: The middle figure in an ordered list of all sales prices

⁵ Residential includes SFD, condos and duplex/row houses

⁶ Includes residential, rural and commercial sales

³ Average prices indicate market trends only. They do not reflect actual changes for a particular property, which may vary from house to house and area to area. **Sales are compared to the month end reports from the prior period and do not reflect late reported sales.** The RAE trading area includes communities beyond the CMA (Census Metropolitan Area) and therefore average and median prices may include sold properties outside the CMA. For information on a specific area, contact your local REALTOR®.

The REALTORS® Association of Edmonton (Edmonton Real Estate Board), founded in 1927, is a professional association of real estate Brokers and Associates in the greater Edmonton area. The Association administers the Multiple Listing Service®, provides professional education to its members and enforces a strict Code of Ethics and Standards of Business Practice. The Association also advertises property listings and publishes consumer information on the Internet at www.YEGisHome.ca and www.ereb.com, as well as in the Real Estate Weekly and www.REALTOR.ca. REALTORS® support charities involving shelter and the homeless through the REALTORS® Community Foundation.

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