

REALTORS® expecting steady market in 2009

St. Albert Gazette, Saturday, January 10, 2009

REALTORS® expect homebuyers to be cautious in the first part of 2009 but gain confidence in the latter part of the year. Throughout the Edmonton area, the real estate board expects to sell 15,500 homes in 2009, 10 per cent fewer than the 17,317 sold in 2008. Board president Charlie Ponde, a St. Albert REALTOR®, said there's still plenty to be positive about in St. Albert and the Edmonton area. Statistics show people are moving back to Alberta and steady price drops since last spring's peak are making the area affordable again. "Forget about the doom and gloom," Ponde said. "Don't read into the headlines. Read into what is going on in the local market."

Competitive advantage; Buyers' market as homebuilders look to reduce inventory

The Edmonton Sun, Tuesday, January 12, 2009

Edmonton recorded a significant year-over-year drop in new home prices this past November as home builders dropped prices to clear inventory, says a housing market analyst. The Statistics Canada New Housing Price Index shows Edmonton recorded a year-over-year price index decline in November of 7.9%, with Calgary posting a 2.5% decline. The national index actually rose 0.7% in the same period. Edmonton's price index from October to November fell a more modest 0.3%, while Calgary saw its index tumble 1.1% in the same one-month period. The national monthly index reflected Edmonton's 0.3% drop.

Hope for end to crisis dawns where it began; Affordability rising, supply falling in U.S. housing

The Edmonton Journal, Tuesday, January 12, 2009

The U.S. housing downturn morphed into a global credit crunch that torpedoed stock markets around the world last year, wiping out \$30 trillion US of market value, precipitating what could be the deepest, most protracted recession since the Great Depression. With economic activity shrinking, and the threat of deflation -- falling asset values -- looming, governments are rolling out massive "stimulus" packages, and central banks are slashing their key lending rates. Still, despite the daily parade of gloomy headlines, and the pervasive sense of fear that now grips the planet, there are early signs of hope in the very place where this whole mess began -- the U.S. housing market. With U.S. house prices down sharply and typical mortgage rates at the lowest level in half a century, affordability in many U.S. markets is up sharply. And while the inventory of unsold homes is still in nosebleed territory -- at more than 11 months, or about twice what's considered healthy -- housing starts have also plunged. Eventually, that will help bring the supply down. Angus Watt, a managing director at National Bank Financial in Edmonton, says he expects U.S. house price declines to come to a halt by mid-2009, paving the way for a gradual recovery. "I'd say there's another 10 per cent (of potential downside to go). It's close to a bottom, and in many places we've probably seen a bottom," he argues.

Slowing real estate in '09

Sherwood Park News, Tuesday, January 13, 2009

According to Charlie Ponde, the 2009 president of the REALTORS® Association of Edmonton, this is not the time for buyers to speculate about the market. "Now we are kind of cautioning that this is not the time to buy to make money," Ponde said. "Over the period, you will make money, but initially, purchase the property to enjoy it and for your family to enjoy." Ponde predicted that a total of 15,500 homes will sell in 2009 on the MLS®, which is a 10.5 per cent decrease in sales from 2008. In December, single-family homes in Sherwood Park dropped 5.8 per cent from November to an average of \$368,314. In December 2007, the average price for a single-family home in Sherwood Park was \$450,386. Ponde said that buyers will be reluctant at the beginning of the year, which will mean a slow start for 2009, but closer to the end of the year sales will pick up. He said the uncertain global economy is only a small factor contributing to the industry.

Recession expected to deepen until mid-2009
nationalpost.com – Wednesday, January 14, 2009

The Canadian economy is in a recession that will continue to deepen until mid-year, pulled down by the deepest U.S. economic downturn since the Dirty Thirties, and that will drive the unemployment rate here above 8%, the Conference Board of Canada forecast recently. "The U.S. consumer is reeling and, not surprisingly, approached holiday shopping with more caution than usual, as home prices continue to fall, job losses accelerate and credit conditions remain tight," said BMO Capital Markets economist Benjamin Reitzes. "The deepening U.S. recession continues to hurt Canada's trade sector," noted Pedro Antunes, the conference board's director of forecasts. But even with the downgrade, the think-tank's forecast of a 0.5% contraction this year is still much more optimistic than that of many others forecasters who are now projecting that after-inflation economic output will fall by nearly 2% this year. "The contraction will temporarily reverse Canada's 14-year trend of tightening labour markets, boosting the unemployment rate to above 8% by the end of 2009," it said. In December, the unemployment rate stood at 6.6%.

Opportunity knocks; Commercial real estate faces year of 'correction'
The Edmonton Sun – Wednesday, January 14, 2009

In a national market forecast released recently, Avison Young, a Canadian commercial real estate company calls for a decline in transactions across the country in 2009 as decision makers wait out the downturn. It expects new inventory and a spike in sublease spaces to raise vacancy rates, which could see some renters get relief in interest rates. It also calls for office vacancies to climb to 6.7% nationally by the end of the year, while industrial vacancies are expected to reach 6.4%. Avison Young's forecast calls for rental rates in Edmonton office properties to level off over the next six months after trending up in 2008, as long as vacancy rates remain below 7%. The company does, however, expect an increase in incentives provided by landlords, like helping to offset renovation or relocation costs.

Real estate revival forecast; Commercial market will begin to rebound after mid-2009, report says
The Edmonton Journal - Wednesday, January 14, 2009

The deals will slow down, vacancy rates will rise and sublease space spike, but Canada's commercial real estate will stabilize by mid-year and recover in 2010, predicts a new national report. Many firms will opt to stay put in their existing quarters to ride out an economic downturn, says Avison Young (Canada) Inc.'s 2009 National Forecast released recently. In Edmonton, downtown vacancy rates held strong last year at 5.6 per cent and net rental rates trended marginally upwards, said Cory Wosnack, principal at Avison Young's Edmonton office. The most significant increases were in Class A and B buildings downtown, which reached \$30 and \$22 per square foot, respectively, he said. Class AA properties remained flat in 2008 at \$34 to \$36 per square foot. Net rental rates are expected to remain flat over the next six months, if the overall vacancy rate holds below seven per cent -- citywide vacancy is now 6.5 per cent, the report said.

CREA wants increased limit to the Home Buyers Plan
The Calgary Sun – Saturday, January 17, 2009

With the Federal government set to unveil its new budget at the end of January, one that will include bailout initiatives to stimulate the economy, CREA wants to see action taken to shore up the housing industry. Foremost among CREA's recommendations is to increase the limit of the Home Buyers Plan (HPB), which allows first-time homebuyers to withdraw up to \$20,000 from their RRSP to help purchase a residential property, which must be repaid over a period of 15 years. CREA maintains the HBP has not kept pace with inflation or home prices and does not have the same impact and relevance it did when introduced 16 years ago, when \$20,000 represented 13.3% of the average house price, versus about 6.5% today. "The government should immediately raise the HBP limit from \$20,000 to \$25,000 and it should keep pace with annual inflation. Additionally, it should be available to all home buyers, not just first-time buyers," says Lindberg.

Return to 'normal' predicted for market

The Calgary Herald - Saturday, January 17, 2009

After a dramatic decline in 2008, there will be an increase in the number of resale homes changing hands this year in Calgary, say a pair of national real estate surveys. Both Re/Max Western Canada and Royal LePage say resale activity will climb--with Royal LePage being the more bullish with its forecast of seven per cent. Re/Max, meanwhile, is calling for a two-per-cent increase. On the price front, though, Royal LePage is calling for a slip of one per cent in the average price to \$402,000, while Re/Max is saying the price has bottomed out and will hold steady at \$410,000 in 2009. There are plenty of buyers, but they are hesitating making the final decision to purchase, he says, adding they are looking for assurances that the market won't get any worse.

Basement dwellers; Recession could be incentive for homeowners to renovate - analyst

The Edmonton Sun – Tuesday, January 20, 2009

A survey released recently by TD Canada Trust says that despite the current global financial crisis, the majority of Canadian homeowners, 53%, plan to proceed with or expand planned renovations. The TD Canada Trust Homeowner Confidence Poll also found that 92% of homeowners surveyed said the current economy has not led them to consider selling their homes. The survey showed that 63% of Canadians think the current economic situation is a good opportunity to buy a home. That number is even higher in the West, at 66%. REALTORS® Association of Edmonton president Charlie Ponde said that's in line with what local REALTORS® are telling him. He said an unusual set of circumstances make home-buying attractive - prices have levelled off, there's plenty of selection with an inventory of about 6,600 homes on the market and mortgage rates are at 5% or less.

Housing starts down 57%; Average Fort Sask. home price \$384,000 last year

Fort Saskatchewan Record - Tuesday, January 20, 2009

After three booming years of Fort Saskatchewan seeing at least 190 new single-family homes built, housing starts fell 57 per cent from 2007 numbers in 2008. Last year, the city saw 108 single-family housing starts, compared to 250 housing starts in 2007. Regionally, housing starts were down 56 per cent to 6,615 last year from 14,888 in 2007. Although starts have slowed down, they haven't stopped. Housing permits are still being applied for in Fort Saskatchewan, the city's economic development director, Terry Stacey, said last week. "Builders haven't stopped building." The 2009 president of the REALTORS® Association of Edmonton, Charlie Ponde, warned homebuyers that, although the last couple of years have been lucrative, they might want to be more cautious. "Now, we are kind of cautioning that this is not the time to buy to make money," Ponde said. He predicted a 10.5 per cent regional drop off in the number of homes to be sold this year compared to last year.

Banks match hefty rate cut; Big 5 drop prime half a percentage point after Bank of Canada pares trendsetting rate to record low 1%

The Toronto Star – Wednesday, January 21, 2009

The Bank of Canada slashed its key interest rate yesterday by half a percentage point to 1 per cent, the lowest in 50 years, and delivered a gloomy assessment of the country's economic prospects for this year. The drop in the overnight rate - the rate at which major financial institutions lend short-term money among themselves - is the latest move in a campaign of monetary easing aimed at reviving the country's flagging economy. The central bank has chopped its key rate by 3.5 percentage points since December 2007 and the target for the overnight rate now stands below the 1.12 per cent level the central bank set in 1958, although the two rates are not directly comparable. The Bank of Montreal, the Toronto Dominion Bank, the Canadian Imperial Bank of Commerce, the Royal Bank of Canada and the Bank of Nova Scotia almost immediately followed the Bank of Canada's lead, dropping their prime rates by half a percentage point to 3 per cent. Some of the banks also cut mortgage rates.

Recovery a step away - analyst

The Edmonton Sun - Wednesday, January 21, 2009

A prominent Edmonton investment analyst says the groundwork has been done to see the economy through the current financial crisis. Speaking recently at a function in Calmar hosted by the Leduc-Nisku Economic Development Authority, Angus Watt said he identified six points in September essential for a recovery and since then progress has been steady. "It's like building a house," said Watt, managing director with National Bank Financial. "Once you've got the foundation in, you know you're going to have a home." Some points are already in place, he said - government rescue plans have been announced, there have been co-ordinated universal reductions in interest rates, the credit crunch is beginning to ease and gasoline prices have declined. Watt expects the final requirement - the return of inflation - to fall into place by the second half of 2010.

What If Housing Does Not Recover This Year

24/7 Wall St. – Wednesday, January 21, 2009

Many economists, perhaps a majority of them, think that housing in the United States will bottom sometime in the second half of this year and prices will begin to move back up in 2010. The reasons for the optimism are logical and compelling. Homes will get so inexpensive that the bargains will be irresistible. The government will put money into the credit system to move mortgage rates further and further below 5%. Home prices are the key to the recovery in bank earnings. Mortgage derivative write-offs and mortgage defaults are killing bank earnings. The construction and home supply businesses are being decimated. The value of real estate where homes might be built is falling apart.

Housing prices also have a direct relationship to employment and consumer credit and confidence. People who do not have jobs or believe that their jobs are at risk won't buy a home. People without credit can't buy a home. People without confidence won't do anything other than go to work and sleep. If housing starts and prices do not make a tiny move in a positive direction this year, the recession will last well into 2010. If housing prices fall another 10% or 20%, the economy may be in trouble so deep that no one under 80- years-old can even imagine it.

Buyers' market predicted ; Incoming real estate board chief expects housing price turnaround in spring

The Calgary Sun – Thursday, January 22, 2009

Bonnie Wegerich, who took the reins of CREB from outgoing president Ed Jensen recently, said that in 2009, the price of single-family homes will continue sinking, decreasing by 2% to an average price of \$451,120. Condominium prices, she said at the organization's annual conference, are expected to drop 5% this year to an average \$287,300. "Don't wallow in the negative. The market is the market. People will need homes to live in."

Fingers crossed for recovery; Bank of Canada sees economic rebound beginning later this year

The Edmonton Journal – Friday, January 23, 2009

The Bank of Canada, in what one analyst called a "finger-crossed forecast," reiterated that after a projected 1.2-per-cent economic contraction this year, it expects a 3.8-per-cent rebound next year with the recovery beginning in the second half of this year. Bank governor Mark Carney, at a news conference following the release of its monetary policy report, said he has confidence in the bank's forecast, but noted that the projected rebound is, in fact, relatively mild for a recovery from a recession. But he warned that a stabilization of global financial conditions is a precondition for that economic recovery to occur, and that a delay in that happening could lead to a deeper and more protracted downturn than is now projected.

Experts say now is a good time to get off the fence

The Calgary Sun – Saturday, January 24, 2009

Mortgage rates have dropped following the Bank of Canada's overnight lending rate cut, and many Calgary home builders are selling houses for bargain basement prices. So we asked the experts: Why is now the perfect time to buy a home? "It's a great time to be a buyer -- this is the lowest rate, I believe, in Canada's history. It gives people an opportunity to get off the fence." Consumer confidence has been low as of late, which means fewer homes are selling this year than last -- but Hippe says creative sales tactics combined with low interest rates and prices should encourage an upswing in sales. "Anyone who's thinking about buying should go in and talk to a mortgage broker and get pre-approved," says Gary Siegle, regional manager at Invis.

The long or short of it; How to select a mortgage in today's market

National Post – Saturday, January 24, 2009

"If you happen to be in a market sector that may be subject to layoffs or you believe that your employer may have issues and may not be there for you tomorrow," says Peter Veselinovich, vice-president, banking and mortgage operations at Investors Group, "you may want to adjust the amount of your payments to reflect what a reduced cash flow or revenue flow into your home might look like." Mr. Veselinovich says it is crucial not to look at your mortgage in isolation but as part of your overall financial plan.

With this in mind, mortgage professionals suggest shopping for rates well before your renewal date. "Going into the second half of this year, we will start to see a lower mortgage rate," says James Marple, economist in economic forecasting at TD Economics. "Going into 2010 we're starting to see signs of an economic recovery ... we start to see inflation picking up and we will see short-term interest rates rise."

No turnaround this year; 2010 seen as more likely date for housing industry

The Calgary Herald – Saturday, January 24, 2009

Something like 700 members of the Canadian Home Builders' Association-Calgary Region attended the annual Economic Outlook Dinner at the Coast Plaza Hotel recently to hear, officially, what everyone had already expected. There will be no turnaround in the housing fortunes of Calgary builders this year. Changes now include a prediction for a second straight decline in the single-detached sector of the industry, calling for a drop to 3,800 starts in and around Cowtown. That's less than half the production that occurred in the overheated housing market of 2007 and below the nearly 4,400 starts in 2008. Originally, the call was for an increase this year to 4,500. The call is for 1,700 units, some 4,000 fewer units than were started in 2008. In 2007, work started on 7,051 multi-family units.

House prices drop 4.8 per cent in fourth quarter

Grande Prairie Daily Herald-Tribune – Monday, January 26, 2009

The economic slump and a drop in consumer confidence caused house prices to dip during fourth quarter, according to the latest figures from Royal LePage.

It says the real estate market in Canada posted an overall decline in both unit sales and in prices during the fourth quarter of 2008. Royal LePage says 2009 should bring gradual improvements as low mortgage rates and government efforts to revive the economy begin to take hold.

Edmonton's plan to fight homelessness is "outstanding," says minister

edmontonjournal.com – Thursday, January 29, 2009

Alberta's housing and urban affairs minister says Edmonton's report tackling homelessness offers an "outstanding plan." A committee handpicked by Mayor Stephen Mandel released its ambitious plan recently they say can solve homelessness in this city within 10 years. The report, called A Place to Call Home, calls for a major investment in supportive and social housing, with total tab near \$1-billion spread over the next decade. "This is something the people of Edmonton want," Mandel said at the announcement. "We don't want to see people sleeping under tarps." Paying for the plan, which includes more than \$400 million in capital costs and over \$570 million for operations, will require major financial commitments from the federal and provincial governments.

Province not ready to commit to homeless funding; Housing minister awaiting own 10-year action plan **The Edmonton Journal – Friday, January 30, 2009**

Mayor Stephen Mandel is calling for immediate action on a \$1-billion plan to end homelessness in this city by 2019. Provincial Housing and Urban Affairs Minister Yvonne Fritz called the report "outstanding," but would not say how much money the province would commit until its own secretariat releases its 10-year action plan on homelessness, likely in March. "We can't make any commitments to funding because (the report) is still going through the budget process," Fritz said. It's unclear whether the report will be released in time for the next provincial budget, expected in early spring. The provincial secretariat was launched a year ago to create a 10-year homelessness plan that would work in tandem with local efforts. Calgary last year requested \$3.5 billion for its 10-year plan. Liberal housing critic Dave Taylor said the issue should be a priority in the next provincial budget, despite difficult economic times.

Homelessness plan will help those in need, society **The Edmonton Journal – Friday, January 30, 2009**

An issue as complex and entrenched as homelessness cannot be solved with old ways and half measures. The old way was to cross the street, ignore the wild people and leave them to under-funded charities and churches. The new way offered in the 10-year plan is to find safe, permanent housing for those in need. Advocates will guarantee the rent to private landlords and act as a go-between to solve tenant problems. Support services -- life skills, psychiatric service, addictions counselling -- will also be provided for as long as the person needs it. But yes, our tax dollars will be spent. The apartment buildings and houses in our neighbourhoods will be rented to Those People. Our gut instincts for mirror-image neighbours and low taxes will not be amused. Estimates are that one homeless person can cost society as much as \$100,000 per year. In 2008, the Edmonton homeless count recorded 3,079 people without shelter.

\$969M, strategy shift needed to stop homelessness: report **CBC.CA News – Saturday, January 31, 2009**

Nearly \$1 billion and a shift in thinking is needed to tackle homelessness in Edmonton, according to the authors of a report released recently. A Place to Call Home, a 10-year plan to end homelessness in the city, is the result of a task force appointed by Edmonton Mayor Stephen Mandel. Over 10 years, the plan will require an upfront investment of \$401.6 million in capital costs and \$567.5 million in operating costs, for a total of \$969 million. "It costs a lot less and it makes a lot more sense to find someone a home now and start helping them with their problems."

Time of change

The Calgary Herald - Saturday, January 31, 2009

Calgary's housebuilding industry has myriad challenges to tackle as it begins a year that forecasts show could be the weakest in 20 years. Canada Mortgage and Housing Corp. has called for construction starts of single-family homes to fall back to 3,800 this year, while a poll of members of the Canadian Home Builders' Association-Calgary Region shows that number could be closer to 3,300. "We're not nearly as busy as we'd like to be, but what we are seeing is a market correction that will allow it to eventually come back to more normal levels and not the unsustainable stuff we had in 2006 and into 2007," said CHBA-Calgary Region president Norm Mross.

Time to give yourself a shake

The Calgary Herald – Saturday, January 31, 2009

OK people, it's time to shake your-selves out of that funk you're in. What has happened to the housing industry in the United States will stay in the United States, for the most part. Canada has seen its new and resale sectors soften, but because our lending regulations are so much more stringent than those to the south of us, we will easily avoid the financial pitfalls that have reined in the home ownership dreams of buyers and battered sellers forced to drastically cut prices and/or go into foreclosure. "While the Canadian housing sector is entering a cyclical downturn, the risk of experiencing a U.S.-style meltdown is remote," says Robert Hogue, senior economist for RBC Economics. "Many of the factors that triggered the collapse in the United States are either absent or of much lower significance on this side of the border." The RBC report goes on to say that while the sluggish Canadian economy threatens income growth and stings consumer confidence, there are also a number of factors mitigating some of the downside.

Report forecasts busy 2009 for landlords; Apartment prices to stabilize but remain high by historical standards

The Edmonton Journal – Tuesday, February 3, 2009

Landlords will be busier in 2009 -- buying and selling properties and competing for tenants, predicts a new report by Avison Young. "In the first month of 2009 we are seeing a lot of interest from purchasers who are looking for great deals," said Paul Chaput, Avison Young multi-family investment sales specialist. "The lack of sales activity (in 2008) made it difficult for investors to agree on which direction the market was going. We expect things will change in '09 -- more transactions at prices supported by the income fundamentals of the property." The forecast predicts "apartment prices to stabilize at lower, income-based levels but remain high by historical standards."

Edmonton city council relaxes restrictions on secondary suites

edmontonjournal.com – Tuesday, February 3, 2009

City council has relaxed restrictions on secondary suites for homes in mature neighbourhoods in an effort to see more rental space made available in Edmonton. Basement suites will now be allowed in most parts of the city, with garage suites and single-storey garden suites permitted at the discretion of development officers. "It will provide safe housing for reasonable prices throughout the city," Coun. Karen Leibovici said. She has asked for a report on whether city grants of up to \$24,000 to help suite construction can be given only for owner-occupied sites. However, out of the estimated 10,000 or more illegal suites that now exist, there are only about 50 or 60 complaints a year, she said.

