



What's *Really* Happening in the Edmonton Real Estate Market

With Edmonton Appraisal Expert Gerhardt Klann

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Just the Facts...

Everything You Need to Know about Edmonton Real Estate in Two minutes or Less.

Spring Fling? June sales in Edmonton continued to be strong and average price increases continued their upward trend. The real question is, are home prices really on the rise, or are we just seeing a normal spring market increase (Spring Fling)?

I've been writing this newsletter for several years, and I think this is the first time that the average house price has been higher than the past 5 year averages which indicates that this could be the

start of prices rising again in Edmonton. Outside of seasonal fluctuations, the Edmonton market has overall been quite balanced for the past 4 years since prices dipped from their previous highs in 2007.

If you read this column regularly, you know that I don't get excited about month to month changes and advocate that we look at the big picture and focus on trends. The chart below summarizes sales statistics for June sales over the past 5 years. If the current trend continues, it appears that we will actually see some gains in housing prices this year.

What about condos? The same trend does not appear to be happening in the condo market. This appears to be due to the supply of condos including new buildings coming into the inventory in the downtown core. Until the inventory gets absorbed, watch for condo prices to lag behind in growth compared to single family homes.

Last month, I said we should be watching inventory as it had dropped. This month, inventory rose to 7,930 with new listings which should keep prices in check as there is enough inventory for demand.

Snapshot of the Past 5 years June Statistics for the Edmonton Real Estate Market

June	2012	2011	2010	2009	2008
Avg.Price Single Family House	\$393,471	\$379,518	\$390,970	\$369,841	\$382,481
Avg. Price Condo	\$242,720	\$234,413	\$245,981	\$247,848	\$261,804
Total Sales	1874	1923	1622	2448	1810
Inventory	7,930	8,432	9,406	6,785	10,817
Median Days on Market	38	39	37	37	47

I still think that this will be the key statistic to keep our eyes on in the coming months as we see if this trend of price increases continues.

Rental Market:

Rents continue to be on the rise as vacancies are falling and Edmonton continues to enjoy in migration due to the steady growth in employment and new jobs being created. This is good news for investors who have not seen rental increases in the past several years.

Stay tuned for next month's newsletter, as we'll be keeping an eye on any price increases to see if this run will be sustained or if it's just another spring fling.

As always, special thanks to the REALTORS® Association of Edmonton for the use of these statistics.



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**-Don R. Campbell, President,
Real Estate Investment Network**



Edmonton Real Estate Analysis 2006 - Present

*based on statistics from the Realtor's Association of Edmonton

