



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

With Appraisal Expert Gerhardt Klann

May 2019

Showing some signs of life....

With the coming of spring and some really nice weather in April, the local real estate market definitely started showing signs of life.

Looking back to February and March, the numbers were at the low end of the range from the past 5 years for those months and I had speculated that the really cold weather could have something to do with that. With April showing some reasonable activity, it gives some support for that hypothesis.

The number of sales (total demand) for April was 1,684 units, which is at the median of the past 5 years, definitely an improvement over previous months.

Total inventory remains high at 10,699 total units, which is the

highest of the past 5 years. This continued higher inventory coupled with only typical demand will continue to hamper any rise in pricing.

Average and median pricing in single family homes continues to be down modestly from previous years with larger decreases seen in condominiums.

Average and median days on market are also the highest over the past 5 years which is not a surprise given the high inventory levels currently seen.

Just this week I read a national housing forecast, that suggested that Edmonton will be one of the few Canadian cities posting price increases over the next five years at an estimated rate of 4% per year price growth. Given the current climate, I find this outlook extremely optimistic, but perhaps

they are looking at bigger picture economic indicators.

Residential rental rates continue to rise slowly with some decreasing vacancy rates seen.

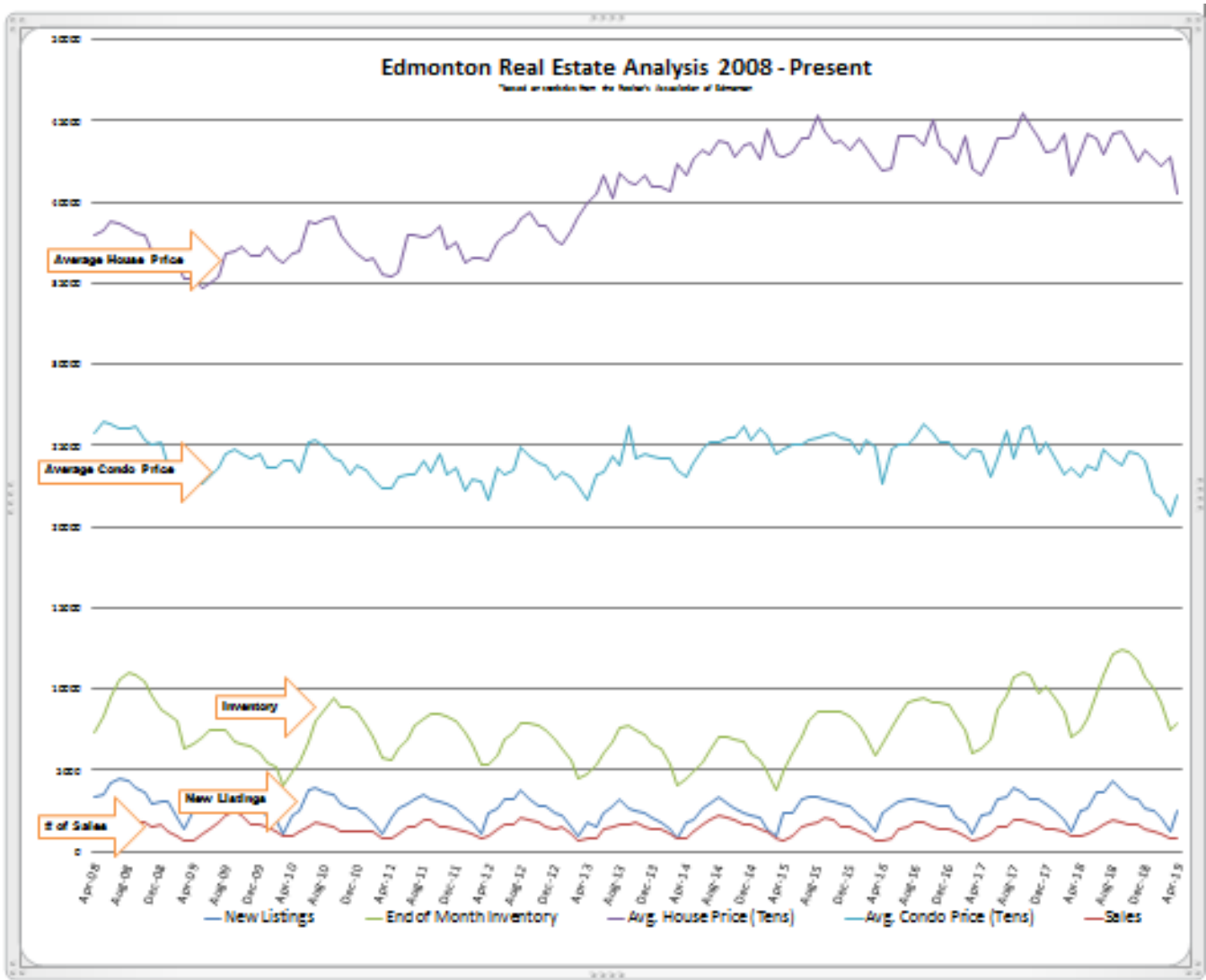
Anecdotally, as we reach the midway point in May, many Realtors I've spoken with have reported selling listings that were previously sitting for months and running low on inventory of their own listings, which is definitely interesting.

Next month, we will definitely keep watching to see how the market has responded to the seasonal changes and see if any of that "pent up demand" results in higher sales.

**Special thanks to the REALTORS® Association of Edmonton for statistics.*

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

Edmonton	2019	2018	2017	2016	2015
House Avg. Price	\$427,657	\$431,181	\$441,115	\$438,687	\$440,201
Median Price	\$394,500	\$400,000	\$402,750	\$409,000	\$411,625
Condo Avg. Price	\$228,933	\$248,660	\$261,732	\$255,675	\$256,709
Median Price	\$213,500	\$230,000	\$244,950	\$235,000	\$237,500
Total Sales	1,684	1,657	1,578	1,713	1,826
Inventory (Month End)	10,699	10,835	9,529	9,922	8,964



"The team at Northern Lights Appraisals is a pleasure to work with.

I hope to do more business with them in the future."

Relocation Company

"Please pass along our thanks to Ken Pickett for the great service appraising our customer."

**John Cliff
 The Mortgage Centre**