Alberta's hot economy takes a breather; Downturn puts Upgrader Alley on hold; gives municipalities a chance to make plans

The Edmonton Journal - Tuesday, February 3, 2009

For better or for worse, Upgrader Alley is parked. Of the seven upgraders planned or under construction, six have now ground to a halt, battered by the international credit crisis, the collapse in world oil prices, and the high cost of labour and construction materials. The loss of six upgraders, Neil Shelly, the executive director of the Alberta Industrial Heartland Association estimates, could cost the Alberta treasury \$1.2 billion annually in foregone corporate business taxes, and cost Ottawa \$24 billion in corporate tax. And it's not just those tens of thousands of construction jobs we're losing, he says, but 10,000 to 12,000 permanent jobs at the upgraders themselves. The Heartland region isn't yet feeling too much pain. Shell is still working on its upgrader -- a construction job which employs about 4,000. And because Alberta's economy was so overheated, he estimates there's a six- to nine-month backlog of construction and manufacturing work in the region. Still, when the Shell upgrader is completed this fall, the region will feel the difference.

Shelter shock; January housing sales down 40% from '08

The Edmonton Sun – Wednesday, February 4, 2009

A massive drop in home sales in January is an indication that Edmonton's housing market has lost steam from the pressure cooker of 2006 and 2007, says the city's top REALTOR®. Statistics from the REALTORS® Association of Edmonton show 730 homes were sold in the capital region last month, down significantly,

40.5%, from the 1,227 homes sold in January 2008. Multiple listing service® (MLS®) sales last month totalled 797, a drop of 40.9% from January 2008. Despite the numbers, REALTORS® Association president Charlie Ponde said his membership is reporting plenty of activity in their offices but clients are taking their time before deciding to buy. "It's a good trend because it's one of the biggest purchases a person makes in their lifetime, and they shouldn't be pushed into it."

Home sales take 40% tumble; But new local listings at more 'realistic' prices continue to attract confident buyers

The Edmonton Journal – Wednesday, February 4, 2009

Edmonton-area resale housing market sales kicked off the new year by stumbling out of the gate -- with residential MLS® sales down 40.5 per cent compared to January 2008. Charlie Ponde, president of the REALTORS® Association of Edmonton sounded optimistic, if cautious. He looked on the bright side, the month-by-month comparison -- January figures were modestly better than December's gloomy statistics. Ponde said other factors may lead to a pickup in sales, such as interest rates which have fallen to their lowest in years, a glut of inventory and a change in the amount of RRSP savings that can be applied to a first-home purchase -- now \$25,000, up from \$20,000. He also had high hopes that a new federal tax credit for renovations would stimulate sales of existing homes.

Secondary suites get go-ahead; Will be allowed to operate in most city neighbourhoods

The Edmonton Journal – Wednesday, February 4, 2009

A decision to allow secondary suites in virtually all single-family neighbourhoods has city officials hopeful Edmonton will see more affordable housing built. Under a move approved by council following hearings that began last month, basement apartments, which were approved for parts of the city in 2007, can be operated in mature neighbourhoods as well as in the suburbs. Single-storey garden suites have also been given the thumbs-up, although only for lots meeting certain dimensions. Along with suites above residential garages, there are restrictions on where they can be built. "It will provide safe housing for reasonable prices throughout the city," Coun. Karen Leibovici said. "It can be done quickly, it can be done inexpensively ... we have been working on this for a long time." Constructing new secondary suites and renovating existing spaces, many of them now run illegally, is intended to create about 550 of the 3,100 units of affordable housing expected by 2010 under Edmonton's Cornerstones plan.

City backs plan to end homelessness

Edmonton Examiner – Wednesday, February 4, 2009

In 2008, according to the city, there were 3,079 homeless people in Edmonton. Recently, the Edmonton Committee to End Homelessness, along with the City of Edmonton, released a 10-year plan to end the problem. "This is a big, big issue to Edmontonians," says Mayor Stephen Mandel. "We do not want to see people living in tarps. It's just not acceptable in our society." Mandel says citizens shouldn't worry about how the 10-year plan will affect them financially. "What we're spending now will cover a great deal of what we're doing," he says. "This is an inexpensive way to change the dynamic that has really been a horrific thing for our society and for so many people."

How suite it is: Edmonton OKs housing bylaw

CBC.CA News – Thursday, February 5, 2009

In a bid to increase the number of affordable housing spaces, Edmonton has approved a bylaw to allow secondary suites in the Alberta capital's mature neighbourhoods. And it's backing that decision with funding to get the project moving. Home owners who would like to earn some extra cash to pay down their mortgage or make room for an extra family member can now build a suite "in their basement or elsewhere on their property," said Peter Ohm, manager of the city's land use policy planning branch. "We are also protecting renters by ensuring that secondary suites are up to proper building and fire codes."

Advantages for home sellers in a down market
Stony Plain Reporter – Friday, February 6, 2009

With the effects of the global economic downturn, the housing market has become an ideal market for home buyers. But if you're in the market to sell your home, you may be wondering what you can do to use the current economic condition to your advantage. Here are two ways for sellers to improve their situation in a down market: No one wants to sell their home at a price they don't feel is right. So, if you're not receiving an offer that you're comfortable with, use this time to make a few minor upgrades to help increase the sales value of your home. It's expected that buying activity may pick up again later this year. To learn more about home improvements that can help increase a home's sales value, visit www.owenscorning.ca.

January slow for REALTORS®
St. Albert Gazette – Saturday, February 7, 2009

The number of homes sold in St. Albert in January was 23 per cent lower than the same month last year, but the dip wasn't as pronounced as the 40 per cent reduction throughout the Edmonton region as a whole. January is typically a very slow time for real estate sales but this year has been particularly sluggish due to the stuttering economy, said Charlie Ponde, president of the REALTORS® Association of Edmonton. "We are definitely slower because of the global uncertainty everywhere," he said. There were 30 homes sold in St. Albert in January. The same month saw 39 sales in 2008 and 50 in 2007.

REALTORS® feeling the pinch
Westlock News – Monday, February 9, 2009

Westlock REALTORS® are predicting a rebound in home sales come springtime amid a winter slowdown that has seen a nominal dip in demand and prices. Jarvis Realty owner Coleen Jarvis attributed a slowdown in sales through December and January to cold weather as much as the souring economy. "The market will be a tad slower due to lack of consumer confidence perhaps, but Westlock is a very stable farming community," she said. In 20 years, the REALTOR® said she has yet to see the local market fluctuate in sync with Edmonton's.

Edmonton sees huge drop in housing starts
edmontonjournal.com – Monday, February 9, 2009

Housing starts in the Edmonton region for January fell by a staggering 63.9 per cent year-over-year as homebuilders downed tools because of weak sales and high inventories. Starts of all types of homes fell across the census metropolitan area for the month to 413 from 1,145 units reported in January 2008, according to preliminary figures released by the Canada Mortgage and Housing Corporation. In the single-detached market, starts in the Edmonton region fell 29.7 per cent to 147 from 209. In Edmonton city, single starts dropped 19.6 per cent to 86. "Provided new home inventories decline in the months ahead, we remain optimistic that a modest uptick in single-detached starts should occur during the second half of 2009," said Richard Goatcher, CMHC's senior Edmonton market analyst.

Housing starts stumbled in January
The Edmonton Sun – Tuesday, February 10, 2009

A 64% DROP - Single-family housing starts - new houses built or under construction - in the Edmonton area dropped to 147 from 209 a year ago, while multi-family housing starts fell from 936 in January 2008 to a mere 266 last month. The overall drop was about 64%. "(The decline in multi-family housing starts) wasn't as big a surprise as you might expect because last January was the best month of the year for multi-family housing last year, so the decline was much bigger," Richard Goatcher said.

Buying a house in a bad economy

Here And There – Thursday, February 12, 2009

Taking such a big leap in a scary economy can make a person a little hesitant, but the good news is that it's possible. You just have to find the right people and information to help you get there. Doing the research and learning about becoming a homebuyer has been time consuming and a little stressful at times, but I've had lots of help along the way, making life oh so much easier for me. I went with a REALTOR® to find the perfect home for me. She took it while I inundated her with questions and worries (as I likely will continue to do until closing) and has been helpful when I had no idea what I was doing. But my greatest savior has been a loan officer. Between the two, things have gone quite smoothly I now feel a lot more comfortable going in, knowing what I know, and can rest easy because I'm surrounded by some of the best in the business.

Homeowners are still cautious about both selling and buying

nationalpost.com - Thursday, February 12, 2009

Statistics Canada reported that new-house prices inched down 0.1% nationwide from November to December last year, but it was a slower decline than expected. "While this report was slightly stronger than the market consensus, it is [still] indicative of a cooling housing market," says Ian Pollick, economics strategist at TD Securities. However, he does say declining housing starts will likely at least result in reduced inventories of unsold homes. "There is a silver lining here ... The lack of supply coupled with falling prices will eventually work together to create a more stable price environment," he says. And he echoes what many have been saying all along in this downturn: "Compared to the U.S., the Canadian housing market is not nearly in as bad shape." CREA, though, said in a forecast that the volume of homes sold across the country have further to fall in 2009, but are likely to stabilize next year. CREA reported MLS® home resale activity fell 17.1% last year and it projects a further 16.9% decline to 360,900 units sold this year. The CREA report expects Ontario, Alberta and British Columbia will lead this decline, taking national sales activity to the lowest level since 2000.

Market-value tax system is failing city

The Edmonton Sun – Friday, February 13, 2009

In any other political realm, when 3,400 taxpayers' complaints flooded in, alarm bells would ring and bureaucrats would be told to hit the decks running. That would be especially true if it were like Edmonton, where more than 7,000 property owners raised similar concerns last year. Market-value assessment was better because it was supposed to reflect the true property value and bring in more money. People don't complain for the sake of complaining. They're willing to go through the frustrating and time-consuming process of appealing their taxes because they don't believe their properties' "market value" reflect what they are worth if actually sold. Fair taxation is one of the key components of democracy. It's council's obligation to make "market" value reflect true value.

Canada's housing market dragged down by recession

nationalpost.com - Friday, February 13, 2009

Canada's housing market continued to soften in January amid declines in both the price and sales of existing homes, particularly in Ontario, British Columbia and Alberta, figures from CREA showed recently. Despite this decline, Derek Holt, an economist at Scotia Capital said the supply of unsold homes on the market was still too high relative to demand, putting downwards pressure on prices. The average house prices dropped 11.3% from a year earlier, the figures showed. Calvin Lindberg, the president of CREA said he was confident stimulus measures in the 2009 federal budget would help lift the sagging housing market. "Realistic pricing is the key to the sale of residential property in this market. Conditions also vary from one neighbourhood to another, so buyers and sellers should know those details," he said.

No thanks, just looking; Homeowners are still cautious about both selling and buying **National Post – Saturday, February 14, 2009**

Statistics Canada reported that new-house prices inched down 0.1% nationwide from November to December last year, but it was a slower decline than expected. "While this report was slightly stronger than the market consensus, it is [still] indicative of a cooling housing market," says Ian Pollick, economics strategist at TD Securities. However, he does say declining housing starts will likely at least result in reduced inventories of unsold homes. CREA, though, said in a forecast that the volume of homes sold across the country have further to fall in 2009, but are likely to stabilize next year. CREA reported MLS[®] home resale activity fell 17.1% last year and it projects a further 16.9% decline to 360,900 units sold this year. The CREA report expects Ontario, Alberta and British Columbia will lead this decline, taking national sales activity to the lowest level since 2000.

House prices, sales continue to decline; January Data **National Post – Saturday, February 14, 2009**

Canada's housing market continued to deteriorate in January amid declines in both the price and sales of existing homes, particularly in British Columbia, Alberta and Ontario, figures from CREA showed recently. While economists do not expect the housing downturn to be anywhere near as severe as in the United States or the United Kingdom, the fall in prices amid a rise in the household debt burden is expected to weigh on housing investment and keep the market in the doldrums for some time. "The ongoing sharp drop in home sales points to further declines in prices as well as a deeper pullback in new home building," said Douglas Porter, the deputy chief economist at BMO Capital Markets. Derek Holt, an economist at Scotia Capital, said the supply of unsold homes on the market was still too high relative to demand, putting downward pressure on prices.

City council weighs housing tax grab **The Calgary Herald – Saturday, February 14, 2009**

Certain members of council, along with Mayor Dave Bronconnier, have again regurgitated the idea of slapping a one-per-cent tax on the sale of new homes--and to go along with that, a second part of the idea is slapping the land development industry with another levy on new and redeveloped property. A city committee, though, has asked for more study of the available options. Word is the issue will be discussed and batted around until sometime this fall. It was galling when it was suggested last summer, but it's even more galling now given that house prices have declined, council has already approved tax hikes--and when some semblance of housing affordability has wiggled its way back into the marketplace after being absent for a few years. Not wanting it to look like a flat-out tax grab, the gang flowered it up by saying it is a stable source of revenue to deal with the affordable housing crunch.

Firm: Alberta's 2009 outlook OK **Sherwood Park News – Tuesday, February 17, 2009**

Commercial real estate company Avison Young has an optimistic outlook for Edmonton and Alberta in 2009. "Large infrastructure projects will remain an important driver of GDP (gross domestic product) growth in Alberta in 2009," Avison Young reports in its 2009 forecast for local, provincial and national economies. "We expect that a 'wait and see' attitude will proliferate over at least the first half of 2009 and those developers that build on speculation will continue to be rewarded as the forecast for Edmonton remains positive." Looking at the Edmonton area, population is expected to increase nine per cent over the next five years, with retail space predicted to expand by as much as 1.5 million square feet in the next two years. "Job growth will remain strong with a projected 60,000 jobs created over the next four years. The increase in population and job growth will create a larger work force and consumer base to fuel that expansion. However," the report warns, "softening retail sales combined with high construction costs for new development may hinder growth in this market." The report concluded, "Although purchasers will remain cautious, we believe Edmonton's strong real estate fundamentals will continue to attract investors."

REALTORS® deciding it's time to leave the business; Some agents seek other line of work due to poor sales

The Calgary Herald – Tuesday, February 17, 2009

As the Calgary housing market continues to dip, some real-estate agents are deciding it's a great time to leave the business. There were 5,510 licensed REALTORS® in the Calgary area in early February, compared with the 5,700 working here for most of last year. The drop in numbers coincides with a 34 per cent decline in sales of single-family homes and condos during the last three months of 2008 from the same time period the year before. There's less activity and less money to go around, especially after the boom period that brought several hundred new-comers into a job that relies exclusively on commission. Bonnie Wegerich, the board's new president, predicts a further exodus of about 275 members--or five per cent of the total--when membership renewal fees are due this March. "It's only fair to say we will see a drop, but we don't expect it to be significant," she said.

Housing's bottom is in sight: lender; Home Capital; But economists say the market is still falling

National Post – Wednesday, February 18, 2009

Canada's big banks may be hurting from the reduced demand for new mortgages, but at least one alternative lender says it sees a bottoming in the housing market and is benefitting enormously from it. "Demand has begun to surface," said Gerald Soloway, chief executive of Toronto based Home Capital Group Inc., one of a handful of alternative mortgage lenders that remain after the U. S. sub-prime meltdown sideswiped more than a dozen competitors in Canada over the past year. Sharp price declines have brought buyers back into the alternative market and a degree of "stability," Mr. Soloway said in an interview yesterday after Home Capital reported a 20% increase in fourth-quarter net

Cooling trend predicted ; National home prices and sales forecast to drop by about 3%

The Calgary Sun – Wednesday, February 18, 2009

After experiencing a significant reset in 2008, Canada's resale real estate market should see only modest price and unit sales corrections take place across the country during 2009. Both national average house prices and the number of homes sold are expected to decline this year, according to the Royal LePage 2009 Market Survey Forecast. Nationally, average house prices are forecast to dip by 3% from last year to \$295,000, while transactions are projected to fall to 416,000 (-3.5%) unit sales in 2009. In spite of this cooling trend on a national level, price and activity gains are anticipated in some provinces. As a more rational understanding of the issues gains ground, together with a wide range of announced corrective measures, consumer confidence is anticipated to recover, prompting real estate activity to pick up once again in the latter half of 2009.

'09 house prices to stabilize; Market expected to pick up in 2010, CMHC predicts

The Edmonton Journal – Friday, February 20, 2009

Prices for resale homes in the Edmonton region will continue slipping in 2009, but the end to the slide is in sight, says a new CMHC forecast. MLS® home prices for 2008 in the Edmonton census metropolitan area fell by 1.5% to \$332,853, said the CMHC's Prairies Housing Market Outlook released recently. Sale prices will begin 2009 well below the overall average for the previous year, but with fewer listings expected in 2009, the market should become more balanced between buyers and sellers, the report said. The federal agency predicts this will allow average residential resale prices to stabilize and then begin to increase month-over-month. "Despite this turnaround, the 12-month average price in 2009 will fall by 5.4% from 2008 to \$315,000," said the report. In its forecast released last month, the REALTORS® Association of Edmonton forecast predicted the average price for single-family homes is expected to vary throughout the year, but will end 2009 at \$352,000 -- virtually identical to the \$351,870 average selling price of December 2008. The forecast did not include a prediction for 2010. It predicted MLS® sales in 2009 falling to 15,500 homes, down more than 1,800 units from last year's tally of 17,317.

No upturn this year ; Housing woes to continue: CMHC

The Edmonton Sun - Friday, February 20, 2009

The CMHC forecast Edmonton's average MLS® price for 2009 will be \$315,000, down 5.4% from 2008's average of \$332,852. Average local prices are expected to rebound 3.2% in 2010, to \$325,000. New home starts in Edmonton fell to 2,613 single detached units in 2008, the weakest performance since 1995, and according to the CMHC's housing market outlook for the first quarter of 2009, it will likely be about the same this year. "When we did our fall outlook we had some optimism that there would be a bigger number this year," said Richard Goatcher, the CMHC's senior market analyst in Edmonton. While the city's inventory of unsold houses started to decline in September last year, the worsening economic climate has dampened chances of a rebound this year. But the numbers won't fall any farther after last year's 66% drop.

Falling home values keep move-up buyers on the sidelines

The Edmonton Journal – Saturday, February 21

A buyers' market may be the "perfect time to move up" because your dollar will buy you more, but few homeowners are doing it despite the great deals out there, says Cameron McNeil, of Mac Marketing Solutions. "The problem is ... it's hard for them (the move-up buyer) to see the condo that was worth \$400,000 six months ago now at \$320,000," he says. "But if they've owned it three years-plus they probably have equity built up. The bottom line is if you can get a great price on a quality asset and you'll be in the home for the medium to long term, it's worthwhile." "What we tell people is you'll never be able to see the bottom (in this buyers' market), but as soon as you see something you like that you can afford then buy it."

Real estate slide continues

St. Albert Gazette – Saturday, February 21, 2009

Home prices in the Edmonton area will fall 5.4 per cent in the coming year, the CMHC predicts. Sales volume will drop eight per cent in 2009, this on the heels of a 15 per cent drop in 2008. It would also be the third consecutive year of moderation. Alberta homebuyers are being cautious despite price reductions for existing homes, low financing costs and buyers' market conditions, the agency said in a press release. The sluggish new home market should start to see a very moderate recovery by mid-year and housing starts should achieve similar levels to 2008, said senior market analyst Richard Goatcher.

Secondary SUITES

The Edmonton Sun – Sunday, February 22, 2009

Changes to the Zoning Bylaw have made it easier to obtain development permits for secondary suites, garage suites and garden suites in the right circumstances. Also, the building code and fire code have been updated for construction requirements. All suites must have their own separate cooking, sleeping and bathroom facilities. A secondary suite is an accessory dwelling located inside a single detached house. Secondary suites create a wider variety of housing options for homeowners and renters. Secondary suites are a viable way to create an affordable supply of rental housing while reducing urban sprawl and making better use of existing infrastructure. When qualifying and paying for a mortgage, if you have a legal, conforming suite, the income from the suite might help.

Great chance for first-time BUYERS

The Edmonton Sun – Sunday, February 22, 2009

In 2009 we do not have to fight against the pressures of a fast-paced market. There are more properties to choose from and purchasers do not have to settle against their "wish lists." Purchasers can write offers with conditions to make sure their best interests are looked after. Rates are at a five-year low ... why wouldn't you purchase? If you looked at a house in January 2008 the average price was \$380,000. Consider you put down 5%; the total mortgage would be \$361,000 (not including mortgage insurance premiums). Based on the five-year rate at that time 5.84%; your monthly mortgage payment would be \$2,003. In today's market the average price is \$353,000. The total mortgage would be \$335,350 with 5% down (not including mortgage insurance) and today's five-year fixed rate is 4.39%. The monthly mortgage payment on this would be \$1,556.

Homelessness hard to define

The Edmonton Journal – Tuesday, February 24, 2009

John R. Graham supports a study that estimates as many as 300,000 Canadians without shelter cost taxpayers an astounding \$4.5 billion to \$6 billion annually. There is no need to exaggerate a very serious human need. There is no one-size-fits-all solution. Of course we need to provide help for the homeless who are chronically homeless and are not being helped. The federal government has been spending \$10 million annually for the homeless in Edmonton alone. We can do more. Homelessness is an extremely complex issue.

