

## Gains in Edmonton home prices No. 2 in country over last decade

Average goes from \$124,203 to \$328,803 - still \$10,000 off national pace

**BY DAVE COOPER, EDMONTON JOURNAL** NOVEMBER 8, 2011

A red-hot economy fueled unprecedented price appreciation in Edmonton over the last decade, making the city Canada's second strongest performing market - up 165 per cent since 2000, says a report release Monday by Re/Max.

Across Canada, the report says the average value of housing doubled to \$339,030 in 2010 from \$163,951 a decade earlier.

In Edmonton, the average price of a home climbed from \$124,203 in 2000 to \$328,803 in 2010, peaking in 2007 at \$338,636.

Prices have since stabilized and regained some of the ground lost during the recession and subsequent fallout.

Edmonton's rising values have had as much to do with new-home construction as they have supply and demand.

"There have been close to \$19 billion in residential building permits issued during the same period, virtually tripling values reported in the previous decade," the report added.

More balanced market conditions have emerged, said the report, with buyers gaining a slight advantage.

The report notes that with more than 8,000 properties currently listed for sale, little movement in average price is expected in the months ahead.

Although inventory is down somewhat from one year ago, it remains considerably higher than the 5,500 to 6,000 units traditionally on the market at this time of year.

Renovation represents about five per cent of building permits issued so far this year, Re/Max notes, but unlike in some cities, infill is a relatively uncommon phenomenon in Edmonton.

Upscale communities such as Glenora have seen some properties priced at \$400,000 to \$500,000 torn down to make way for larger, custom-built homes, but "the trend has yet to gain traction."

Edmonton remains one of the fastest-growing metropolitan areas in the country, with a 10-percent increase in population in the last census for a total of 1,034,945 in 2006. Job

opportunities remain plentiful in the area, thanks to an unemployment rate that is well under the national average.

The report concludes that as economic performance improves, so will the residential-housing outlook.

Regina's homes appreciated the most in the decade, soaring 173 per cent in value. Homes were up 128 per cent in Vancouver, 126 per cent in Calgary and 77 per cent in Toronto.

Building permits for the decade were worth a total of \$385 billion across the country, including \$18.9 billion in Edmonton.

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