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## Fall housing market expected to be 'abnormally' hot in Edmonton

*New report by Re/Max predicts interest rate cuts spur demand across many Canadian markets.*

Joel Schlesinger



Home buyers from outside of the province find Edmonton's prices attractive. PHOTO BY GREG SOUTHAM /Postmedia

Fall isn't known for being particularly warm in Edmonton, but home buyers and sellers can expect sizzling conditions this fall, a new forecast predicts.

“The biggest thing we're predicting is an abnormally busy fall market,” says John Carter, broker/owner of Re/Max River City in Edmonton.

The Re/Max 2024 Fall Housing Market Outlook released this month found the prospect of interest rate cuts has 25 per cent of those actively looking for a home believing they are ready to make that purchase this fall.

That said, another two in 10 indicate they would like to see rates fall another 100 basis points to get back into the market, a reflection of challenging conditions in the nation's largest and most expensive markets — Vancouver and the Greater Toronto Area.

Overall, however, the majority of realtors in Canada are upbeat for the fall — the second busiest time of year for activity behind the spring.

To that end, the report found surveyed realtors expect prices to increase as much as six per cent by year's end.

“However, that doesn't mean every market will see prices rise,” says Kingsley Ma, regional vice-president for Re/Max Canada, noting Toronto and surrounding cities could see flat markets or even slight declines in pricing and activity.

Yet Edmonton is among the forecast's “hot pockets,” he adds.

The outlook predicts price growth will be at the top end of estimates nationally, increasing six per cent by year's end to about \$467,000. Sales are also forecast to rise 15 per cent.

The city's price and sales forecasts are the highest among major cities on a percentage basis.

That comes as no surprise to local realtors like Carter, who notes Edmonton's resale real estate market is benefiting from being one of the most affordable large municipalities.

“Our average price point is so much lower than in Toronto, Vancouver and even Calgary.”

Realtors Association of Edmonton figures from August show that single-family detached homes remain relatively affordable. The average price was about \$546,000, up about 10 per cent from August last year, though down slightly from this past July.

Carter notes the price — while still a challenge for first-time buyers even with interest rates falling — is far less than other major cities.

In Calgary, by comparison, the average price was about \$804,000 for a single-family detached home in August, Calgary Real Estate Board statistics show.

Both cities remain more affordable than Canada's largest urban centres. The Re/Max forecast notes that the average price of a home in Toronto was about \$1.16 million, an average of all housing types, not just single-family homes.

Indeed, Alberta has an advantage right now, Carter says.

“Our average income is higher, with lower taxes and fewer costs like no land transfer tax.”

Yet Edmonton has an affordability advantage over Calgary, which saw faster growth fuelled by demand from Toronto and Vancouver buyers over the past two years.

“We think that very soon we’re going to attract more people and growth than Calgary, affecting the market here in a big way,” Carter says.

Already, buyers are coming to Edmonton after moving to Calgary and renting there only to find the housing market increasingly expensive.

“No matter where they come from what we hear all the time is ‘I have so much more money left,’ ” he says.

“They’re like, ‘I can have a life and own a house.’ ”