Edmonton still No. 1 for real-estate investing, author says; Economic slump seen as temporary setback

The Edmonton Journal – Tuesday, February 24, 2009

Is Edmonton still the best place to invest in residential real estate? "Absolutely, it is," real estate author and consultant Don Campbell said recently during a visit to Edmonton from Vancouver. "There's no way the world can continue to afford \$30 and \$40 oil. ... Eventually, within 18 or 24 months, we're going to see the market come back to something that's more normal." Campbell is author of Real Estate Investing in Canada 2.0 and president of the Real Estate Investment Network (REIN), a business that offers training to its members on real estate investing. Last summer, a REIN report ranked Edmonton as the best place to invest in residential real estate, followed by Calgary, Red Deer, St. Albert and Grande Prairie. Devon placed ninth and Sturgeon and Strathcona counties tied at 10th. The list was compiled from a survey of statistical and demographic data from Statistics Canada, CMHC., MLS® and other sources. He said that Edmonton will top the list for the next five to 10 years, and with mortgage rates "ridiculously low" and likely to drop further, savvy investors could look like geniuses several years from now.

City of opportunity ; Consultant says Edmonton tops for real estate investment

The Edmonton Sun – Tuesday, February 24, 2009

Don Campbell, a real estate investment adviser and head of Calgary-based Real Estate Investment Network, said while people are understandably dismayed by the current recession, Alberta still has strong economic fundamentals. "Every indicator is showing Edmonton to be the hot place for investment in the next five to seven years, in North America." The province benefits from what he calls the "three Fs" that the world will need over the next decade: food, fuel and fertilizer. Campbell said the world's growing population will require more food, which in turn will increase the demand for fertilizer, much of which is petrochemical-based. "The world can't afford \$40 oil," he added. And despite its "dirty" reputation, the product from Alberta's oilsands is still more palatable than oil from wartorn regions of the world.

National house-price index confirms end of five-year seller's market

The Edmonton Journal – Thursday, February 26, 2009

The most recent Teranet-National Bank composite house-price index -- a measure of six major urban markets across Canada -- showed house prices in December down 0.6 per cent from a year earlier. "It confirms that by year end, after more than five years of seller's-market conditions, Canadian housing as a whole had become a buyer's market," National Bank Financial said in a statement accompanying the numbers. Real estate prices have been coming down from their highs in most areas. So have mortgage rates. That can be a winning combination for homebuyers, especially for those taking the first-time plunge," Adrian Mastracci, a portfolio manager with KCM Wealth Management in Vancouver said in a report.

Office space picture OK

The Edmonton Journal – Thursday, February 26, 2009

The commercial real estate market is in rougher shape than it was a year ago, but this is nothing compared to the early 90s, according to CB Richard Ellis Ltd. "Whatever this is folks, it is not the early 90s," John O'Bryan, vice-chairman of CB Richard Ellis, told an audience of 1,300 real estate professionals. "Not only was the development industry operating at warp speed, but we were literally heading where no man had been before." He pointed out, interest rates are much lower. But there is also less supply of office space coming on stream with the exceptions of the downtown areas of Toronto and Calgary and suburban Ottawa.

First-time homebuyers could lead rebound

Grande Prairie Daily Herald-Tribune - Thursday, February 26, 2009

Lower home prices and shifting demographics mean first-time buyers could lead a rebound in Canada's real estate market, experts said recently at a real estate conference in Toronto. Phil Soper, president and CEO of Brookfield Real Estate Services, said rookies are the largest category of buyers in the real estate market, accounting for close to 70 per cent of all transactions at the height of the housing boom. Such a lack of first-time buyers can grind the real estate market to a halt, Soper told Scotiabank's annual real estate outlook conference. "If you think of the traditionalists, the older people who went through very different economic times, they're very, very conservative about mortgages and debt as it relates to housing," Soper said. "Today's first-time buyer views this as just a natural way to get into the market."

Renovation tax credit benefits 'limited: ' Bank; Falling housing prices, job worries likely to curtail home makeover plans, Scotiabank says

The Toronto Star – Thursday, February 26, 2009

The federal government's household renovation tax credit may not give the much-needed lift to the construction industry and the economy Canadians may be hoping for, Scotiabank says. "It certainly has the potential to provide a boost, but overall the opportunities for it to provide a significant boost to offset the construction gap are fairly limited," Scotiabank economist Adrienne Warren said at a real estate outlook presentation at the bank's downtown Toronto headquarters. However, the main factors behind the recent renovation boom, including record existing home sales, rising home equity, high new home prices, record ownership rates, an aging housing stock and strong job and income growth "are no longer supportive," Warren said. "If you've got rising house prices you're a lot more confident about putting in that granite countertop." Scotiabank is forecasting housing starts to fall to 155,000 units this year, below long-term replacement demand and far below the 211,056 units registered in 2008.

Commercial market better than in '90s; Ellis outlook

National Post - Thursday, February 26, 2009

The commercial real-estate market is in rougher shape than it was a year ago but this is nothing compared to the early 1990s, according to CB Richard Ellis Ltd. "Whatever this is, folks, it is not the early '90s," John O'Bryan, vice-chairman of CB Richard Ellis, told an audience of 1,300 real-estate professionals. "Not only was the development industry operating at warp speed but we were literally heading where no man had been before." Last decade developers were getting 7% yields but were borrowing at 11% -- a crash was inevitable. Today, interest rates are much lower. But there is also less supply of office space coming on stream, with the exceptions of downtown Toronto and Calgary and suburban Ottawa. CB Richard Ellis does like the apartment market. "In most markets, all of the fundamentals are moving in the right direction," Mr. O'Bryan said. "The decline in housing starts, combined with continued immigration, is good for rental occupancy and rents."

Homebuyers winners in council tax fight; Land Transfer Tax Defeated

The Calgary Herald – Saturday, February 28, 2009

Calgary city council has narrowly defeated a proposal that would have seen a land transfer tax imposed on everyone selling their home. In a letter to the mayor and aldermen prior to the recent vote by council, the Calgary Real Estate Board and the Alberta Real Estate Association called the tax unfair. "It is essentially a home buyers' tax and singles out a select group of individuals for taxation," says board president Bonnie Wegerich. "It asks homebuyers to pay for municipal services which would benefit the entire community." Council was considering asking the province to allow changes to the Municipal Government Act that would allow the city to collect a tax of at least one per cent on the sale of homes, with the money to help finance affordable housing.

Banks see room for hope

The Edmonton Journal – Saturday, February 28, 2009

There's light at the end of the tunnel, say reports from two major banks forecasting the Canadian economy will begin to rebound in the second half of this year. Despite growing pessimism that such a recovery will materialize, the Bank of Montreal and National Bank say rate cuts worldwide, massive stimulus plans, a turnaround in the battered U.S. housing sector and a weakened Canadian dollar will turn the tide.

Real estate market prime for first-time buyers; Many incentives for new homeowners

The Calgary Herald – Saturday, February 28, 2009

They're back--but if they're not, they should be. A few years ago, before diminishing affordability sent them scurrying to the sidelines to continue to share accommodation or hang out at their parents' homes, first-time buyers were a force to be reckoned with. Firsttime buyers are back in the game, if they want to be. Sellers are having to bring their asking prices back to more realistic levels to attract an anxious, but cautious, pool of buyers who know they now have more say over what happens in the marketplace. Mortgage rates and housing prices are trending down--at least for the time being. That should be good news for those looking at home ownership for the first time. Another factor to consider is that "because this is not the market to be flipping homes, people should be buying with the intention of living in them for a few years," he says. "Buy them because they can be homes, not a short-term investment."

Increase in home sales brings hope

The Calgary Sun – Tuesday, March 3, 2009

A bright ray of optimism has pierced the leaden clouds that were hanging over Calgary's real estate market early this year. Sales of single-family homes increased 50% to 825 units in February compared to January, show figures released by the Calgary Real Estate Board. Condominium sales rose 52% to 334 units during the same period. But despite the more brisk pace, activity and prices in Calgary's real estate market are a far cry from what they were at this time last year. Unit sales of single-family homes plunged more than 34% in the course of one year, while condo sales retracted 39%. Prices declined as well, albeit at a slower rate. A single-family home that one year ago cost \$471,696 now costs \$415,568, a price drop of nearly 12%. Condo prices fell almost 14% in the course of one year, from an average price of \$311,812 to \$268,971.

CRB: City third in affordable housing needs

St. Albert Saint City News – Friday, March 6, 2009

St. Albert was recently voted third out of 25 municipalities in the Capital Region in need of affordable housing. Lory Scott, planning and development manager for the City of St. Albert, said the Capital Region Board (CRB) determined that St. Albert falls only behind Edmonton and Strathcona County in terms of affordable housing need. She announced the ranking at a regular meeting on Monday, Feb. 23. "Over 90,000 households are deemed to need affordable housing in the Capital Region," Scott said. "Without affordable housing units, the region will be unable to attract an entry-level workforce." St. Albert city council recently approved dissolving housing decision-making to the CRB. Mayor Nolan Crouse was expected to relay that support in a vote at the last CRB meeting. The result of the motion was not available by press time. The CRB would be responsible for spearheading a regional plan on how to develop enough affordable housing to meet demand.

Optimism in Edmonton market

The Calgary Herald – Saturday, March 7, 2009

It's the sweet smell of optimism. At a time when single-family home builders in the Edmonton area are fighting a lack of consumer interest--along with competition from resale housing--CMHC expects a slight increase in construction starts later this year. "Provided new home inventories decline in the months ahead, we remain optimistic that a modest uptick in single-detached starts should occur during the second half of 2009," says Richard Goatcher, senior market analyst for CMHC in Edmonton. Builders started work on 147 detached homes in January, down about 30 per cent from the 209 foundations poured during the first month of 2008, says CMHC. "Government expenditures on infrastructure and capital spending will help to buffer the region from the economic slowdown impacting much of North America," he says.

Breaking up with your mortgage; Variable rates look pretty attractive

nationalpost.com – Saturday, March 7, 2009

Another rate cut recently from the Bank of Canada led all of the major banks to lower their prime lending rate to a new low of 2.5%. Consumers who locked into variable-rate mortgages tied to prime before credit markets tanked are getting as much as 90 basis points below prime and borrowing as low as 1.6%. It's the deal of the century. While not encouraging people to break their mortgages, the banks are acknowledging that some consumers who locked into higher rates can save money if they refinance at the new lower rates. "I think it does make sense as an option for some people trying to lower their rate," says Joan Dal Bianco, vice-president of real estate-secured lending at TD Canada Trust.

Home sales climbing, prices dropping; St. Albert falling in step with the Edmonton market

St. Albert Gazette – Saturday, March 7, 2009

While inventory levels remain high, the numbers are a sign that "fence-sitters" are starting to get into the market, said Charlie Ponde, president of the REALTORS® Association of Edmonton. "People are taking time to make up their mind because of the choices they have," Ponde said. "But at least they're coming out and they're getting into my car and somebody else's car to view properties. That's a very positive sign." Year-to-date sales in St. Albert are five fewer than the 84 seen last year, but well under the 106 in the first two months of 2007. Ponde felt St. Albert prices have fallen in step with the overall Edmonton market, where the average price fell 1.5 per cent from January and 8.7 per cent from last year.

Downhill slide ; Housing starts continue year-over-year declines

The Edmonton Sun – Tuesday, March 10, 2009

The Edmonton area saw new home starts slump 69% in February compared to the same month last year, a slightly larger drop than the 64% fall experienced in January. Housing starts in February totalled 213 units, down from 692 started in February 2008. Much of the slump can be attributed to low starts in multiple family units - especially apartments and row housing. Builders started 64 multifamily units last month, down 86% from the 449 units started in February 2008. Richard Goatcher, senior market analyst in Edmonton for the CMHC, said that's due to the numbers of multifamily units due for completion over the coming months. "They're still very high by historic standards." The new apartments and condos coming onto the market will add to an already large inventory, he said, signalling that new starts in that sector will remain low for some time.

Housing starts drop 69.2%; Builders waiting for market to clear out inventory glut

The Edmonton Journal – Tuesday, March 10, 2009

Housing starts fell again in the Edmonton region for February, with homebuilders waiting for sales of new and existing homes to rebound before picking up tools again. Total housing starts were down 69.2 per cent from last February -- to 213 from 692, according to preliminary figures released by CMHC. New housing starts in the Edmonton census metropolitan area have reached 626 this year compared with year-to-date activity in 2008 of 1,837. That's down 65.9 per cent. Multiple-unit starts led the decline with a near-86-per-cent drop from February of last year, the CMHC said.

The interest is BACK ; Majority thinks it's time to buy: RBC survey

The Edmonton Sun – Wednesday, March 11, 2009

There may be no group in the real estate market that's more important than first time home buyers. They drive the market and at the height of our housing boom they accounted for close to 70% of all transactions in the country. Now it seems that many first time buyers are re-entering the market. First time buyers are out there again and are taking advantage of the buyer's market. Today's generation of first time buyers, in their late 20s and early 30s, are real estate savvy and confident about their future. A large majority of Canadians, 83%, feel that homeownership is a good investment thanks to low mortgage rates and favourable housing prices according to the Royal Bank of Canada's 16th Annual RBC Homeownership Survey.

Canada feeling weight of U.S. downturn

nationalpost.com – Thursday, March 12, 2009

The sharp decline of the U.S. economy is taking a toll on Canadian businesses and consumers, a new report released recently says, but growth is expected to resume through the second half of the year, owing to "increasingly aggressive" measures from North American policymakers. "Canada's economy is definitely feeling the weight of the U.S. recession," said Craig Wright, vice-president and chief economist at Royal Bank of Canada in the bank's provincial economic outlook forecast. Plummeting demand from American consumers as they reign in spending has hurt Canadian companies in industries from mining to manufacturing, with commodity prices and auto sales witnessing dramatic declines in recent months. "Canadian and U.S. policymakers have become increasingly aggressive in implementing measures to reverse the downturn and boost growth," Mr. Wright said. "In response to these aggressive steps, we expect Canada's recovery to start in second half of 2009 and gain momentum in 2010."

New-home prices plummet; Edmonton area hit with worst monthly drop in country, at 2.8 per cent

The Edmonton Journal – Thursday, March 12, 2009

Edmonton recorded the steepest declines in monthly and annual new house prices in the country, Statistics Canada said recently. Prices in the Edmonton census metropolitan area dropped 2.8 per cent between December and January. Calgary posted the second biggest monthly decline at 2.1 per cent, followed by Victoria at 1.1 per cent and Vancouver at 0.7 per cent. "Builders in all four cities report difficult market conditions," said the federal agency. Nationally, prices fell 0.6 per cent. "What this tells me is that we've got housebuilders out there still sitting on a fairly large supply of inventory and they are discounting prices in order to get that inventory off the books and move it," Goatcher said.

Sweat The Golden Years; "Silver buyers" will change urban housing patterns over the next few years

National Post – Friday, March 13, 2009

Some 3.7 million Canadian Boomers are between 55 and 64 years old, prime retirement age, according to Statistics Canada's 2006 census. In less than 10 years, that age group will skyrocket to one in five Canadians. The huge numbers will mean changes to how and where we live. The changes have already started, with builders unveiling adult-lifestyle communities of bungalow townhomes, sometimes including a central community centre where residents gather for cards, potlucks or swimming classes. Condo builders are attracting silver buyers with luxury apartments featuring tennis courts and hobby rooms. The demand for smaller homes is fuelling price increases, at least in condominiums. According to Sandra Perez Torres, CMHC's senior market analyst for Ottawa, retirees and young professionals are the major buyers of condos. Relatively higher condo prices -- and retirees helping ignite them -- were the story in most major Canadian cities, Ms. Perez Torres says.

The interest is back ; Majority thinks it's time to buy: RBC survey

The Edmonton Sun - Friday, March 13, 2009

First time home buyers drive the market and at the height of our housing boom they accounted for close to 70% of all transactions in the country. Today's generation of first time buyers, in their late 20s and early 30s, are real estate savvy and confident about their future. A large majority of Canadians, 83%, feel that homeownership is a good investment thanks to low mortgage rates and favourable housing prices according to the Royal Bank of Canada's 16th Annual RBC Homeownership Survey.

Alberta hurting most: RBC; Low energy prices fuelling an expected 2.3% drop in GDP this year
The Edmonton Journal - Friday, March 13, 2009

Alberta's economic decline will be the sharpest among Canadian provinces this year, but growth will resume in 2010, RBC predicted recently. The rapid fall in oil and natural gas prices will take their toll on drilling for new wells and oilsands megaprojects, while both homebuyers and shoppers will cut spending, the bank said in a report. The result is a projected 2.3-per-cent drop in GDP. "Losing the thrust that the building sector and strong resource revenues brought to the province's economy in recent years will prove hard to overcome for Alberta, which is now facing its first contraction since 1986," said Craig Wright, RBC senior vice-president and chief economist. RBC said only Saskatchewan, Manitoba and Nova Scotia are forecast to grow economically this year. The biggest declines are expected in Alberta, British Columbia, Ontario and Newfoundland and Labrador, RBC said.

Housing starts on the decline
Sherwood Park News – Friday, March 13, 2009

Much like the rest of the country and its metropolis big brother west of Highway 216, Strathcona County has seen its housing starts decline in 2009. According to CMHC, year-to-date totals for housing starts in the county are down 25.6 per cent from 2008's levels through the first two months of the year. Since January 1, 32 single-detached dwellings have begun construction in the county. That figure is down from the 43 units that saw their construction begin during the first two months of 2008. Comparing February housing starts for Strathcona County between this year and February 2008, the number of new developments dropped from 19 in 2008 to 16 in 2009 for single-detached dwellings. No multi-family dwellings began construction in January or February of either this or last year in Strathcona County.

Alberta bound for economic rebound, chamber told
St. Albert Gazette – Saturday, March 14, 2009

As president and CEO of the Edmonton Economic Development Corporation, Ron Gilbertson feels the entire region is well positioned to benefit from the inevitable upswing in the economy. When that will come, however, is anyone's guess. "My number one conclusion is nobody knows what the hell is going on," Gilbertson said. "If anybody's telling you with any degree of certainty what's going on, I don't believe them." Gilbertson restated the opinion of many economists, that the current recession will be longer and more severe than most initially thought. But he cautioned against putting much faith in the regular economic forecasts that get reported. Among the more recent forecasts for Alberta in 2009: a two per cent decline in GDP, projected by Alberta Finance and a half per cent decline predicted by the Conference Board of Canada. He's much more certain about Alberta's long-term prospects, which are very bright. That's because the province is now a recognized energy superpower, with the oilsands ranked as the world's second largest source of oil next to Saudi Arabia.

Calgary builders getting into fighting trim; Tax incentives join low mortgage rates for buyers
The Calgary Herald – Saturday, March 14, 2009

The general manager of the Sterling Group of Companies--which includes Sterling Homes and Pacesetter Homes--gave me his take on what's likely to play out for the industry from Sterling Group's perspective. While show home traffic is up compared to what it was before Christmas, there's still a ways to go before some semblance of normalcy returns. There's still a lot of work to do, says Bill Bobyk. "This year will be a big correction," says Bobyk. "It will be a year when we learn better how to deal with the market we're in --and it will take most of the year to make that adjustment." It's what Bobyk terms "flushing the excess out of the system"--getting rid of their inventory of land and homes--to make things happen. "I think what you're going to see is a more affordable product and we'll get to the point where people will actually be able to afford a house," he says.

Market showing signs of life; Continue rally, hopeful housing, retail numbers promising
The Edmonton Journal – Tuesday, March 17, 2009

Reassuring words from British bank Barclays PLC of a strong start to the year, and comments from U.S. Federal Reserve chairman Ben Bernanke recently that the recession in that country may end this year, helped drive stocks higher around the world. The story was the same in the housing sector, in which the number of homes being sold and the price they sold for fell, but the rate of decline offered a glimmer of hope for a return to balance in the market. "It looks like the Category 5 hurricane which had been pounding the home resale market has been downgraded to 'just' a Category 4," said BMO Capital Markets economist Douglas Porter. As well, the 9.2-per-cent annual drop in prices reported is smaller than year-over-year drops posted in the past four months, CREA said. A Scotiabank survey showing robust consumer spending suggests the retail side of the economy may not be as bad as predicted.

'Hurricane' in house market downgraded; Resales rise for first time since September, 2008
National Post – Tuesday, March 17, 2009

Canada's housing industry showed signs of life in February after several months of declines, with resales rising 8.6% from January thanks to lower mortgage rates and prices, CREA reported. Despite February's gains, sales are still down 31% year over year and prices have fallen 9.2% in the past 12 months, CREA said. "It looks like the Category 5 hurricane which had been pounding the home-resale market has been downgraded to 'just' a Category 4," said Douglas Porter, an economist at BMO Capital Markets. A total of 28,669 homes changed hands in February on a seasonally adjusted basis via the industry group's MLS®. That marks the first month-to-month uptick in home-resale activity since September, 2008. Mortgage rates, meanwhile, are near historic lows. On Friday, for instance, TD Canada Trust lowered its seven-year fixed mortgage rate by 0.2 points to 6.8%.

Prices favour homebuyers ; Average Fort home costs \$352,000
Fort Saskatchewan Record – Tuesday, March 17, 2009

Homebuyers continue to have a strong advantage in the capital region as home prices continue to fall and houses stay on the market longer, a national real estate organization confirmed. With fewer houses on the market, the Edmonton area is one of 22 housing markets in Canada that favour homebuyers, a Re/Max report looking at 32 housing markets across the country shows. The capital region market peaked with 11,000 homes listed in mid-2008 but has since dropped closer to 7,000, the Re/Max report indicates. The cost of an average Fort Saskatchewan single-family home was six per cent lower last month than the same time last year, according to the latest numbers from the REALTORS® Association of Edmonton.

