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## Alberta house price gains top nation 32% Jump puts cost at \$347K

**Mario Toneguzzi**

Calgary Herald

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The average sale price of a home in Alberta has risen by 32.2 per cent so far this year compared to a year ago -- more than three times the national average, according to data released Tuesday by the Canadian Real Estate Association.

Year-to-date until the end of April, the average sale price in the province was \$347,681. During the same period a year ago, the average price was \$262,918. Nationally, prices have risen by 9.9 per cent in the first four months of this year to \$297,438 compared to \$270,767 in 2006.

Price growth in Alberta is the highest of all the provinces.

The CREA report says national MLS residential sales activity, new listings, average prices and dollar volume all shattered records in April.

Richard Corriveau, regional economist for the Prairies and Territories region for Canada Mortgage and Housing Corp. in Calgary, said it appears the Prairie provinces -- Alberta, Saskatchewan and Manitoba -- are "triple-handedly pushing Canada to a new resale record this year."

Year-to-date figures until the end of April show sales in Alberta are up by 11.7 per cent, in Saskatchewan by 47.3 per cent and in Manitoba by 8.3 per cent. Combined, the three Prairie provinces have shown a 14.2 per cent increase in MLS sales.

"If it wasn't for these three provinces, Canada wouldn't be setting a record this year. Definitely on a record-setting pace. Certainly a new record will be set in Alberta," said Corriveau.

"However, the pace does appear to be diminishing over time. We started the year very strong, up 14 per cent, now we're under 12 per cent and the two largest markets Edmonton and Calgary are where we are seeing some moderation in terms of the activity to date."

In April, total dollar volume of sales in Alberta surpassed \$2.8 billion for the month alone -- a 41 per cent increase from April 2006's \$2 billion. Total unit sales reached 7,803 in April -- an 8.6 per cent hike from the 7,182 in April last year. The average sale price jumped by 29.8 per cent to \$359,640 last month compared to \$277,139 in April 2006. And new listings increased by 42.2 per cent to 11,213 in April compared to 7,884 in April 2006.

Nationally in April, for the first time, the average sale price crossed the \$300,000 level -- \$305,542 for the month.

Corriveau said Alberta continues to enjoy the benefits of the record migration last year.

"We've seen a slight improvement in active listings which is helping to facilitate additional sales, but there's also still a lot of concern about the rapid pace of price acceleration and with that a lot of people are frantically trying to get into the market and . . . it's elevating the number of sales, but also in turn bidding up average prices as well," said Corriveau. "In Alberta, we thought the market had peaked at a 31 per cent price gain in 2006 while so far this year we're up 32 per cent. So we're on pace to outperform last year which was record price growth -- more than double the highest rate of growth on record."

In April, the average combined residential sale price (single-family, condominiums and mobile homes) in Calgary was \$420,807, according to the Calgary Real Estate Board. As of Tuesday morning on the CREB website, the 30-day average residential sale price in the Calgary market had jumped to \$439,013 while the 30-day median sale price was \$390,000. Total sales this month are 3,091 and active listings are 6,162.

CREA chief economist Gregory Klump said the record-breaking resale housing market activity in April throughout the country was built on strong momentum in the first quarter.

"Anecdotal evidence suggest that resale housing activity in Western markets is being boosted by a shortage of lots and by buyers who are ready to move up, but don't want to wait for a newly constructed home to be completed," he said. "A strong job market and low and stable interest rates will continue to buoy home sales activity, even as prices continue to rise. Rising prices will erode affordability and cause a gradual retreat in sales activity as the resale housing market becomes increasingly balanced."

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#### TOP 4: Rising prices in Western Canada

##### Average

Jan-Apr 2007 Jan-Apr 2006 %

2007 2006 Change

##### Alberta

47,681 262,918 32.2%

##### Sask.

152,046 128,179 18.6%

##### B.C.

420,705 376,779 11.7%

##### Man.

160,163 147,884 8.3

Source: Calgary Real Estate Board

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