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AVISON YOUNG (CANADA) INC.

## Media Release

**For Immediate Release (2 Pages)**

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**Editors: please click the on the link to view and download report:**

[http://www.avisonyoung.com/library/pdf/Edmonton\\_Brochures/Investment/AY\\_MF\\_Market\\_Report\\_Year-End\\_2008\\_2009\\_Outlook.pdf](http://www.avisonyoung.com/library/pdf/Edmonton_Brochures/Investment/AY_MF_Market_Report_Year-End_2008_2009_Outlook.pdf)

**Avison Young (Canada) Inc.**

### **Edmonton Multi-Family Market Report**

**Edmonton, AB-** Edmonton sales volume for apartment transactions in 2008 was down 80% from 2007. The average price per door for all transactions in 2008 was only down 4% from 2007.

- **Transaction activity** to continue to be slow for the first few months of 2009, but pick up in the latter half of the year.

“In the first month of 2009 we are seeing a lot of interest from purchasers who are looking for great deals” says Paul Chaput of Avison Young.

“2008 was a slow year for transactions. The lack of sales activity 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.” According to Paul Chaput.

- **Apartment prices** to stabilize at lower, income-based levels but remain high by historical standards

- **Conversions** to cease for the most part except for buildings with superior quality or location
- **Rental supply** to be limited in new rental construction, but augmented by secondary rental markets (condos, basement suites, etc.)
- **Vacancy** to experience upward pressure, but will average no more than 4-5%
- **Rents** to rise marginally by another 3-5% as landlords stabilize market rents except for suites in the upper rent ranges that will compete with condo rentals
- **Incentives** to become more frequent and widespread as competition increases
- **Operating expenses** to stabilize at current levels, property taxes to go up, labour and materials costs to go down
- **New housing construction** to decrease until excess inventory is absorbed
- **Resale condo prices** to drop as investors and speculators try to unload newly constructed units and the number of listings climbs.

**For questions and interviews please contact:**

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