Economic malaise spreads from coast to coast: Scotia
nationalpost.com – Tuesday, March 17, 2009

Scotia Economics, in its latest provincial outlook, said deep declines in manufacturing activity in much of Central Canada "is now being reinforced by a loss of momentum across goods- and service-producing industries, with consumers, builders and resource producers all in retrenchment mode." Adrienne Warren, senior economist at Scotia, said even the once-booming resource-driven economies in Western Canada have been caught in the financial storm. "The sharp fall-off in global commodity demand and prices are leading to substantial declines in retail and housing activity, in addition to deep cutbacks in capital spending plans," Warren said, "In Alberta alone, over \$40- billion worth of capital projects have recently been postponed or cancelled."

Alberta endorses 10-year provincial plan to end homelessness; Alberta Secretariat for Action on Homelessness delivers Canada's first provincial strategy

M2 Presswire – Tuesday, March 17, 2009

The Government of Alberta has approved an ambitious 10- year plan aimed at ending homelessness in Alberta by 2019. The plan, developed by the Alberta Secretariat for Action on Homelessness, identifies specific actions and immediate priorities to support the creation of permanent, safe housing for the homeless and outlines the associated services needed to break the cycle of homelessness. The provincial 10-year plan aligns with, and supports, municipal plans to end homelessness. 'I want to thank the members of the Alberta Secretariat for developing this outstanding plan,' said Yvonne Fritz Minister of Housing and Urban Affairs. 'They have addressed the complex and often interconnected issues related to homelessness and highlighted the need to provide homeless people with a safe, permanent place to live.' The plan adopts a 'Housing First' approach of providing immediate housing along with client-centred support services such as mental health services, addictions counseling, employment training and other tailored supports as needed.

Downturn hits all provinces; Scotia Economics report

National Post – Wednesday, March 18, 2009

The global economic downturn has left no Canadian province unscathed and forced a growing number of sectors into "retrenchment mode," according to a recent report. Scotia Economics, in its latest provincial outlook, said a deep decline in manufacturing activity in much of Central Canada "is now being reinforced by a loss of momentum across goods-and service-producing industries, with consumers, builders and resource producers all in retrenchment mode." Adrienne Warren, senior economist at Scotia, said even the once-booming resource-driven economies in Western Canada have been caught in the financial storm. "The sharp fall-off in global commodity demand and prices is leading to substantial declines in retail and housing activity, in addition to deep cutbacks in capital-spending plans," Ms. Warren said.

Commercial vacancy rates rise across Canada, Edmonton not immune

The Edmonton Journal – Friday, March 20, 2009

Canada's residential housing market isn't alone in being hit hard by the economic downturn -- commercial real estate in the country's major markets is also taking a hit in the first quarter of 2009, with vacancy rates on the rise across the board, according to a report from CB Richard Ellis Ltd. The report cites declines in the manufacturing, retail and resource sectors as contributing to the 7.5-per-cent vacancy rates for downtown and suburban space, up from 6.3 per cent last year. The net absorption rate continued to decline, from 2,642,611 to 2,013,299 square feet, from the year-ago period, due to increased commercial inventory and rising unemployment, the report said. "The residual effects of the Canadian economic downturn continued to impact first-quarter commercial real estate market conditions," said John O'Bryan, vice-chairman, CB Richard Ellis. Edmonton's year-over-year rate climbed from 4.9 to 6.5 per cent.

Regional plan finally approved; Local leaders target development, transit

The Edmonton Journal – Friday, March 20, 2009

Following decades of bickering and debate, Edmonton-area municipalities finally approved a regional growth plan recently that could guide development for generations. The report, passed 19-6, outlines how local leaders will deal with public transit, affordable housing, geographic information and land-use issues for a district that stretches from Andrew to Enwistle and Legal to Leduc. "As we look out 10 to 25 years, I think we will see a region that's more intensified, less sprawling and less reliant on individual transit," interim chair Chris Sheard said. But most board members echoed the words of Edmonton Mayor Stephen Mandel, who said the document reflects compromises, and won his city's support "even with all the warts. Somewhere along the way we have to find a way to work together to build a more compact, transit-oriented region."

Selling homes and keeping clients happy

Leduc Representative - Friday, March 20, 2009

My day in the life with Bland taught me that realtors do not just sell houses. They help people find a house they can make a home. They make sure after a client sells or buys that they are satisfied. Most importantly they educate people on what could possibly be a person biggest purchase in their lifetime. At the beginning of our day together Bland explained to me that realtors are a different kind of breed and by the end of the day I understood how true that was.

Make all taxpayers pay for basic infrastructure improvements: CHBA

The Toronto Star – Saturday, March 21, 2009

Municipal development charges imposed on the cost of new homes are limiting economic recovery opportunities and making the current recession worse, according to a Canadian Home Builders' Association (CHBA) report released recently. The report by Altus Group Economic Consulting says development charges "are clearly having a noticeably negative effect" on the health of the Canadian housing market. CMHC has estimated that government levies, fees and development charges can comprise 18 per cent of the price of an entry level new home. The Altus report recommends that municipalities make greater use of alternatives to development charges, such as debt financing, the property tax base and user fees.

Alberta sales set to rise next year; Real Estate Starts Slow Climb

The Calgary Herald – Saturday, March 28, 2009

Alberta will show the second strongest resurgence in sales activity among the provinces next year, says a national survey. Facing a predicted decline of 19.1% this year, Alberta will see a rise of 15.2% in sales in 2010, says CREA. Nationally, CREA is calling for a rebound of nearly 10% to 396,600 transactions in 2010 based on an expected strong second half of that year. CREA president Calvin Lindberg of Vancouver says new listings have been trending steadily lower after peaking in April to June 2008, and that trend is expected to continue. It's that combination of more sales and fewer listings that will "stabilize" the resale housing market in 2010, he says. But before any of these improvements begin to show up, there's 2009 to get through. After sales declined 17.1% in 2008, CREA is predicting a nearly similar decline this year of 16.9% to 360,900--the lowest level since 2000. "We are caught in a cycle where consumer confidence has been eroded because of job losses, and consumer confidence is an essential ingredient for housing sales activity," says Lindberg. As for prices, the average selling price in Alberta this year will likely drop by nearly 9% to \$321,500, dipping another 1.1% in 2010 to \$318,000. The CREA forecast put together by chief economist Gregory Klump shows that fewer transactions in some of Canada's more expensive housing markets, combined with reduced asking prices, will likely continue to put downward pressure on average prices.

Low rates not the only factor; Financial Planning

National Post – Monday, March 30, 2009

"The overall mortgage rate environment in Canada is exceedingly good. You can get a five-year fixed mortgage for less than 5% ... there have been increases in the variable rate product -- it used to be there was a discount up to 1%," says Jim Murphy, president and CEO of the Canadian Association of Accredited Mortgage Professionals (CAAMP). "Today the best you can do is probably prime plus 0.6%." This means that as the prime rate has fallen, variable customers could be looking at a rate as low as 3.6%. "Going into the second half of this year, we will start to see a lower mortgage rate," says James Marple, economist in economic forecasting at TD Economics. "Going into 2010, we're starting to see signs of an economic recovery ... We start to see inflation picking up and we will see short-term interest rates rise." "I think the lenders are trying to provide the best products they can in uncertain times," said Mr. Murphy.

City economy will shrink in '09 -- report; Turnaround forecast for 2010

The Edmonton Journal – Wednesday, April 1, 2009

A downturn in the energy sector will shrink Edmonton's economy in 2009, said a forecast from the Conference Board of Canada. Real gross domestic growth is forecast to contract in Edmonton by 0.2%, said the not-for-profit economic think-tank in its Metropolitan Outlook, Spring 2009 report. "Edmonton's economy has weakened significantly as oil prices have fallen," said the report. On the brighter side, the forecast calls for the Edmonton economy to expand by 3.1% in 2010 and average 3.8% growth per year between 2011 and 2013. "Edmonton will experience recessionary conditions in 2009," the report said. This will further weaken employment and net migration, and cap housing starts." Falling housing starts pushed the construction sector's output down by 5.3% in 2008 -- a trend expected to continue in 2009 when it's forecast to fall by a further 5.1%, said the report. "Fortunately, a recovery is expected to begin next year. Total construction output growth is anticipated to increase by 2.2% growth in 2010 and average 3.7% between 2011 and 2013.

Condo projects feel pinch; Shrinking demand forces builders to cut back on finishing units

The Edmonton Journal – Thursday, April 2, 2009

Slow sales will force builders to shelve more than a third of the multi-family homes now under construction in Edmonton in 2009, says a new report. As part of its spring and summer newsletter reviewing 11 Canadian cities, commercial real estate firm Avison Young looked at how a large influx of multi-family units now being built would affect the Edmonton region's rental market vacancy rates. It concluded the impact on the rental market of a coming bulge of condos under construction will be lessened by the fact that many of the condos won't be finished this year. "While the 8,000 multi-family units currently under construction are concerning, it is anticipated that at most 5,000 will be completed in 2009, as poorer sales activity forces builders to delay construction and halt some projects altogether," said the report. "At the moment it is estimated that 700 have been halted indefinitely with potential for more to come." Guy St. Germain, president of the Edmonton branch of the Canadian Home Builders' Association agreed with the report conclusions, but said there's another side. "What's going to happen -- to give it a positive spin -- is that it's going to be a more competitive market." Construction costs are also falling, he said. "But definitely, there is a market correction going on."

City home prices stabilize; Average cost of single-family house hovers around \$350,000 --10% lower than year ago

The Edmonton Journal – Friday, April 3, 2009

After months of slow decline, Edmonton-area home prices appear to have plateaued. The average price of a single-family home in the Edmonton area hovered around \$350,000 for the first quarter of 2009, according to MLS® statistics released by the REALTORS® Association of Edmonton. At the end of March, the average price of a single-family dwelling was \$349,716 -- down 9.8% from the same time last year. Condominium prices are on a slightly rockier track, ending March at an average price of \$230,469. The average condo price in March was down 12.4% from the same time last year. Association president Charlie Ponde said the period of little change shows home prices are stabilizing after slipping steadily from their peaks in mid-2007, he said. "Overall, prices have dropped gradually in an orderly market," Ponde said. "We are now in a four-month plateau period." Compared with March of last year, sales and prices are down across the board. Ponde said that's no surprise because the market couldn't sustain last year's "torrid" pace. Residential sales for the year to date total 3,185 units -- down 28% from the same period last year. "But the pace is picking up," Ponde said. "With price stability, low interest rates, spring weather and pent-up demand, it appears REALTORS® are starting to get busy again."

Eased mortgage rates point to consumer-driven rebound; Bernanke is delivering
nationalpost.com – Friday, April 3, 2009

U.S. Federal Reserve Chairman Ben Bernanke is delivering what he promised five months ago, record-low mortgage rates and a refinancing boom that's putting cash in consumers' pockets. Fixed 30-year mortgage rates fell to a record low for the second consecutive week, hitting 4.78%, Freddie Mac said in a statement. Mortgage applications in the U.S. rose for the fourth straight week as a decline in borrowing costs spurred homeowners to refinance, while purchases of new houses unexpectedly rose in February. Cheaper financing may also help spark a turnaround in the housing market. Sales of previously owned homes rose 5.1% to 4.72 million at an annualized pace in February from the prior month as low mortgage rates spurred demand, the National Association of REALTORS® said. The median U. S. home price in February was \$165,400, the NAR said in a March 23 report, down 28% from its 2006 high. U.S. home prices fell 6.3% in January from a year ago, the smallest decline in five months, according to the Federal Housing Finance Agency in Washington. "We have seen evidence that home sales are bottoming," said Jim O'Sullivan, senior economist with UBS Securities LLC, in Stamford, Connecticut. "This should be positive."

House prices, listings drop; Prices dip between eight and 25 per cent in first quarter
St. Albert Gazette – Saturday, April 4, 2009

The average sale price of a St. Albert home was \$78,000 less in the first quarter of 2009 than the same period a year ago, according to figures released by the REALTORS® Association of Edmonton. Single-family homes in St. Albert sold for \$385,000 on average in the first three months of 2009, a 17% drop from the \$463,000 average posted in the same period last year. St. Albert REALTOR® Charlie Ponde, who is also the president of the REALTORS® Association, downplayed any comparison to last year, which he said was residue of the heated market of 2006 and 2007. "We can hope all we want but we are not [expecting] the same numbers," Ponde said. "This is a brand new economy, a brand new market." The average price of a single-family home in the Edmonton region has settled at around \$350,000, Ponde said. Meanwhile, St. Albert prices have hovered around \$380,000 for the last two months. Prices are now comparable to 2005 levels, Ponde said. Inventory levels are much lower now than a year ago, with 249 single-family homes listed on the MLS®. A year ago there were approximately 400 single-family homes listed.

Alberta outlook weakens; Economy seen shrinking 1.8% this year
The Calgary Herald – Tuesday, April 7, 2009

The outlook for Alberta's economy is weakening along with the rest of the country, a new forecast said. The Conference Board of Canada now predicts Alberta's economy will shrink 1.8% in 2009 as falling commodity prices prompt energy companies to slash spending. Pedro Antunes, the board's director of national and provincial forecasts, said most of the pain will be felt in the first quarter, with the economy expected to contract 7%. "That's going to feel a lot more like a recession this year," Antunes said. Growth will not return until the fourth quarter, he said, when government stimulus programs start to kick in, helping to shore up consumer confidence. At the same time, there are some signs that the U. S. housing and auto sales have hit "rock bottom." Employment numbers for March will be released soon, with most analysts expecting another 50,000 jobs lost last month. Alberta's unemployment rate will rise to 6.9% next year. The rate rose to 5.4% in February. But even with rising unemployment rates, Alberta will continue to draw people from other provinces. "The migration numbers are holding up," said economist Marie-Christine Bernard. "Even though the job market is not in good shape, it still is doing a lot better than in Ontario." Still, cancelled energy projects will deliver a \$20-billion hit to Alberta's economy this year alone, Bernard noted. But the majority of those projects should start to proceed again with a recovery in commodity prices, which the board expects to take hold next year.

Fort house prices stabilizing

Fort Saskatchewan Record – Thursday, April 9, 2009

Low mortgage rates, a continued high volume of sales and the fact that all regional markets react differently are some of the factors experts point to as reasons that would-be home owners need not panic. "We don't want to compare to eastern Canada or in Vancouver. We're a very regional market," says Charlie Ponde, president of the REALTORS® Association of Edmonton. "The activity in the east, it's picked up but their sales levels are not like ours." The average housing price in Fort Saskatchewan for the month of March was \$355,417, just below the average for the year to date of \$360,409. "What we are forecasting is for the sales to be steady and then to inch up. The prices are not going to be much higher than where they are," says Ponde, who believes this particular recession is different than those in past decades.

Sales of B.C. recreation properties drying up; Prices drop 20% as major layoffs roll into Alberta

The Calgary Herald – Saturday, April 11, 2009

Whether it is the oilpatch elites hesitating over job insecurities, homeowners fretting over the evaporating equity in their principal homes or suffering losses in investment portfolios, the capital to invest in British Columbia's resorts and ski areas is drying up. In the area around sunny Kelowna, BC, the local real estate board reports sales are down 61 per cent for the first two months of 2009 versus the same period in 2008. For the region that includes Penticton and Osoyoos, sales were down 63 per cent for the same period. On Vancouver Island outside Victoria, now connected to Alberta by direct flights on both WestJet and Air Canada, sales were down 53 per cent through January and February. "The second home and resort market has been a growing component of the Okanagan market over the last three, four years in particular," said Paul Fabri, a Canada Mortgage and Housing Corp. analyst in the agency's Kelowna office.

First-time buyers back in game

The Edmonton Journal – Saturday, April 11, 2009

A few years ago, before diminishing affordability sent them scurrying to the sidelines to continue to share accommodation or hang out at their parents' homes, first-time buyers were a force to be reckoned with. If they had full-time jobs and could muster together five per cent of the value of a home for a down payment, they were in. Phil Soper, president and CEO of Brookfield Real Estate Services in Toronto, said flatly that first-time buyers were scared off by prices and the economic downturn. Sellers have had to bring their asking prices back to more realistic levels to attract an anxious, but cautious, pool of buyers who know they now have more say over what happens in the marketplace. At the same time, though, jobs are being lost in some sectors, salaries are likely being frozen, and consumer confidence has taken a hit. While there is some pent-up demand for homes, the buyer pool has become shallower. Sellers have to realize this.

Security Seekers; Female renters buying own homes

The Calgary Herald – Saturday, April 11, 2009

When women feel financially secure, many of them buy homes. Forty-three per cent of women across Canada surveyed for TD Canada Trust gave it as one of the key reasons for moving into the home ownership market. TD Canada Trust Home Ownership Poll which surveyed 1,000 women who have purchased a home independently. The survey, which reveals behaviours and attitudes of Canadian female home buyers, shows cost is the most important factor. Ninety-eight per cent of respondents put it at the top of their lists, with neighbourhood and location next at 97 per cent and security and safety at 96 per cent. "And since the poll shows that cost is the number one deciding factor, the lower housing prices and attractive mortgage rates we are experiencing mean this is a great time for women who have been planning to purchase a home to get into the market," she says. One question asked if women were more or less likely to buy a home due to the current rent economic climate. Sixty four per cent said it had no impact.

Signs of life return to housing market

The Toronto Star – Saturday, April 11, 2009

Two weeks ago, late on a Saturday afternoon Barbara Warren took a quick look at an open house around the corner from where she lived. Seventy-two hours later, she'd gone from casual browser to having a signed purchase agreement closing in 90 days. Factors playing into her decision: historically low mortgage rates and a feeling that the market might pick up. She could be right. The disturbing economic uncertainty is far from over, but the Toronto Real Estate Board's figures for last month show 6,171 sales of existing homes, representing a smaller 7 per cent decline from a year earlier and an average house price of \$362,052, down only 4.8 per cent from March 2008. REALTORS® and observers of Toronto's housing market are reporting definite signs of life - as long as there have been price adjustments.

Taking a breather; Fort Mac is playing catch-up until the oilpatch revs up again.

Canadian Business – Monday, April 13, 2009

Given the cycles of the oil industry, layoffs were inevitable. Many people who left Fort McMurray to go home for Christmas weren't called back to work in January. "All sorts of workers were laid off: welders, electricians and other people on the front lines who were doing much of the work," says Clayton Kuncio, a team leader with oilsands giant Syncrude Canada Ltd. "We're basically down to a skeleton crew of contractors on site now." But while there are fewer contractors around, many locals don't seem all that worried about losing their own jobs. "Anyone who's been working for the major companies, like Syncrude, Suncor or Albion, is not going anywhere," says Curtis Russell, a longtime resident. "It's the specialty workers who come up for a six-month job who are getting laid off, not the people that have been here for 10 to 15 years." On the operations side, companies are still scrambling to fill permanent jobs.

More affordable market lures first-time buyers, experts say

The Toronto Star – Wednesday, April 15, 2009

Low mortgage rates and more affordable homes in many markets are pushing first-time buyers to enter the market in droves, Canadian real estate experts say. Phil Soper, president and CEO of Brookfield Real Estate Services, told a Bank of Montreal conference affordability in many parts of the country is improving. "The uptick in first-time home buyer purchases across the country is quite astonishing," Soper said. BMO senior economist Sal Guatieri said the average mortgage payment has fallen by one-third, or \$600 a month, from its peak, while average resale home prices have fallen 14 per cent from highs seen in mid-2007.

Canada's home resale prices to fall farther, says expert

The Edmonton Sun – Wednesday, April 15, 2009

Peter Norman, a consultant with independent real-estate adviser Altus Group, said the dramatic drops in home prices seen in places like Vancouver, Edmonton and Calgary are the exception rather than the norm. "This is not a housing adjustment period in Canada," Norman said in an interview. "Certainly housing demand has slowed down because the economy is in the pits, but housing supply has slowed down a lot as well as a result.... Outside of a couple of sub-markets there hasn't been much of a downward adjustment on price."

Housing sales show two-month rebound; Price Drop Slows

National Post – Thursday, April 16, 2009

The number of homes bought and sold last month rose 7% to 31,135 units, seasonally adjusted, from February, which was already more than 10% better than January, CREA said. Now, with a little help from the Bank of Canada and federal legislators, the market appears to be stabilizing. "Housing markets are starting to show signs of buyer interest," said Dale Ripplinger, president of CREA. "It really is first-time buyers," Mr. Lawby said. "We're seeing some activity moving up, but the majority is in entry-level homes."

**March resales indicate buyers are popping up here and there
nationalpost.com – Friday, April 17, 2009**

Seasonally adjusted homes sales were up 7% in March compared with the previous month. Numbers released by CREA indicated that 31,135 homes traded hands nationally on the MLS®. The month-on-month gain follows on the 10.3% increase in sales recorded in February from January. "Despite the recent improvement, sales activity is still down 13.7% from a year ago ... Still, the improvement in recent months is an encouraging sign that the Canadian housing market has crossed the halfway point for this downturn," notes Robert Kavcic at BMO Capital Markets Economics. "Affordability is the highest in about four years, which should help fuel a rebound in sales once the job market stabilizes." Centres such as Calgary, Edmonton and Vancouver suffered double-digit drops in prices.

**Recession aids housing affordability: RBC
The Ottawa Citizen – Friday, April 17, 2009**

The global economic downturn is a mixed blessing for home buyers -- if you're lucky enough to hang on to your job, you should be in a much better position to buy a house, according to a report released by RBC Economics. Continuing economic troubles through spring, the key home-buying season, "will put the entire housing sector to the test in coming months," said RBC senior economist Robert Hogue, the report's author. But if slow sales and lower prices are bad news for sellers and developers, they're music to the ears of people looking to buy, because they are making homes more affordable, according to RBC. Lower mortgage rates were the principal reason for the improvement across the country, though rising income was also a factor.

