

Report predicts busy 2009 for Edmonton landlords

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EDMONTON — Landlords will be busier in 2009 — buying and selling properties and competing for tenants, predicts a new report by Avison Young.

After 2008, which saw Edmonton sales volume for apartment transactions fall by 80 per cent year-over-year, the pace will continue to be slow but pick up in the latter half of 2009, said the commercial real estate firm's Edmonton Multi-family Market Report released Monday.

"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.

"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."

The forecast predicts "apartment prices to stabilize at lower, income-based levels but remain high by historical standards."

There will be upward pressure on the vacancy rate but it will average no more than four or five per cent, the report predicted, while rents will rise "marginally" by another three to five per cent — except for higher-end suites competing with condo rentals.

Landlords will turn to incentives as competition increases for tenants.