REALTOR® numbers down

The Edmonton Journal – Friday, April 17, 2009

Numbers released recently show a four-per-cent dip in the numbers of Edmonton-area REALTORS®, but not the big losses the industry feared would follow the market slowdown. When the annual membership renewal period ended on March 31, the REALTORS® Association of Edmonton had 3,139 members. By mid-April, resignations and terminations had cut that number by 128, to 3,011. "This membership loss is actually lower than normal and we still expect some terminations to be reversed as the month goes on," said association president Charlie Ponde. "Our members are confident that this is a stable market and that stability will apply to their career opportunities as well."

Buyer interest strong in Alberta, says poll

The Calgary Herald – Saturday, April 18, 2009

Buyers are most plentiful in Alberta, says the latest RBC Homeownership Survey. The poll, done for RBC by Ipsos Reid, shows that 35 per cent of Albertans are likely to purchase a home within the next two years. "Home purchase intentions in Alberta have not only shown big gains over last year, they also remain higher than any other region in the country," says Don Peard, RBC's Calgary-based vice-president. Would you believe a full eight per cent higher than the national average? "Canadians continue to have an overwhelming belief in the long-term value of a home and we're seeing this in the buying intentions of many first-time homebuyers this year," says Leggatt. The survey found that 72 per cent of Albertans believe this is a buyer's market.

Rates favour purchasers; Better house prices mean more for money

The Calgary Herald – Saturday, April 18, 2009

The following is some advice for homebuyers from Frank Hickey, president of the Alberta Mortgage Brokers Association: this a good time to buy for homebuyers. Know your reason to purchase. If it's for a place to live, then make sure you can comfortably meet the payments and the property has what you will need in terms of neighbourhood, square footage and the home's features. If you are purchasing as an investment, remember that home values in Alberta are not expected to increase in the near future. Lending rates are very low now for applicants with excellent credit ratings, good cash flow and stability--and the selection of homes is terrific.

Energy efficiency, esthetics rate high; Poll says buyers want eco housing

The Calgary Herald – Saturday, April 18, 2009

Homebuyers want more than just a pretty face when they buy a house, says a national survey. 2,026 Canadians were polled by Ipsos Reid for RBC. The survey, taken in early January, showed that 95 per cent of respondents believed that low-energy consumption is an important factor when considering the purchase of a home. They rated energy efficiency at the same importance as the look and appearance of the home. The RBC survey found that 27 per cent of people intending to buy a home in the next two years are looking for something smaller --up from 19 per cent in 2008 and from 14 per cent 10 years ago. Another 12 per cent are looking at apartments and lofts, eight per cent want a townhouse, and six per cent like the idea of a semi-detached home.

Do your homework before applying for a mortgage

The Calgary Sun – Saturday, April 18, 2009

With builders offering special deals, interest rates at all-time lows and the federal and provincial governments offering incentives to new home buyers, it has never been a better time to buy a new home -- but your credit rating will be the initial determining factor. "Though mortgage rates are attractively low right now, in this era of housing crisis in the U.S., lenders in Canada are raising the bar a little bit on who qualifies," says Judy Martin, executive director of AMBA. "It's important for everyone who wants financing to do their homework before making that mortgage application. A little preparation could be the difference between approval and rejection."

Experts see signs of hope in the economy

The Toronto Sun – Sunday, April 19, 2009

Seasoned observers are seeing some faint signs of spring in the economy. A just-released Bank of Canada business outlook survey revealed that the relentless negativity is starting to lighten up a bit. "I guess the housing market is probably the clearest sign of some stabilization in the economy," said Derek Burleton, a senior economist with the TD Bank Financial Group. "I don't think we're at a point yet that we can say that the economy is poised to grow. I think there probably will be some further contraction, probably through the third-quarter of this year. It's just at a diminishing rate." "We still expect home building activity will continue to weaken but what appears to be the case is some of the improvements in affordability are bringing some buyers into the market," he said. "So that's a positive sign."

Demand for office space dries up; Sublease square footage floods market

The Calgary Herald – Tuesday, April 21, 2009

Continued financial market turmoil and low energy prices are wreaking havoc on the down-town office market in Calgary, says commercial real estate firm CB Richard Ellis Ltd. "Virtually all demand for office space has been wiped out as a result of a dismal drilling environment and lack of capital," the company says in a first-quarter report. The net result for the first quarter of this year is negative absorption of 575,473 square feet, representing the largest quarterly drop in office occupancy in decades. "The other significant trend to note is the almost complete lack of transactions in this quarter," said the report. "Tenants have postponed making any leasing commitments. This is primarily due to a lack of confidence combined with a belief that rents will fall dramatically in the near term."

Economy cited as office space dumped; New report; 'These figures' are by no means bleak'

National Post – Tuesday, April 21, 2009

Canadian companies began dumping office space as the economy sputtered in the first quarter, according to a new report from Colliers International. The real-estate company, which now says almost 20% of the vacant space in Canada is from companies downsizing, says the trend is indicative of an overall sliding economy. "Market analysis shows the impact that recent Canadian job losses and stalled economic growth is now having on the commercial real estate sector. Of note is a growing trend by companies to shed leased space that was earmarked for future growth requirements as they reorganize business operations to endure the current economic climate," said Colliers in the report, released yesterday. Ian MacCulloch, Canadian vice-president of research with Colliers, emphasized the Canadian office market is still relatively stable compared with some of its past lows.

Edmonton's office market solid, realtor says

The Edmonton Journal – Wednesday, April 22, 2009

Edmonton's office market is holding steady despite an economic slowdown, says commercial real estate firm Colliers International. "The Edmonton office market remains solid going into the current downturn, with vacancy rates of less than three per cent, and rents holding steady through Q1 2009," said the company in a first-quarter report. "The single-largest factor in downtown Edmonton is the introduction of new redeveloped buildings, and the commitment of several major tenants to occupy these projects." The new buildings offer space efficiency, improved work environments and social responsibility. "As seen from the premium rental rates being achieved in these buildings, an obvious value of these advantages is apparent." Sublease space in Edmonton as a percentage of vacant space was 21.3, compared to 37.9 in Calgary, 21 in Vancouver, zero in Saskatoon, 37.8 in Ottawa, 12.7 in Toronto and 9.7 in Montreal.

Mortgage rates as low as 3%; 'Not going to change the course of the market'

National Post – Wednesday, April 22, 2009

The latest rate cut means consumers buying a house can borrow for as little as 3% interest on their loan if they are willing to buy into the Bank of Canada's statement that it won't be changing rates until June, 2010. If you don't believe the bank will hold steady on its promise, you can lock into five-year, fixed-rate mortgages for as low as 3.85% on a discounted basis -- the lowest rate in Canadian history. Benjamin Tal, senior economist with CIBC World Markets said mortgage refinancings are up dramatically in the past few months as Canadians who might have borrowed at 5.75% two years ago are ready to eat any interest rate penalty because a five-year rate mortgage is now so low. Mr. Tal said while there is not much lower for variable-rate mortgages to go, the gap between short-term money and long-term money is still significant enough that the temptation is not to lock in.

Home equity insulates Canadians; Mortgage market faces fewer risks than in U. S.

The Calgary Herald – Thursday, April 23, 2009

Risks to the Canadian residential mortgage market are much lower than in the United States, says a national report released by the Canadian Association of Accredited Mortgage Professionals. Based on current housing market forecasts, the outstanding volume of residential mortgage credit is forecast to expand by close to \$70 billion in both 2009 and 2010, growing at a rate of 7.6 per cent this year and seven per cent in 2010, said the report. The growth rate has decreased from 10.4 per cent in 2008. "It's never been better to actually have a mortgage or to refinance or to get a mortgage. Rates are at all-time lows and likely to go lower," said Jim Murphy, president and CEO of the association.

U.S. existing home sales fall more than expected

nationalpost.com – Thursday, April 23, 2009

Sales of U.S. previously owned homes fell in March after jumping a month earlier by the most in more than five years, indicating the market will remain depressed for much of the year. Record-low mortgage rates and a foreclosure-driven plunge in prices are making houses more affordable, helping the market stabilize following the biggest slump since the Great Depression. Even so, mounting job losses dim prospects for an immediate recovery. "Our best case assumption, given the very low rates and some easing in credit availability, is that we will see the stability and the gradual process of improving later in the year," Julia Coronado, a senior economist at Barclays Capital Inc. in New York, said before the report.

Interest strong within Alberta; Poll of home purchase intentions

The Calgary Herald – Thursday, April 23, 2009

Buyers are most plentiful in Alberta, says the latest RBC Homeownership Survey. The poll, done for RBC by Ipsos Reid, shows that 35 per cent of Albertans are likely to purchase a home within the next two years.

"Home purchase intentions in Alberta have not only shown big gains over last year, they also remain higher than any other region in the country," says Don Peard, RBC's Calgary-based vice-president. Would you believe a full eight per cent higher than the national average? Seems folks in these parts are more positive about the province's ability to weather the recessionary storm. The RBC survey says that 86 per cent of Albertans polled consider buying a home a good or very good investment -- the largest percentage in Canada.

Affordability to improve; RBC report expects further price declines but no major dive

National Post – Saturday, April 25, 2009

The recent Royal Bank of Canada report on housing trends and affordability indicated there would be further price declines, but no major market correction as experienced in the first half of the 1990s when the market headed into a tailspin following the chronic affordability problems of the 1980s. "Levels are much less worrisome at this stage. We don't think imbalances in the market currently would trip the Ontario market so that prices would have to adjust significantly," says Robert Hogue, senior economist at RBC Economics in an interview. "We think there's probably going to be some correction, but a major correction of the early '90s style is probably not in the cards." "It's always difficult to ... pinpoint turning points. We're expecting ... the recession should end somewhere midyear. Recovery is probably going to be tentative at first but it's got to pick up speed ... probably next year," says Mr. Hogue. "Housing is probably going to lag a little bit; you might see some signs of strengthening demand probably some time next year." But the recovery is not expected to swing sharply back to a sellers' market.

Real estate: Is this a buying opportunity?; Prices are low. Money is cheap. But real estate investors still need to be mindful of where they are putting their money in this climate of uncertainty as we wait for the housing market to rebound.

Canadian Business – Monday, April 27, 2009

Trust a real estate agent to put a positive spin on an otherwise incredible string of bad news about Canada's housing industry since last June. That's when the first year-over-year dip in average home prices in nine years appeared. It was a tiny dip, at 0.4%, but it signalled that the real estate boom was officially over after a decade. By January 2009, prices were reportedly down 14.2% compared with a year earlier. But on the bright side: homes are more affordable now, says Michael Polzler, executive vice-president and regional director at Re/Max Ontario — Atlantic Canada in Mississauga, Ont. "There's no question the high-end homes over \$1 million are very slow right now," he concedes. But "the opportunity lies everywhere right now — no different than many businesses, really. Now's the time to organize yourself and get in." National Bank's housing forward market is trading at about 20% below the current prices over the next few years, and indicates that customers who are trading on it anticipate the recovery will be a slow, painful uphill climb for the next seven years. The media have breathlessly jumped on the number, arguing that these investors are putting their money where their mouths are. Would these be the same investors who overbid stock markets worldwide and got swamped? They're hardly a reliable source for direction.

Bank lending declines as economy slows

The Edmonton Journal – Tuesday, April 28, 2009

A report by Grant Bishop, an economist at TD, showed bank credit to households was unchanged in March, dragging the annual increase down to 10.2 per cent from 11.3 per cent in February. Bishop said the slower pace of lending was consistent with weak demand due to the worsening economic conditions. The number of mortgages fell 0.5 per cent in March to a yearly change of 8.6 per cent, while credit card financing dropped 0.8 per cent, the third straight month of decline, dragging the yearly change down to 8.2 per cent.

Huge spinoff effect eyed ; Resale housing industry generates \$22.3 billion and creates 202,750 jobs in Canada annually

The Calgary Sun – Wednesday, April 29, 2009

The resale housing industry is a major contributor to the Canadian economy, generating \$22.3 billion annually in additional consumer spending, according to a report from Altus Group Economic Consulting, commissioned by the CREA. The report estimates that between 2006 and 2008, every residential MLS® system sale in Canada resulted in an average of \$46,400 in additional consumer spending, over and above the cost of the home and land, over a three-year period from the date of purchase. The additional dollars are spent on new furniture and appliances, moving costs, professional services, renovations, taxes and more. "This study shows the tremendous contributions Canada's resale housing industry makes to the economy. When Canadians move, they typically buy new appliances or furnishings, and renovate in various ways to tailor their home to their specific requirements," says CREA president Dale Ripplinger.

'Unfair' to tenants ; Apartment rents could rise as landlords face tax hikes

The Edmonton Sun – Wednesday, April 29, 2009

Rents could spike across Edmonton as landlords scramble to find ways to offset a double-digit hike in property taxes. Owners of apartment blocks will see their taxes go up nearly 24% this year, which works out to roughly \$131 per unit in a typical walkup building. In comparison, homeowners - including condo dwellers - will see their property taxes go up a more modest 2.7%, under a plan approved by council. That works out to an average of \$60 for the year. The discrepancy between houses and apartments is due to fluctuations in property assessments, council heard. While the average house and condo dropped in value last year by more than 9%, the value of the average apartment block went up by more than 9%, according to city figures. Property tax rates are tied to the assessed value of a property.

You're in driver's seat; Advice From Federal Housing Expert

The Calgary Herald – Thursday, April 30, 2009

Question: What are the five top tips CMHC would give a homebuyer, in this market, when they are looking to buy? Answer: The time to buy or sell a home is a matter of personal choice. What are your needs? What are your plans for years to come? What is your financial situation? There is no single answer and each individual can have different motivations and needs. While the market classification impacts housing prices, average prices are also impacted by the mix or type of homes sold in any given month. For example, while demand for single detached homes has slowed, demand for more inexpensive housing has increased. In a buyers' market, consumers are in the driver's seat and are better able to negotiate prices given more abundant choice in the marketplace. Expect to negotiate. The process of making an offer, receiving a counter-offer and then revising it again is not uncommon.

Home Sales Show No Sign Of Recovery As Mortgage Rates Hit New Lows

24/7 Wall St. – Friday, May 1, 2009

Freddie Mac (FRE) reports that mortgage rates in the US are at record lows with 30-year fixed-rate loans down to 4.78% The drop does not seem to be doing much for the housing market. Recent data released by Case-Schiller shows that home prices in the top 20 US cities are still falling rapidly. The data covers a period that is a month old, but mortgage rates were already well down when the information was collected. There is no reason to think that a very modest drop in mortgage rates since then will send a number of new buyers into the market.

'We are done with the freefall': Scotia's Jestin

nationalpost.com – Friday, May 1, 2009

In the latest instalment of his global outlook, Warren Jestin, chief economist at Bank of Nova Scotia, left his forecast for Canada unchanged. This marks somewhat of a turning point, as Mr. Jestin has been among the most pessimistic forecasters on Bay Street and has continually downgraded his Canadian projections on a nearly monthly basis. "We have finally gotten to the point where the fundamentals are going the other way," Mr. Jestin said in an interview. "We are entering a new stage ... as we are done with the freefall." In February, he called for a 1.6% contraction in the Canadian economy in 2009, and downgraded it further to a 2.6% drop.

But in the latest version of Scotiabank's economic outlook, Mr. Jestin left the 2.6% contraction as is, because of "growing signs that the steepest retrenchment in output" is nearing an end. His call for a 2.6% drop now makes Mr. Jestin more optimistic than the Bank of Canada, which last week said it projects the national economy to shrink 3%.

Condos seen as attractive investment opportunity **nationalpost.com – Monday, May 4, 2009**

TD Canada Trust said 44% of respondents in a survey of urban Canadians said conditions had improved over the last year with regard to the prospects of buying a condo for investment purposes. That was up from 21% in a similar survey done last year. The bank said lower prices and mortgage rates are the main reason people are being drawn to condos as a way to make money over the longer term. "This is a good time to explore a condo purchase given that mortgage rates are very attractive right now and many condos have dropped significantly in price," Joan Dal Bianco, the bank's vice-president of real estate secured lending, said in a statement. In fact, 43% of the respondents said if they couldn't afford a condominium right now, they'd consider partnering with a friend or relative to buy one for investment purposes.

Despite Signs To The Contrary, Real Estate Will Get Worse **24/7 Wall St. – Tuesday, May 5, 2009**

Warren Buffett said that the real estate business his company Berkshire Hathaway (NYSE:BRK A) owns is seeing a small improvement in housing demand. The National Association of REALTORS® seemed to confirm his observations when it announced that the index for pending home sales went up in March. A housing recovery cannot occur in the presence of the massive collapse in unemployment. The devastation of the potential home buying base is too great. Many of the people who lose jobs will also lose their houses and that increases the inventory of unsold homes. Consumers have lost access to credit. The fact that mortgage rates have dropped does not even begin to offset that. Qualifying for a mortgage is harder than ever. The single biggest enemy to a housing recovery may be the fact that there is no increase in real wages.

Home sales uptick hints of slump easing; Construction spending also edging up **National Post – Tuesday, May 5, 2009**

Pending sales of previously owned homes rose for a second straight month in March, while construction spending edged higher, according to reports yesterday that suggested a moderation in the **housing** slump. The National Association of Realtors said its Pending Home Sales Index, based on contracts signed in March, rose 3.2% to 84.6 as first-time buyers waded into the market to take advantage of favourable prices and **mortgage rates**. A report from the Commerce Department showed U. S. construction spending rose 0.3% in March, the first increase in six months.

Housing market perks up; Lower mortgage rates, price drops lure buyers into homeownership club **The Edmonton Journal – Tuesday, May 5, 2009**

Despite economic uncertainty and mounting job losses, Edmonton's resale housing market picked up in April with sales increasing from the previous month and from the same time last year. There were 1,843 residential sales in April, up 1.1 per cent from April 2008's 1,823, according to MLS® System statistics. Compared to March, that marked a 33.6-per-cent increase from 1,380 sales. With mortgage rates dropping, a high selection of homes and prices stabilizing, more homebuyers are entering the market compared to the slow early months of the year. Charlie Ponde, president of the REALTORS® Association of Edmonton, said low interest rates and federal renovation incentives are drawing buyers back to the market. With residential sales increasing every month since last fall, Ponde said this may be a turnaround in the real-estate market.

Edmonton mayor challenges City Centre Airport backers

edmontonjournal.com – Tuesday, May 5, 2009

Mayor Stephen Mandel took aim at supporters of the City Centre Airport recently and demanded they explain how keeping the facility open will make a Edmonton better place. "Please understand that environmental costs will have to be paid either way. Don't tell us that your business status entitles you to special consideration, and that treating you like every other Edmontonian is somehow an affront," Mandel said in notes for his annual state of the city speech. "Explain what you know better, what you see for the future and why we have to listen ... and if you can't do this, then maybe, just maybe, it's time to let go of the past and move forward."

Finally, someone's making strong case to put public interest ahead of private; Many parts of city are closer to International than downtown terminal

The Edmonton Journal – Wednesday, May 6, 2009

After months of circling the Muni airport issue -- ducking media questions at every turn -- Mandel landed with both feet recently on the side of closing the downtown airstrip. Mandel came clean in his annual state-of-the-city speech to the Chamber of Commerce. He did so by challenging Muni advocates to put up or shut up, or at least put public interest over private planes. Don't tell Edmonton why it can't change the airport, said Mandel. Don't deny the city's need for high-density housing near downtown, he said. Don't exaggerate the medevac issue to scare people. Don't act like the 1995 referendum was unclear.

Bottom of the barrel ; U.S. housing market finally showing signs of recovery

The Calgary Sun – Wednesday, May 6, 2009

The three-year-old U.S. housing bust may be near the bottom, said U.S. Federal Reserve Chairman Ben Bernanke, adding the recession down south should end this year, providing there is no relapse of the credit squeeze that has strangled the economy. Even with a rebound, Bernanke expects a long recovery period, likely to be tepid, with unemployment not peaking until 2010. "An important caveat is that our forecast assumes continuing gradual repair of the financial system; a relapse in financial conditions would be a significant drag on economic activity and could cause the incipient recovery to stall," Bernanke told the congressional Joint Economic Committee.

New condos outpacing demand; Rising inventory in Calgary, primarily in the Beltline, may lead to lower prices

The Calgary Sun – Wednesday, May 6, 2009

The latest Real Estate Trends report from the Scotiabank Group indicates Canada's housing market is showing signs of emerging from a slump that stretches back to last October. The report's author, Adrienne Warren, writes a rise in demand, combined with fewer new listings, have restored a better balance to Canadian markets. The average single-family home price in Canada steadied in February and March, says the report, about 8% below last year's average.

Calgary housing sales starting to rebound; North American markets may have hit bottom, say experts

The Calgary Herald – Wednesday, May 6, 2009

The latest Real Estate Trends report released by Scotia Economics said home sales strengthened in both February and March across the country, and preliminary reports suggest this firming trend continued in April. The report by Adrienne Warren, senior economist and real estate market specialist with Scotia Economics, said a rise in demand combined with fewer new listings has restored a better balance to the market. Those encouraging signs are being felt from the United States to the Calgary real estate market. Federal Reserve chairman Ben Bernanke told Congress the three-year U. S. housing bust may be near a bottom and he expected the recession to end this year barring a relapse of the financial crisis.

No tally kept on rotting buildings; Construction boom haste leaves thousands at risk from leaks: expert

The Edmonton Journal – Thursday, May 7, 2009

John Vlooswyk, who has written two CMHC reports on the problems of mouldy buildings, says no one is keeping track of how many buildings are leaking and no one is taking responsibility for the problem. "It's essentially buyer beware," Vlooswyk said. "Unfortunately, over the last few years, a lot of homes have been built in a rush and some of them have been built very poorly. I think we're going to see a lot more of this coming to light in the next couple of years." Thousands of Albertans may have new acrylic stucco surface-sealed homes that will leak because of faulty installation or poor maintenance.

Housing starts decline in April nationalpost.com – Friday, May 8, 2009

The number of Canadian housing starts fell to 117,400 in April from 146,500 the previous month, CMHC reported. Most analysts had expected 140,000 housing starts in April. "The decrease in April's housing starts is partly attributable to the volatile multiple starts segment," said Bob Dugan, CMHC's chief economist. "Most of the decline has occurred in the condominium segment in Ontario."

House building a bright spot in sluggish Edmonton market edmontonjournal.com – Friday, May 8, 2009

Homebuilders in the Edmonton area started 206 single detached homes in April, a 16% increase over the 178 begun in the same month last year, according to preliminary figures released by CMHC. "This represents the first year-over-year improvement in single-detached activity since June 2007," said Richard Goatcher, CMHC's senior market analyst. Single-home starts was a bright spot in an otherwise dismal April, when total housing starts in the Edmonton census metropolitan area fell 48 per cent from the previous April to 355 from 683. But for the first four months of the year, single-detached home construction remains down from last year. To the end of April, 607 single homes were under construction across Greater Edmonton, down from 835 houses during the first four months of 2008.

Job stats raise hopes; Recession may be losing its grip, analysts say after release of employment, housing figures

The Edmonton Journal – Saturday, May 9, 2009

"This morning's labour force survey adds to the green shoots of hope that the recession may be losing its grip," said Todd Hirsch, ATB Financial's senior economist. He was reacting to figures from Statistics Canada showing Alberta gained 5,700 jobs in April. This comes after Statistics Canada figures for January, February and March showed a total 44,300 full-time jobs have been lost. The provincial unemployment rate in April still crept up to its highest rate since 2002 -- six per cent from 5.8 per cent in March.

Real estate experts see silver lining; Returning multiple offers, low interest rates and strong first-time buyer activity are some of the positives

The Toronto Star – Saturday, May 9, 2009

There's lots of bad news and more job losses in store, but a recent real estate panel organized by Bank of Montreal in Toronto had positive things to say about the housing market in Toronto and elsewhere. Broker Brad Lamb, one of four experts, identifies December - the month his office phones stopped ringing - as the Toronto market bottom. "Believe it or not, in the month of March, 20 per cent of all the MLS® System sales had more than one offer at the same time." Given those figures, "I can't believe we're in it, but there is evidence we are returning to a sellers' market." Mind you, he tempered his bullish comments, noting he was a "100 per cent glass-full kind of guy," who's never negative. Canadian home sales and starts have plunged 40 per cent, and house prices, an average 14 per cent. On the upside, affordability is now in line with long-term norms, given lower prices and interest rates that have cut mortgage payments on average homes by one-third.

House prices rise as sales take off

St. Albert Gazette – Saturday, May 9, 2009

The average home price in St. Albert is back above \$400,000 as April home sales eclipsed the volume posted in the same month last year and even bested the levels seen in super-heated 2007. There were 99 homes sold in the city in April, a 39 per cent increase over the same month last year. The increased activity pushed the average price to \$405,000. The average sale price was \$393,000 in the first quarter of 2009 and \$377,000 in March. "People have realized now that we have adjusted our prices and the trend is showing that the prices are not going any lower," said Charlie Ponde, president of the REALTORS® Association of Edmonton.

Multi-family scores big

The Calgary Herald - Sunday, May 10, 2009

With 2009 being looked on as a year of dramatic contraction in the number of new construction starts, companies are focusing their attention on completing ongoing work and selling of remaining units within the existing developments. At the same time, there is a sense of optimism that consumers are starting to come out of hiding with a renewed sense of confidence that maybe, just maybe, the recession is not going to be that deep in Alberta. Fred Bucci, president of the Bucci Group of Companies, has seen the change occurring in Vancouver and sees the same thing in the Calgary market. People's attitudes are changing. "The recovery is underway in Calgary," he says. "Because of low mortgage rates and price adjustments that have been made, we're moving into a more balanced marketplace." The slowdown has not deterred the company from beginning sales of its final phase of Xenex this month or from carrying on with planning for a new development in the city.

Low building costs see Alberta home prices tumble

The Calgary Sun – Tuesday, May 12, 2009

Calgary and Edmonton led the country in price declines for new homes, Statistics Canada said, followed closely by Vancouver and Victoria. But whereas competition and generally slower markets drove down prices in B.C., it was lower material and labour costs that, in March, dragged down prices by 1.2% in Alberta's two largest cities. Prices for new homes dropped 1.1% in Vancouver in March, and 0.9% in Victoria. Across Canada, new home prices dipped 0.5%.

Two new housing developments help create more affordable housing in Edmonton

M2 Presswire – Tuesday, May 12, 2009

Low to moderate income individuals are one-step closer to having a place to call home thanks to provincial funding for two new housing developments in Edmonton. This funding is expected to help create more than 40 additional housing units for low to moderate income Albertans. The Capital Region Housing Corporation has \$6.6 million in provincial funding for the following new developments: Jasper Place Development located at 15830 Stony Plain Road, which will include 20 new studio/bachelor units of affordable housing for individuals; 90 Street Mixed Use Development located at 9009 -111 Avenue, which will include 23 one-bedroom affordable housing units of which three will be barrier free and wheelchair accessible.

Province's retail sales drop ; Alberta shows sharpest pullback in Canada but consumers here still outspent other Canadians

The Calgary Sun – Saturday, May 23, 2009

Recession-weary Albertans continued to rein in their spending in March as the province reported the sharpest pullback in retail sales in the country. Measured on a per-capita basis, however, consumers in Alberta still outspent their compatriots by a wide margin. Statistics Canada reported that in March, retail sales in Alberta dropped 1.8% to \$4.6 billion, followed by declines of 1.4% in B.C. and 0.6% in Manitoba. Retail sales increased in all other provinces, lifting nationwide sales 0.3% to \$33.9 billion.

Signs point to U.S. leaving recession in summer: investment expert

The StarPhoenix (Saskatoon) – Monday, May 25, 2009

Jim Allworth, a director of RBC Investments in Vancouver, recently gave clients of the Salloum Wealth Management Group a rousingly upbeat view of where the economy and financial markets are heading. "I would put forward the idea that it's almost arithmetically impossible to have this much stimulus coming at us, together with the monetary policy, and get into the second half of the year and not have the U.S. come out of recession," Allworth said. He implied that things are starting to go well in the U.S. housing market. "Lately there has been an even bigger surge in mortgage applications, but now the great preponderance is for people wanting to buy new homes. So you can start to see this inventory of unsold homes in the United States, that had everyone so worried and had a depressing effect on prices, is at least going to stop falling.

Input sought for home builder regulation ; The Government of Alberta is consulting with residents to help create official policy for home inspections

Sherwood Park News – Tuesday, May 26, 2009

Albertans are invited to provide input on whether the government should create regulations for the home inspection industry and what they should include. Currently, there are no specific provincial rules governing the industry. Albertans interested in taking part in the consultation should visit:

www.servicealberta.gov.ab.ca/pdf/Public_Paper.pdf. In addition to the online survey, the government will be gathering input from home inspectors, REALTORS® and other stakeholders. The consultation will run until June 30.

House sales perk up as first-time buyers return

The Edmonton Journal – Wednesday, May 27, 2009

First-time buyers are back in the housing game -- a crucial development in strengthening the overall Canadian housing market, a major real estate company said recently. Royal LePage Real Estate Service, in conjunction with releasing results of a survey of potential homebuyers, said this segment vacated the market late last year but has returned. "When first-time buyers stepped out of the market in the fourth quarter of 2008, at the height of the global recession, their absence was profoundly felt," Royal LePage CEO Phil Soper said in a statement. According to Royal LePage's survey of Canadians likely to buy a home within the next three years, lower prices were the most popular motivation for considering a purchase, cited as the most important factor by 33 per cent of respondents.

More people looking to buy homes

Calgary Herald – Wednesday, June 10, 2009

A national consumer survey released recently said nearly 90 per cent of recent home purchasers believe that home ownership is a good long-term investment and almost 70 per cent think that now is a good time to purchase a home. The mortgage consumer survey by CMHC also indicated that recent purchasers are knowledgeable about the mortgage process and their lender's assessment of eligibility -- 86 per cent said the level of total housing and other monthly payments should generally not exceed 40 per cent of gross household income. "Given the current economy, this study indicates that Canadians continue to be optimistic about home ownership and are astute mortgage consumers," said Francois Blouin, director of insurance products and strategic direction for the CMHC. "Our results reaffirm what we have seen in previous surveys--when it comes to their mortgages, Canadians are informed and manage their debt prudently." According to the survey, 75 per cent of purchasers have a goal to be mortgage free sooner than their original amortization. In fact, 20 per cent of recent purchasers report having made a lump-sum payment to their mortgage.

Home starts buck trend; St. Albert housing starts defy decline that plagues Edmonton market St. Albert Gazette – Wednesday, June 10, 2009

New home starts in St. Albert continue to be relatively strong, bucking a trend of continued declines in the overall Edmonton market. There were 20 new single-detached homes started in St. Albert in May, compared to just eight in the same month last year. Meanwhile, the Capital region posted its fifth-straight month of declines with a 12 per cent drop in single-family homes. For the year so far, single starts in St. Albert are up 28 per cent over last year. Multi-family starts are up 19 per cent. The figures aren't as rosy in Morinville, where there was just one single-family start in May, compared to six last year. This segment is down 38 per cent on the year. The multi-family segment is down 89 per cent. Part of the explanation for St. Albert bucking the trend is the city had such a slow year last year, said Richard Goatcher, senior market analyst with CMHC.

New housing price index falls in April: StatsCan CBC.CA News – Wednesday, June 10, 2009

Contractors' selling prices for new homes countrywide dropped 0.6 per cent in April, compared with a 0.5 per cent decline in March, and prices declined the most in Vancouver, Statistics Canada reported. The federal agency said its new-housing price index has slipped 3.2 per cent since it reached a record high of 158.7 last September. In Vancouver, prices fell 1.2 per cent. That drop was followed by Edmonton, which was down 0.9 per cent, and Calgary, which was down 0.8 per cent. Some builders in Alberta reported an increase in material costs because of new fire code regulations, but those increases were not reflected in prices for new houses because builders lowered prices or offered free upgrades in a bid to stay competitive.

Condo glut helps lift apartment vacancy rate; Investors renting out local units rather than trying to sell them

Edmonton Journal – Thursday, June 11, 2009

Economic woes, rising unemployment and a glut of condos caused the Edmonton region's apartment vacancy rate to inch up by 1.3 per cent in April, CMHC said. The vacancy rate for rental apartments in the Edmonton census metropolitan area rose to 4.7 per cent in April from 3.4 per cent in April 2008, says the national housing agency's spring rental-market survey. "With elevated levels of supply and inventory on the existing and new condominium markets, some investors have decided to rent out their units rather than sell them at reduced profits," said Richard Goatcher, senior market analyst for Edmonton. "This increased supply in the secondary rental market is competing with traditional purpose-built rental units and producing vacancies in that market." The average two-bedroom rent in metro Edmonton was \$1,059 in April, compared with \$1,000 a year earlier.

Appealing market for first-time HOMEBUYERS The Edmonton Sun – Friday, June 12, 2009

Edmonton is proving to be a popular place for first-time homebuyers, according to a new study by Royal LePage. The study found that the west end and southwest areas of Edmonton are proving trendy with young buyers, as is the university area. The study also found that first-time homebuyers account for approximately 30% of home purchases in Edmonton while 42% of new buyers say they'll live in their first property for 10 years or more before they move up. Considering that 48% of first-time homebuyers cited \$150,000 to \$300,000 as the price range for their first home, there is a lot of choice in the city.

Alberta homes most affordable in new RBC Economics study

Fort McMurray Today – Friday, June 12, 2009

Housing in Calgary and Edmonton is more affordable on a market-wide basis than four other cities measured in the latest RBC Economics report that gives a detailed look at housing prices and affordability across the country. Affordability in Canada improved in the fourth quarter of 2008 due to reduced demand, which reduced prices, but primarily because of historically low mortgage rates due to the Bank of Canada slashing its overnight rate from 4.5% to 0.5% in just over a year. The RBC Affordability measure captures the proportion of pre-tax household income needed to service the costs of owning a home, including the cost of mortgage payments (principal and interest), property taxes and utilities on a detached bungalow, a standard two-storey home, a standard town house and a standard condo (excluding maintenance fees). Other market averages, low to high, were Edmonton at 34.8%; Ottawa 37.13%; Montreal 38.95%; Toronto 47.68% and Vancouver 61.05%.

Alberta housing affordability improves: report

The Edmonton Sun – Friday, June 12, 2009

Housing in Calgary and Edmonton is more affordable than last year according, to the latest RBC Economics report that looks at housing prices and affordability across the country. Affordability in Canada improved in the fourth quarter of 2008 due to reduced demand, which reduced prices, but primarily because of historically low mortgage rates due to the Bank of Canada slashing its overnight rate from 4.5% to 0.5% in just over a year. The RBC Affordability measure captures the proportion of pre-tax household income needed to service the costs of owning a home, including the cost of mortgage payments (principal and interest), property taxes and utilities on a detached bungalow, a standard two-storey home, a standard town house and a standard condo (excluding maintenance fees).

Take the LEAP ; Buyers have the market advantage

The Edmonton Sun – Friday, June 12, 2009

More-affordable housing combined with low rates make it more attractive for a first-time homebuyer to take the leap into home ownership. The average price for a single-family residential home in Edmonton is \$353,386. Considering that the first-time buyer will put down 5%, take a five-year fixed term at 3.79% and amortize the mortgage over 35 years, the monthly mortgage payment will be \$1,484. That makes buying more affordable this year compared to last year's mortgage rates. Based on the same information as above with the five-year rate at 5.59% (what they were in May 2008) the monthly payment would have been \$1,866. That's a saving of \$382 per month.

Government accepts Capital Region Growth Plan; Board asked to fine-tune the plan in some areas

M2 Presswire – Friday, June 12, 2009

The Alberta government has accepted a plan developed by communities in Alberta's Capital Region that will help coordinate decisions, sustain future growth and ensure strong communities and a healthy environment. The province has asked for additional work on the plan in a few areas. The Capital Region Board acknowledged there was still work to be done on the plan when it was submitted to the provincial government for review on March 31. The government has asked the Board to fine-tune the plan, providing clarity in a few areas and address outstanding issues in the land-use component and the intermunicipal transit plan. The province has provided new timelines to the Board to complete this work. All tasks are to be completed by December 31.

Houses More Affordable Than Any Time Since The 1960s

The Business Insider – Saturday, June 13, 2009

In another sign that house prices are finally slouching their way toward a bottom, another measure of housing "affordability" has now hit a level not seen since the 1960s. Too bad no one has any money to buy them with. In this case, unfortunately, housing affordability is likely overrated as a price indicator, because so many would-be buyers are underwater on their own houses. (It doesn't matter if you can buy your neighbor's house for cheap if you would lose your shirt raising the money you need to buy it with.) But the increasing affordability is nonetheless a positive. In the first quarter of 2009, the implicit yield on owner-occupied housing was 6.02%; the contract mortgage rate was 5.07%.

Mi casa is not su casa; Average-price reports are only a general guide

National Post – Saturday, June 13, 2009

"Average prices tell the story about a broader trend, for activity and not just price," says Gregory Klump, chief economist at CREA. "If you're looking at an average price for an entire area it can be skewed upward or downward by a handful of transactions that are at the high end or ... [by] a lack of [sales] at the high end." The average price does not in fact represent the price of an average property -- if there were such a thing. "People seem to be so hung up on average sale price. Part of the problem is that the average is only an average of what is sold. It's not an average value necessarily for an area," says Laurin Jeffrey, an agent with Century 21 Regal Realty. "If houses range from \$300,000 to \$500,000 in a given area and only the \$300,000 houses sell in a given period, that doesn't necessarily mean that the area is worth \$300,000." "You have to look at ... what comparable houses have sold and what they have sold for," says Mr. Jeffrey. "If you pull the numbers for all the similar properties in the area, then that average is going to help" because that's indicative of only those properties.

Don't handcuff your mortgage; Variable rates still too good

Edmonton Journal – Saturday, June 13, 2009

Would you like to pay an extra \$300 per month on your mortgage? Not likely. That hasn't stopped a number of Canadians, with the deal of a lifetime on a variable-rate mortgage, from switching over to a more expensive fixed-rate product and paying the extra freight. A fear of rising rates is driving the rash decision. More than 28% of Canadians have a variable-rate product tied to prime, according to the Canadian Association of Accredited Mortgage Professionals (CAAMP). If you negotiated a deal before October of last year, chances are you are now borrowing money for as little as 1.35%. That's based on deals that at one time saw the banks giving 90 basis points off prime. Prime is now 2.25%.

The average sale price of a home last month in Canada was \$306,366. Based on a 25% down payment and a 25-year amortization, your monthly payment would be \$962.61 at 1.35%. Convert that to a five-year fixed-rate term and you're probably going to have to consider a 4% mortgage rate and a monthly payment of \$1,289.04.

Come together; More than 800 volunteers unite to raise Habitat for Humanity homes in St. Albert

St. Albert Gazette – Saturday, June 13, 2009

Blitz builds like the one in St. Albert require a lot of organization to keep construction on track. But after building more than 100 homes in the Edmonton area, the not-for-profit builder has it down to a science. Habitat for Humanity is building two duplex buildings on Norelle Terrace, which will become home to four deserving families who otherwise would not have been able to afford to purchase a home. Ten families applied to take ownership after 50 initially expressed interest. Families are selected based on need, ability to pay and the amount of "sweat equity" they can put into the construction phase, typically 500 hours. Eligible families must have a child under the age of 18. Habitat also looks at a family's existing living accommodations, income, debt load and credit rating. "When we found out they were doing a build in St. Albert we were absolutely thrilled that we would get a chance to do something like this in our own community," says St. Albert REALTOR® James Mabey. Sixteen employees from Mabey's Sutton Nor-Vista office pitched in on day one of the blitz build. More will help later in the project.

RENOS all the rage

The Edmonton Sun – Sunday, June 14, 2009

If you've seen a lot of newly updated homes in your neck of the woods as of late it shouldn't come a too much of a surprise. According to the CMHC's recent Renovation and Home Purchase Survey. Canadians spent an estimated \$21.3 billion on renovations in major markets last year, up about \$1.6 billion from 2007. Here in Edmonton, 43% of households surveyed said they recently renovated while 38% said they spent over \$1,000 on renovations.

Help with the HARD DECISIONS

The Edmonton Sun – Sunday, June 14, 2009

Q: How do I know if home ownership is right for me?

A: Buying a home is one of the biggest financial and lifestyle decisions you will make, so it pays to make an informed decision.

- Obtain the services of a REALTOR® - as a buyer it will cost you nothing
- Make sure that you have reviewed ALL mortgage products available and what product would best suit your financial circumstances
- Know what documentation must be provided to obtain approval
- Organize your home-buying team of professionals to assist you with the process. It will make the process much more enjoyable!

Average resale home price hits record high; Rebound in Canada's most expensive markets lifts values as sales jump 8 per cent from April

The Toronto Star – Tuesday, June 16, 2009

CREA reported recently that existing home sales rose 8 per cent in seasonally adjusted figures for May, the fourth consecutive monthly gain, while prices moved into positive territory for the first time in a year. The national residential average price in May reached the highest monthly level on record at \$319,757, up a slight but significant four-tenths of a percentage point from the previous record, set in May of last year - the last time prices were up, according to the association. Over the past four months, the average price has recovered more than 16 per cent from the beginning of the year.

Housing rebounds; Sales up again

National Post - Tuesday, June 16, 2009

The housing market continued to rebound in May with a fourth consecutive increase in monthly sales, according to CREA. "Sales activity is now closer to the pre-recession peak than it is to the recent low point reached last January," said Dale Ripplinger, the Regina based president of the association. "Strengthening consumer confidence, low interest rates and improved affordability are drawing buyers to the housing market across Canada." CREA said transaction activity in the country's most expensive markets is leading to an overall rebound, which is helping to skew the average price upward. In the past, the reverse has happened.

County housing starts on the rise; Statistics from May and April show more Strathcona housing starts than in the first three months of the year

Sherwood Park News – Tuesday, June 16

An active May on the housing starts front means Strathcona County's year-to-date totals are similar to 2008's through the first five months of the year. According to CMHC, 38 total starts were reported for the month of May in Strathcona County. That figure pushed the total of housing starts for 2009 to 123 total starts, just two less total developments than this time last year. Out of those 38 new starts, 24 were for multi-family dwellings, with the other 14 single-family dwellings. Combined, May's housing starts are a 123 per cent increase over May 2008's four multi-family starts and 13 single-family starts.

First-time homebuyers fuel real estate market; Purchasers' Expectations High Calgary Herald – Wednesday, June 17, 2009

First-time homebuyers are primarily concerned with affordability when choosing a new home, but their expectations may be too high relative to their buying power, says a survey by real estate firm Coldwell Banker. Nearly half of the survey respondents reported that affordability was the top concern for first-time homebuyers, but 82 per cent of this group also consider move-in conditions to be very important when searching for homes. Only seven per cent are looking to buy fixer-upper homes they could buy at a lower price and renovate themselves. "In the past, first-time home buyers were willing to purchase older, more basic houses in an effort to save money and break into home ownership," said John Geha, president of Coldwell Banker Canada.

Cottage Industry Still Strong Edmonton Journal – Friday, June 19, 2009

Ever dream of owning your own cottage? You're not alone, according to the 2009 Royal LePage Recreational Property report, a countrywide survey on ownership attitudes. The real estate company's study found that many Canadians not only want to own a cottage or other recreational property, 64 per cent think it's a good long-term investment.

The survey found that to achieve their dream of owning a recreational property, 55 per cent of Canadians would be willing to make financial or lifestyle compromises: purchasing a property with family and friends, renting out the cottage, making it their primary residence, buying a fixer-upper, or moving into a smaller principal home.

Recreation properties captivate Albertans; Cottages seen as sound investments Calgary Herald – Friday, June 19, 2009

The 2009 Royal LePage Recreational Property Report said Canadians are willing to make sacrifices to own a cottage and more of them want to use their cottage, cabin or chalet year-round as a recreational property, although some want it as their primary residence. "In Alberta, 69 per cent of residents agree that a cottage is a good long-term investment. At 62 per cent, Albertans are among the most willing in the country to make changes to their finances or lifestyle to own a cottage. One in five Albertans would purchase a fixer-upper, the highest score in the country, and 15 per cent would purchase a property with friends or family members," said the report. For Albertans, the three most important features of a cottage or recreational property are access to utilities (60 per cent), peace and quiet (51 per cent) and four-season use (33 per cent). In a report released recently, Adrienne Warren, senior economist and real estate market specialist with Scotia Economics, said rising equity in principal residences and rising stock market wealth appear to have put second-home ownership within the reach of more Canadian families.

Hear sirens? Check the web; Neighbourhood crime mapped online Edmonton Journal – Friday, July 17, 2009

Edmonton residents who heard police sirens in their neighbourhood last evening should be able to check a police website by the time the newspaper lands on their doorstep to see what happened, say police. The department launched a new crime-mapping tool on its website recently, promising to update it every morning at 6:00am with police reports filed before midnight. Residents can also compare crime trends back to 2007. Ron Hutchinson, executive vice-president of the REALTORS® Association of Edmonton, said the crime-mapping tool could be used by city REALTORS® to answer questions from buyers about particular neighbourhoods. "I think it's something the public will likely inquire about when they're purchasing in a neighbourhood, particularly if they're new to Edmonton."

New-home construction in Edmonton rising

CBC.CA News – Friday, July 17, 2009

Companies building new homes in Edmonton are experiencing an upswing, according to the Edmonton Home Builders Association. In the past three months, builders have seen a 50 per cent increase in the number of people visiting show homes, which is translating into sales, association vice president Sandra Young said. "Some of it is pent-up demand, right, because it hasn't been any sells for almost six months, or very very low numbers in sales for six months ... some of it is people realizing that now is a good time to buy, because pricing is good," Young said. Prices have dropped more than 20 per cent since the height of the boom two years ago, she said.

Confident outlook persists; Slow recovery hasn't dampened consumers' 'remarkably resilient' mood

Edmonton Journal – Friday, July 17, 2009

The TNS Canadian Facts, a marketing and research group, said recently its consumer confidence index edged up to 93.4 this month after slipping to 92 in June. However, the main barometer of sentiment is still down from 94.1 registered in May. "Even in the face of a slew of negative news stories filling this month's airwaves and broadsheets--some that even suggested we are in the downward cycle of a W-shaped recovery-- consumer confidence has remained remarkably resilient," said Michael Antecol, vice-president of TNS Canadian Facts. However, Merrill Lynch Canada also recently said the economic recovery could be much stronger than expected. Sheryl King, Merrill's chief economist and strategist, said surprisingly positive business surveys by the Bank of Canada suggest the country is poised for a quick snap back from recession--with a "burst" of 10-per-cent growth possible in the coming quarters.

Signs of recovery

The Ottawa Citizen – Friday, July 17, 2009

Back last winter, there was real terror about an imminent and total economic collapse, especially in the financial sector. But a strong response from the U.S. government shored up the system and now public sector stimulus is beginning to trickle into the economy, soon to become a torrent. Nationally and locally, the housing industry -- the foundation of a strong economy -- shows signs of life. CMHC says housing starts are expected to increase throughout this year and next to match home-buying demographics. Purchasers are starting to respond to the cheap mortgages that have been made possible by low interest rates. For many people, the hard times are not over. But the strength in the housing industry and the diminishing decline in unemployment bode well. The Conference Board of Canada issued a timely reminder this week that turnarounds from deep recessions are typically more vigorous than anyone predicts, and indeed the Conference Board anticipates economic growth of 2.7 per cent next year.

Common sense aids recovery

The Calgary Sun – Saturday, July 18, 2009

Recently, CREA reported sales of existing homes recorded a 31.5% jump in the second quarter from the first quarter this year and recorded the first quarterly year-over-year increase since the financial crisis took hold. "This was undoubtedly a strong report," says Millan L. B. Mulraine, a strategist with TD Securities. "It suggests that the upward momentum in Canadian existing home activity appears to be gathering some traction as homebuyers take advantage of the favourable mortgage rates and prices and the numerous incentives contained in the fiscal stimulus package." Low mortgage rates and the federal home-buying incentives will remain in play until next year, creating a motivated pool of buyers. If you are joining or thinking about joining the list of sellers, use common sense -- not your emotions or your bank account -- when putting a price on your house. Make it realistic and your home will sell.

**Housing construction numbers healthier
Calgary Herald – Saturday, July 18, 2009**

"Looks like we're on track for an increase in construction coming into the fall," says Richard Corriveau, manager of market analysis for CMHC. "The building permits figures are a positive sign." The housing industry is beginning to right its ship, which was getting a severe list to it. Show home interest and sales are showing a renewed strength, while the inventory of complete but unoccupied homes is on the decline. "Low mortgage rates and recent price declines are supporting new home sales, which should lead to further improvement in the months ahead," says regional economist Lai Sing Louie of CMHC. Across the province, single-family home construction was down less than eight per cent in June compared to the same month last year, with work starting on 844 homes.

**Canada's resales through the roof; Second Quarter; Prices, sales rise across the country
National Post – Saturday, July 18, 2009**

Sales of existing homes in Canada jumped 31.5% in the second quarter from the previous one-- their first year-over-year quarterly increase since before the peak of the financial crisis, CREA said recently. The industry group said actual home sales totalled 147,351 units in the second quarter of 2009, up 1.4% from the same quarter of 2008. Home sales rose 8.7% in June from May on a seasonally adjusted basis. They were up 17.9% from June 2008, using non-seasonally adjusted figures. "This is on par with the record for the month of June, set in 2007, and is the fourth highest ever for activity in any month on record," CREA said in a report. A total of 41,304 homes changed hands in the month.

**BoC adjusts its growth forecasts upward; Holds rate at historic low
Nationalpost.Com – Tuesday, July 21, 2009**

The Bank of Canada suggested recently it is increasingly confident about an economic recovery and credit conditions, and as a result adjusted its growth forecast upward for this year and next. The central bank cautioned, though, that the recovery was in its early stages, or "nascent." Further, it said the rising Canadian dollar was "significantly" holding back the pace of economic growth. "The bank goes as far as to assert that recovery is nascent,' which I guess means the recession is over in the Bank of Canada's mind," said Michael Gregory, senior economist at BMO Capital Markets. Stewart Hall, economist and market strategist at HSBC Securities Canada, said removing those two words indicated the Bank of Canada "now has a higher degree of confidence on its grasp of how the Canadian economy is expected to evolve in the next several years."

**David Bach: More good reasons on why now is the time to buy a house
Walletpop – Thursday, July 23, 2009**

WP: In your books, you argue that real estate is one of the best investments people can make. Do you still believe that that is the case, and how has the recent foreclosure crisis and housing downturn impacted that view? A lot of people are skeptical right now. Make the case for home-ownership. The great truth about home-ownership is that it's the greatest investment you will ever make and nothing has fundamentally changed there. All the fundamental principles are in that book and it hasn't changed. When you look at the market today -- as much sense as it made to buy a home in 2005, it makes so much more sense to buy a home now. We have just gone through the biggest sale on the price of real estate in our lifetime. This is very similar to what happened in the late '80s and early '90s, except this time it's even better. I don't know where prices are headed but all I can tell you is that the fundamentals of why you buy a home have not changed: You have to live somewhere. The one thing I know about renting is that ultimately, rents always go up long-term. Buying real estate with fixed-rate mortgages makes sense. I've heard the argument that if you're underwater on a house and can rent something similar for less money, walking away from it can actually make sense. That's short-term and stupid. You'll wreck your credit and you won't be able to buy a house again for a long time. If you're living in a home and can afford the payments, don't let it go into foreclosure just because it dropped in value.

**Recession ain't over 'til the consumer sings
Nationalpost.Com – Thursday, July 23, 2009**

Benjamin Tal, senior economist with CIBC World Markets, says consumers - including the almost 1.6 million unemployed - are unlikely to be overjoyed by the Bank of Canada's pronouncement recently that the recession is all but over. "This is a technical economic recovery and something only economists get excited about," said Mr. Tal. "Does it mean unemployment will go down? Will it be easier to get a job? For the average person, it's not over and it won't be over until it's easier to get a job." There have been some signs that consumers are feeling more confident and ready to spend - one of the top indicators being the moribund housing market that saw record sales activity for June in major markets across the country. But it may be a tad early to get excited about a housing market that was dealing with pent-up demand from a winter that saw little transaction activity, said Mr. Tal. "The affordability aspect has become extremely important in this market," said the economist. Record low interest rates, and a housing market that has all but stalled on the price side, has presented a dilemma for consumers thinking about making major purchases, including a house.

**Recession near end, BoC says; Credit markets, consumer confidence up
Edmonton Journal – Friday, July 24, 2009**

Canada's recession is coming to an end as improved credit markets and higher levels of consumer confidence are expected to generate growth this quarter, says the Bank of Canada. "We believe the economy will grow this quarter," Bank of Canada governor Mark Carney told reporters at a media conference to explain the central bank's latest quarterly economic outlook. "The rate of growth will pick up to the end of the year and into 2010." There was more optimism from a CIBC report, and a Conference Board of Canada survey that showed consumer confidence continues to rise. CIBC economists Avery Shenfeld and Warren Lovely said grey economic skies are going to clear up a lot quicker than we think, and they took issue with predictions that Canada's recovery from the recession will be long and arduous.

**Proceed with 'caution'; Labour market to be 'slowest to adjust'. More job losses
National Post – Friday, July 24, 2009**

The recession in Canada could well be over, but the Bank of Canada says unemployment will continue to get worse and dampen economic recovery. At the same time, economists predict almost 10% of the workforce will be jobless before conditions begin to improve next year. As signs of improvement begin to emerge, the central bank has turned more upbeat on the prospects for Canada, predicting economic growth of 1.3% in the current quarter, compared with its previous prediction of a 1% contraction. If the Bank of Canada's prediction proves correct, the recession would be limited to three consecutive quarters. "The perkier outlook is largely due to a rosier view on consumer spending and housing," said Douglas Porter, deputy chief economist at BMO Capital Markets. The unemployment rate reached an 11-year high of 8.6% in June, a rapid increase from the 33-year low of 5.8% recorded in February last year, Statistics Canada figures show.

Housing market gaining ground ; The average house price in Sherwood Park is falling, but the number of sales increased from June 2008

Sherwood Park News – Friday, July 24, 2009

The REALTORS® Association of Edmonton reached its yearly midpoint at the end of June and feels that the local real estate market has regained some stability. "Buyer confidence, especially among first time buyers, was evident in Edmonton despite lingering economic concerns in other markets," Charlie Ponde, president of the REALTORS® Association of Edmonton, said in a press release.

All about lifestyle; Gen X families driving sales of recreational properties

The Ottawa Citizen – Saturday, July 25, 2009

Generation X isn't afraid to spend money to achieve a laid-back lifestyle, including buying recreational homes for weekend escapes and time to hang out with family and friends. Loosely defined as those born from the mid-1960s to the early 1980s, these kids are replacing their parents as a major force in recreation housing markets across Canada. For the Xers, it's all about lifestyle, says a recent Recreational Property Report by Re/Max. As far as the boomers' kids go, the report shows that 74 per cent of markets surveyed this year had a definite trend of this well-educated, financially sharp consumer group scooping up affordably-priced properties, whether a waterfront cottage, a chalet in the mountains or a resort condominium. A year ago, a similar survey found this happening in just 40 per cent of the centres surveyed.

Breaking Ground

Edmonton Journal – Saturday, July 25, 2009

From July 15 to July 21, the City of Edmonton planning and development department issued 28 permits for single-family homes. Areas include Cumberland, Schonsee, Charlesworth, Summerside, Alberta Avenue and Westmount. Multiple-Family Dwellings: From July 15 to July 21, the department issued two permits for multiple-family dwellings. Sterling Homes (Edmonton) Ltd. received one permit to build a semi-detached house in Walker.

Edmonton market 'steady'

Calgary Herald – Saturday, July 25, 2009

Work started on 268 detached homes in June, a 10-per-cent increase from the same month a year ago. For the first half of this year, 1,117 foundation holes were dug in Edmonton, a decrease from 2008 of 17.5 per cent, says CMHC senior market analyst Richard Goatcher. Jim Sirup, Edmonton-based executive vice-president for Jayman MasterBuilt, says the Edmonton market is feeling the impact of pent-up demand unleashed by lower house prices and favour-able mortgage rates. "People see costs coming down and the low mortgage rates and are realizing homes are going to get more affordable than they are now," he says. In terms of multi-family housing there were 182 construction starts in June, a decrease of 42 per cent from 312 for the same month last year, says CMHC.

Housing market growth boosts real estate loans; Credit card balances, lines of credit, personal borrowing up in June

The Toronto Star – Tuesday, July 28, 2009

Canadians, buoyed by a budding housing market recovery, took on more debt in June as they tapped banks for a variety of loans tied to real estate, says a report released by TD Economics. Although the recession is taking a toll on consumers, relatively low interest rates helped whet their appetite for more housing-related debt. That helped drive home sales last month, but economists warn demand for mortgages will likely diminish during the rest of 2009. The report, citing data from the Bank of Canada and the CMHC, said much of June's lending growth was fuelled by "loans secured on real estate." Specifically, mortgages grew by 0.8 per cent from May and 8 per cent compared with June 2008. "However, since June's housing sales are unsustainable and new home construction will be weak during 2009, demand for mortgage credit should wane in the months ahead."

Canadian auto sales show signs of rebound; July holds up well

National Post – Tuesday, July 28, 2009

Geoff Helby, an analyst with market research firm J. D. Power & Associates said recently "Evidence of an economic recovery in the form of a re-surg-ing housing market, a strengthening dollar and higher commodity prices have persuaded consumers to 'feel comfortable' in purchasing a new vehicle." "Our consumers just did not face as severe a gale force wind as U. S. consumers did," a point made clear by surprisingly strong home sales data for June, Bank of Montreal economist Douglas Porter said. The Bank of Canada said in its latest monetary policy report last week that the economy will grow 1.3% in the current quarter, buoyed by improved credit markets and higher consumer confidence. In its previous forecast, it predicted a 1% contraction.

Lukewarm economic data expected this week

Nationalpost.com – Friday, August 7, 2009

Despite some of the optimism created by the Bank of Canada's recent assertion that the recession is over and the gains on the stock market, Canadians should be conditioned for less-than-ideal economic news after the greater-than-expected 44,500 jobs lost last month. Millan Mulraine, economics strategist for TD Securities, said the outlook for the Canada's new house market is looking up. "The sharp correction in the Canadian housing market appears to have come to an end, as record-low mortgage rates, affordable home prices, and the various incentives provided under the fiscal stimulus package appeared to have gained some traction and laid the foundation for the recovery in the housing sector," he wrote in a research note.

Breaking Ground

Edmonton Journal – Saturday, August 8, 2009

From July 29 to August 4, the City of Edmonton planning and development department issued 22 permits for single-family homes. Areas include Charlesworth, Walker, Silver Berry and Rutherford. The department issued seven permits for multiple-family dwellings. MacLachlan & Mitchell Homes Inc. received three permits to build semi-detached houses in rural West.

Alberta unemployment rate expected to rise; Economists predict more job losses to come, after July figures worse than anticipated

Edmonton Journal – Saturday, August 8, 2009

Alberta's unemployment rate rose to 7.2 per cent in July--a high not seen since June 1996, said Statistics Canada, which released unexpectedly grim labour market news recently. Canada lost 45,000 jobs--more than feared. Alberta lost 3,700 jobs compared to June, while the province's labour force increased by 5,600 in July as jobseekers moved to the province. "The current weakness in conventional oil and gas drilling, as well as the sharp retrenchment in construction and manufacturing activity, has left many companies no choice but to cut payrolls," said ATB Financial senior economist Todd Hirsch. Job losses in Alberta will only get worse in the next few months, he predicted.

Market prices stable

St. Albert Gazette – Saturday, August 8, 2009

July was another brisk month for real estate in St. Albert as home sales remained strong and the average price continued to hover around \$437,000. There were 101 homes sold in July, a significant increase from the 87 sales posted in July 2008 and 57 in July 2007. The St. Albert market has been outperforming its 2008 numbers by a significant margin since April. Meanwhile, the Edmonton region as a whole posted its second consecutive record-setting month in July. "It's a very good balanced market right now," said Charlie Ponde, president of the REALTORS® Association of Edmonton. "It's good for the sellers and good for the buyers." Homes that are well priced are selling quickly right now, with some drawing multiple offers, Ponde said. But there's enough inventory coming on-stream to prevent prices from escalating.

Crack down on measuring methods needed

Calgary Herald – Saturday, August 8, 2009

Some REALTORS® are concerned people buying resale condos might not be getting what they are paying for. The problem is the method being used by the Calgary Real Estate Board for measuring condos, they say. The registered size refers to the size of the condominium unit as registered through Alberta Land Titles and must be verified from the Registered Condominium Plan. This size might include parking stalls, garages, below-grade areas, balconies and storage areas. Living area size, which has a separate database on the MLS® System, includes any above-grade, developed, heated living space --and doesn't include stalls, the garage or storage areas. Don Dickson, business practices manager for CREB, says the board has a very detailed measurement guide. "As there is no standard of measurement in Alberta, the board cannot enforce our method of measurement," he says.

Sales up over Last Year

The Edmonton Sun – Sunday, August 9, 2009

For the second month in a row, the REALTORS® Association of Edmonton is reporting a record number of sales. A total of 2,277 residential properties were sold in July which is a new record for the month. Last month, 2,552 residential units were sold, which was a new June record. The record-setting July is also note-worthy for the huge increase in sales over the same time last year. July 2009 saw a 27.6% increase in residential units sold over July 2008. "The market is stable, and strong sales and market activity are not driving prices up dramatically," said Charlie Ponde, president of the REALTORS® Association of Edmonton. "Attractive mortgage rates and consumer confidence are powering the local market and sellers are being realistic about their pricing."

Local REALTOR® stars on HGTV

The Edmonton Sun – Monday, August 10, 2009

Edmonton was on display for an international audience when HGTV aired its latest episode of House Hunters International last night. In the episode, local real estate agent Karen Stanko showed Daniel Ragan, a High Prairie helicopter pilot, around three condos priced between \$275,000 and \$320,000 in Edmonton's downtown and helped him pick his new home. Behind the scenes, she took Ragan to about 30 properties before he picked the right one. Viewers, however, will only see him contemplating three of those condos. It also could help give the city a chance to shine. "I really liked having shown the downtown," Stanko said. "It looks really urban. They also showed a bit of the river valley."

Housing starts still strong in St. Albert; Edmonton region showing signs of waking up

St. Albert Gazette – Wednesday, August 12

Low mortgage rates combined with prices that are significantly lower than two years ago are making the housing market attractive for buyers who've been sitting on the sidelines, explained Richard Goatcher, senior market analyst for the CMHC. St. Albert is making progress in becoming a more attractive place for builders and developers after falling behind the rest of the Edmonton region for a number of years, said Mayor Nolan Crouse. One key initiative was a bylaw change that eliminated a restriction on home size on small lots. This has made St. Albert more responsive to market demands, Crouse said.

City bucks housing downturn; July starts up by 10.8% while national picture is surprisingly weak

Edmonton Journal – Wednesday, August 12, 2009

Total housing starts in the Edmonton region rose in July by 10.8 per cent compared with a year earlier --the first year-over-year increase since January 2008. Builders began 451 homes in July compared with 407 started in July 2008, according to preliminary figures released by CMHC. While new apartment construction remains depressed, single-detached homebuilders poured foundations for 273 units in July. That's up 37 per cent from the 199 houses started in July 2008. "CMHC expects this trend to continue in the months ahead as builders' unsold inventories continue to move downward," said Richard Goatcher, senior market analyst for Edmonton at CMHC. "Residential construction in Alberta pretty much went to sleep during the first half of 2009 as developers waited for the dust to settle in Alberta's housing markets," said Dan Sumner, an economist with ATB Financial. Unexpectedly strong sales in existing home markets in Alberta may be boosting new home construction, Sumner said.

Record housing sales for second month in a row

Edmonton Examiner – Wednesday, August 12, 2009

The REALTORS® Association of Edmonton reported a record number of single month sales of residential properties for the second month in a row. Buyers who created record sales in June carried through for a record in July as well. Although sales were off almost 11 per cent from June, the total number of July sales was 2,277, creating a new July record. "The market is stable and strong sales and market activity are not driving prices up dramatically," said Charlie Ponde, president of the RAE. "Attractive mortgage rates and consumer confidence are powering the local market."

Office vacancy rate set to climb as space hits market

Edmonton Journal – Thursday, August 13, 2009

Edmonton's office market will see vacancies climb as tens of thousands of square feet come onto the market from downsizing firms, says a commercial real estate broker with Avison Young. Edmonton's vacancy rate jumped 2.2 percentage points to 7.5 per cent from mid-2008 to mid-2009, according to an Avison Young report released recently. But the vacancy rate is set to increase as 109,000 square feet comes onto the market from Telus House (formerly called TELUS Plaza South) and Sun Life Place. Telus plans to put 70,000 square feet of its office space on the sublease market, said said Cory Wosnack, a principal with Avison Young. The Vancouver-based company said it has cut a total of 1,500 jobs this year. Another 39,000 square feet is expected from Sun Life. "This will increase the amount of available space in the downtown market by 0.7 per cent," Wosnack said.

House market stronger now; Year-over-year single-family home sales increases

Fort Saskatchewan Record – Thursday, August 13, 2009

While the sales stats for single-family homes in Fort Saskatchewan dropped slightly last month to 32 from 35 sales in June, one REALTOR® believes buyers and sellers are far better off than they were six months ago. The 32 houses sold last month is up seven from July of last year, while the average sale price fell nearly \$70,000 to \$339,000 from the figure last July. While that seems dramatic, one has to consider the average price fell only \$14,000 from the average price in June of this year. "Should all of the indicators in the housing market stay consistent, the hope is that the market will continue to get stronger well into next year," he said.

Summer housing starts slump

Nationalpost.Com – Friday, August 14, 2009

While numbers for existing homes have been showing signs of recovery, this week both housing starts and prices for new homes took a tumble. "July's tally is comfortably above April's 118,500 low, and when taken in combination with other housing market indicators, it's still safe to say that Canada's housing market is on the mend," notes Robert Kavcic at BMO Capital Markets Economics. "Indeed, building permits and existing home sales have both surged more than 40% through June from their winter lows, a feat that will gradually feed into improved levels of residential construction activity." "Looking out further ahead to next year, we remain cautious, predicting only a modest bounce in activity. After entering this downturn following an unprecedented housing boom, both in terms of length and depth, and faced with a higher inventory of unsold units coming out of the recession, it remains highly unlikely that housing starts could revisit pre-recession levels for years to come," notes Pascal Gauthier, economist, at TD Economics

BREAKING GROUND

Edmonton Journal – Saturday, August 15, 2009

Single-Family Dwellings: From August 5 to 11, the City of Edmonton planning and development department issued 42 permits for single-family homes. Areas include Cumberland, Wild Rose, Rutherford and Eaux Claires, Silver Berry and Ambleside. Multiple-Family Dwellings: From August 5 to 11, the department issued seven permits for multiple-family dwellings. Kimberley Homes Ltd. received two permits to build semi-detached houses in Rutherford.

Strong house sales signal recovery

The Edmonton Sun - Saturday, August 15, 2009

An astounding rebound in the resale housing market combined with good news out of the manufacturing sector suggests that Canada is slowly but surely digging itself out of recession. CREA reported that 50,270 homes traded hands on the MLS® System in July. This is up 18.2% from a year ago and set a record for the month of July. Although the economy has a long way to go before it returns to levels of growth seen before the recession began, there are many signs that the bottom has been reached, said CIBC chief economist Avery Shenfeld. "I believe that when history is written, we'll see that the second quarter was the last quarter of recession, and the third quarter the quarter that marked the beginning of the climb out of the hole," Shenfeld said in an interview. "Record-low borrowing costs and the mounting sense that the worst of the economic storm has passed are the key ingredients in the remarkable turnaround," wrote BMO deputy chief economist Doug Porter.

Real estate market surges; National resale purchases set July record; Edmonton sales jump 28%

Edmonton Journal - Saturday, August 15, 2009

Edmonton helped push Canada's July housing sales to the best on record for the month and the largest year-over-year increase in two years, CREA said. Edmonton-area sales rose nearly 28 per cent with 2,277 resale homes purchased in July, breaking the July record of 1,953 set in 2006 during a heated market. "The difference in the resale housing market now, compared to the beginning of the year, is night and day and nowhere is this more evident than in the West," said Dale Ripplinger, Association president. "Homebuyers recognize that interest rates and prices have bottomed out, and are taking advantage of excellent affordability before prices and interest rates move higher." Seasonally adjusted MLS® System sales have risen for six straight months and are up 61.2 per cent off the decade-low set in January. Sales are only off 1.4 per cent from the May, 2007 peak.

Housing resales rocket in July; Record 18.2% jump

National Post - Saturday, August 15, 2009

Canada's housing market boomed in July as low interest rates and improving economic confidence sent sales of existing homes to a record for the month, despite generally weak economic conditions. The remarkable turnaround from an almost frozen market at the start of the year has economists stunned, and while they predict activity will level out soon, the risk is continued low interest rates begin to stoke a house price bubble. "We can't rule it out," Douglas Porter, the deputy chief economist at BMO Capital Markets, said of the possibility of a bubble. But he said the scenario was hard to fathom given the underlying weakness in the economy. Even so, that weakness to date has not prevented a strong rebound in the existing housing market, which declined steadily throughout 2008 and hit a decade low in January. "After improving markedly, affordability will deteriorate in coming quarters, and unemployment will continue to rise," said Pascal Gauthier, an economist at TD Bank Financial Group. "New listings might well start rising again too. Combined, a larger supply and a softening in demand should cool prices in a delayed fashion."

Housing starts IMPROVE ; Up over same time last year

The Edmonton Sun – Sunday, August 16, 2009

In July, overall housing starts in the Edmonton region increased over the same time last year. The spike in construction marks the first time there has been a year-over-year increase since January 2008. Early figures released by CMHC show that housing starts in the Edmonton region totaled 451 units in July. That marks a moderate increase over the 407 housing starts in July 2008. Single-detached housing starts totaled 273 units last month, which is a 37% increase over the 199 units that were started in July 2008. So far in 2009, single-detached housing starts across the Edmonton Region totaled 1,390 units, which is a 10.5% decline from the first seven months of 2008. "CMHC expects this trend to continue in the months ahead as builders' unsold inventories continue to move downward," said Richard Goatcher, CMHC's Senior Market Analyst based in Edmonton.

Commercial real estate activity tumbles from '08; 'We Got Hit The Hardest'; Transaction value down 51 per cent

Calgary Herald – Tuesday, August 18, 2009

Canadian commercial real estate transaction volumes from January through June shrunk by 51 per cent, year-over-year, from \$10 billion halfway through 2008 to \$4.9 billion halfway into 2009, according to a national investment report released by CB Richard Ellis Ltd. Mid-year through 2009, the number of commercial transactions was 1,569, down from 2,542 transactions completed halfway through 2008. Meanwhile, a report by PricewaterhouseCoopers warns that Canada's commercial real estate sector faces "very trying times." That hardship will send some owners into creditor protection as the market corrects from overblown valuations during the last cycle, the report said. During a recession, commercial real estate is one area affected and can feel the impact much longer than other investments because job losses are a lagging indicator as opposed to a leading indicator, said Adam Legge, vice-president and chief economist for Calgary Economic Development.

July housing starts beat 2008

Sherwood Park News – Tuesday, August 18, 2009

For the first time this year, housing starts in Strathcona County surpassed 2008's numbers. Through the first seven months of 2009, there have been 194 housing starts in Strathcona County, compared to 189 through the first seven months of 2008 -- a 2.6 per cent increase -- according to CMHC. In July, 36 housing projects began in Strathcona County, up from the 31 that began in July 2008. According to CMHC, July was the first time since January 2008 that the number of housing starts in the Edmonton Census Metropolitan Area (which includes Strathcona County) surpassed a previous year-over-year total. As a result, 2009 is still trailing 2008's total residential construction starts through the first seven months.

Manhattan office sales come to a near standstill

The Toronto Star – Wednesday, August 19, 2009

Manhattan office sales came to a near standstill in the first half of 2009, with less than one-tenth the average number of transactions seen during the same period in the previous five years, CB Richard Ellis Group Inc. reported. Three Manhattan office buildings valued at more than \$30 million (U.S.) sold from January to June. That is down from an average of 32 in the first six months of the prior five years. Buyers and sellers are far apart on bids while low interest rates on existing loans mean many sellers can afford to wait, Los Angeles-based CB Richard Ellis said.

Bail denied for REALTOR® ; Accused of assaulting three prostitutes

The Edmonton Sun – Wednesday, August 19, 2009

A REALTOR® accused of sexually assaulting three prostitutes was denied bail in provincial court. Oldin Yadir Maldonado, 26, was charged in June with two counts of sexual assault causing bodily harm, three counts of unlawful confinement and one count each of sexual assault, robbery and uttering threats to cause death or bodily harm. Police said members of their sexual assault unit began an investigation after an April 19 attack on a prostitute. "It had nothing to do with his occupation as far as we know," said Jon Hall of the REALTORS® Association of Edmonton of the alleged assaults. Hall said REALTORS® must undergo a criminal background check, and newly licensed agents are fingerprinted. A preliminary hearing is scheduled to begin Nov. 25.

North Ridge Lodge expansion just the start; Second phase ready to serve handicapped adults

St. Albert Gazette – Saturday, August 22, 2009

Guests were on hand at St. Albert's North Ridge Lodge Thursday morning to participate in a public unveiling of prefabricated living units that will form a new addition of 48 affordable housing units for seniors. With construction on this first phase in full swing, the lodge's operator is already eager to add a second phase aimed at disabled adults. To those living with disabled adults, the spacious suites on display were "close to ideal." The Sturgeon Foundation, which operates North Ridge, is working on plans for a second phase that would provide 42 units for independent adults with special needs, said executive director Marguerite Bosvik. The organization is consulting with interested groups to finalize their design while waiting for the province to open up a request for proposal process.

Construction pace declines; Builders focusing on existing developments

Calgary Herald – Saturday, August 22, 2009

Construction starts have dwindled dramatically from a year ago -- and the decline is much more noticeable in Calgary than in Edmonton, CMHC. "With inventories rising over the past 12 months and further increases expected, it is likely multi-family production will remain weak through the balance of the year," says Lindsay Kendall, Calgary-based market analyst for CMHC. In the provincial capital region, CMHC says work started on 178 multi-family units of all types in July, just 14 per cent off the year-ago total of 208. Strong gains for both semidetached and townhouses were countered by zero apartment starts in July, says Richard Goatcher, senior market analyst in CMHC's Edmonton office.

Park house prices recovering

Sherwood Park News – Tuesday, August 25, 2009

The housing economy in Sherwood Park and the greater Edmonton area appears to be, at least in some areas, on the upswing. "The prices are relatively stable," said Jon Hall, spokesperson for the REALTORS® Association of Edmonton. "Right across the board (house prices) are not changing month-to-month. They may look depressed related to the year before -- although in Sherwood Park, that's not true -- but you can see in other places in Edmonton, the prices might be lower in the southeast or lower than they were a year ago, but in the southwest they're higher." House prices have been slowly rising one per cent a month since December 2008, Hall said.

Seniors housing market matures

The Calgary Sun – Wednesday, August 26, 2009

The leading edge of the baby boom generation, those born in 1946, are only two birthdays away from being considered, at age 65, senior citizens, and as the balance of one of the largest generational cohorts in history passes that line there will be a focus on senior housing needs, says CMHC. "The demand for seniors' housing is expected to increase as the baby boom generation ages," says Bob Dugan, chief economist for CMHC. "The anticipation of this increase has spurred the construction of new spaces of seniors' housing ahead of actual demand. This, in turn, has led to a much higher average vacancy rate for seniors' residences than the vacancy rate for other forms of rental housing in nearly every part of the country." CMHC has launched a series of housing reports to provide a clearer picture of seniors' housing markets across Canada and in every province and major city in the country.

9.6% surge in new home sales buoys economic recovery hopes; Purchases hit 10-month high as U.S. tax credit lures first-time buyers

The Toronto Star – Thursday, August 27, 2009

The implosion of the housing market in the United States started a chain reaction that led to the global economic downturn. But there are strong hopes now that the U.S. market will lead consumers into the recovery. Purchases of new homes in the U.S. smashed all expectations in July, rising 9.6 per cent from the previous month to a 10-month high of 433,000 units, the U.S. commerce department said. It was the first time more than 400,000 homes sold since last October. "The items supporting a housing recovery have been working in tandem over the past while and they are still going strong like the Energizer Bunny," said Jennifer Lee, an economist with BMO Capital Markets. "This is another encouraging sign that U.S. housing is finally on the mend."

The recession is dead, say the experts -- long live the recovery!

The Ottawa Citizen – Thursday, August 27, 2009

Federal Reserve chairman Ben Bernanke first acknowledged back in February that the recession might end this year and he said that again in May. "It might," were his words, or something close to that. Recently, he threw caution to the wind and declared the longest economic downturn since the 1929 Great Depression as good as dead. That's the best news we've heard since ... well, since Bank of Canada governor Mark Carney beat Bernanke to the punch last month and announced that after three negative quarters, Canada had emerged out of recession. A word of caution. It's all well and good to declare the global recession has been slain, but don't think for one moment that the existing hardships and suffering, at both the corporate and individual levels, are going to vanish overnight. That's just not going to happen and the economists know this. The problem is that while there's a clear definition of what constitutes a recession -- two consecutive quarters of economic decline -- a recovery simply means the economy is no longer slipping backward. For the unemployed, or those overdrawn on their credit and facing a stack of unpaid bills, it may seem as if nothing has changed. "One should not expect very high growth rates in the recovery. The turnaround will not be simple. "The crisis has left deep scars that will affect both supply and demand for many years to come."

Mall sprawl in first half equals total for all of '08

Edmonton Journal – Thursday, August 27, 2009

Canadian developers added retail space at a record pace while the country's economy went through a recession, spurred on by shoppers and investors such as the Ontario Teachers' Pension Plan. Builders added about 6.8 million square feet of retail space in the first half, more than in all of 2008, according to CB Richard Ellis Group Inc. "A record amount of new retail space continues to be delivered and constructed, even though the retail sector is showing some signs of stress," said CB Richard Ellis analyst Ricky Hernden in Toronto. Canadian retail spending recovered faster than other parts of the economy, such as factory production, in part because tax cuts and low interest rates supported household finances. Lending also held up, with Canadian banks largely avoiding U.S. pitfalls triggered by subprime home loans.

Home prices stage rally; Sale of mansion for \$10.3 million provides boost

Calgary Herald – Thursday, August 27, 2009

The recent \$10.3-million sale of Mike Vernon's Elbow Park mansion has pushed average MLS® System sale prices in the city to a new level. As of Aug. 25, unofficial preliminary data indicate that single-family home sales in Calgary have averaged \$459,734 for the month, according to the website of Mike Fotiou, of First Place Realty. That's more than \$19,000 over the average in August 2008, when it was \$440,625. With less than a week of sales to go in the month, the average MLS® System price could show the first year-over-year increase on a monthly basis since February 2008. It's another sign the local real estate market has rebounded. One of the factors is reduced inventory. Sales are a definite improvement over last year, said Bonnie Wegerich, president of the Calgary Real Estate Board.

Home sales forecast points to rebound; Real Estate Upswing; Alberta among 'most dramatic revisions'

Calgary Herald – Friday, August, 28 2009

There has been some strengthening in Alberta's resale market, said Lai Sing Louie, regional economist for CMHC in Calgary. "We're expecting that the second half (of the year) will be much stronger than the first half," he said. Most markets in Alberta have turned into balanced ones, added Louie. In the first quarter, they were generally buyers' markets. Louie said low mortgage rates have been a big factor in spurring residential sales. "Affordability has improved quite significantly," he said. "We've also seen some government incentives to encourage first-time homebuyers and that's helped. And I also believe that people who have been waiting to see how the markets move finally have the confidence now to go into the marketplace and buy." 2010 average price forecast for Alberta \$343,200.

Group reverses forecast from a 5.2% decline as national market defies pull of global recession
The Toronto Star – Friday, August 28, 2009

In an abrupt reversal, CREA now says existing new home prices across Canada are forecast to increase - not decrease - by the end of the year. "The difference in the resale housing market now, compared to the beginning of the year, is night and day," said CREA president Dale Ripplinger. Revised average home prices across Canada are expected to hit \$309,500, up 1.5 per cent from 2008. The original estimate was for home prices to decline by 5.2 per cent. "The speed and magnitude of the recovery was unprecedented," said CREA economist Gregory Klump in an interview. "Nobody expected it to bounce back this fast and by this much."

OUR BIG CHANCE: Given Canada's strength, this may be our time to pull out of America's shadow
Macleans – Monday, August 31, 2009

For Canada, a country that has spent the better part of 20 years nervously wringing its hands over its perceived inadequacies, the dramatic reversal over the past year has been striking. Our banks were once seen as lacking innovation; now world leaders hail the boring Big Five as being among some of the safest and most profitable banks in the world. We fretted that our economy was overly reliant on commodities; now our rocks, oil and gas are seen as a natural hedge against havoc in the manufacturing sector. We worried that Canada's strict mortgage rules were a drag on our housing market; now we can brag that we don't put people into homes they can't afford. Almost any way you look at it, Canada is uniquely positioned. "You'd have to go back to those golden early Trudeau years of '69, '70 to find a time when things were aligned so well," says Glen Hodgson, chief economist at the Conference Board of Canada. Last week the board predicted that next year Canada will see a huge leap in our ranking by international economic performance, from 11th place out of 17 countries in 2008, to fifth. Canada's rise will be driven by GDP growth, improved employment growth and increased foreign investment.

(NEW) House prices up slightly
Edmonton Journal – Saturday, September 12, 2009

Prices of new homes in Edmonton rose 0.4 per cent in July over June, said Statistics Canada. It's the first monthly price increase since October 2007. "Prices for new homes have probably been taking their cues from the cities' resale markets, which, thanks to record low interest rates and a rebound in consumer confidence, have recovered nicely in mid-2009," said ATB Financial economist Dan Sumner.

Make an OFFER
The Edmonton Sun – Sunday, September 13, 2009

Would you trust yourself to write an offer to purchase a property? The most important step when purchasing a property is writing the offer. The offer to purchase is a legal document that outlines all of the terms and conditions of the transaction. If it is not in the offer, then it is not part of the transaction. It is important to make sure that you understand the contract; your REALTOR® will assist with this.

Post-mortem on a year of crisis: It could have been a lot worse
Edmonton Journal – Tuesday, September 15, 2009

September 15 marks the one-year anniversary of U.S. banking giant Lehman Bros. filing for bankruptcy protection, heralding the start of what became a full-blown global economic crisis that has dominated the world agenda ever since. Lehman Bros. has become the symbol of this calamity, which was rooted in an implosion of a U.S. banking system making much of its money based on the assumption that inflated real estate prices weren't ever going to come down. Benjamin Tal, senior economist with CIBC World Markets, says the perception that the Canadian economy is recovering strongly is real, and he never would have imagined a year ago it would have happened this quickly. Going forward, Tal says "leveraging," or essentially paying for things on credit, will be less of a factor in the economy, both at the consumer and corporate levels. This will result in a "reduced speed limit" for the economy, considering the importance of debt in driving economic growth in the years preceding the recession.

Housing sales down for August

Sherwood Park News – Tuesday, September 15, 2009

Multiple Listing Service® housing sales in Sherwood Park for the month of August were down, falling in line with the housing market for the greater Edmonton area. During the month of August, 62 Sherwood Park homes were sold for an average price of \$441,433. While the number of homes sold in August are down from the 94 sold in July, the average price of sale increased from July's \$425,644. Charlie Ponde, REALTORS® Association of Edmonton president, said the Edmonton market is still showing strength despite the August cool off. "Our members continue to report high buyer interest," he said. "Although sales in the fall are slower than the spring, buyers are looking for a home and sellers can reach them through the MLS® system."

Resale housing still on rebound

Edmonton Journal – Wednesday, September 16, 2009

Canada's resale housing market continues to rally, with 42,483 homes trading hands in August, an 18.5-per-cent gain from year-ago levels, CREA said recently. Economists warned, however, that the market's outperformance in recent months is not likely to be repeated as home prices rise and the market consolidates gains. "Canada's housing market has taken its cue more from the Great Houdini than the bear (economist Noriel) Roubini, fully escaping from the clutches of a potentially lengthy, harsh downturn," said BMO Capital Markets deputy chief economist Doug Porter. "Record-low borrowing costs combined with the growing realization that the economic storm is passing have fuelled the remarkable turnaround. However, the gaudy sales growth will be tough to maintain now that prices are moving higher again." A market-weighted average shows a more modest 5.3-per-cent year-over-year rise in average prices.

Know your neighbours; Zoocasa moves to town.

Canadian Business – Monday, September 18, 2009

Canadians love looking at homes online, even when they're not buying. Nearly a third of all Canadian Internet users browsed real estate listings at least once in July, according to comScore Media Metrix, with the most visits going to www.REALTOR.ca, run by CREA. But a new player now wants to crack that dominance: Rogers Communications (TSX: RCI.B). In late August, the secretive New Ventures division of the cable, wireless and media giant (which also owns Canadian Business) publicly launched Zoocasa, a real estate search site that aims to combine listings, Google Maps and the characteristics of specific neighbourhoods, like school ratings and public transit. "We think there is a lot of value in the contextual data about neighbourhoods," says Butch Langlois, the site's general manager. "Is it pre-Starbucks up-and-coming? Is it economical? That's relevant to homebuyers." At the moment, the site is sparse on listings, showing only about half the actual number of homes for sale in any given region. Langlois's challenge is to get agents, brokers and real estate boards — the same industry professionals that currently feed www.REALTOR.ca with listings — to share that same information with a glitchy startup website showing more promise than performance.