

Report to National Marketing Committee

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Looking Back at Alberta Housing trends

The 2011 market has shown steady activity on most fronts. However, even though Alberta is getting good net migration numbers *and* large gains in the very important full time employment numbers, we are still essentially experiencing a very flat housing market. The huge resurgence in new phases of land being brought on post recession has the builder and developer community alike in full steam "Grand Opening" weekend modes.

Historically, housing in Alberta has been a very vibrant market, but over the last 10 – 15 years we have seen several trends and changes to our new home product. 15 years ago a hot new selling plan from a builder was most likely a bi - level home, and not the typical 2 storey model that dominates almost 90% of today's production market!

Let's have a look at the evolution of selling points and building specifications in Alberta over the last 15 years.

1. **Sunshine ceilings** in the kitchen were an item;
2. The **box window** was something new in a kitchen;
3. **Metal spindles** in railings were introduced;
4. **Pot lights** became popular;
5. 15 years ago the show homes became furnished and builder merchandising became more sophisticated;
6. Over this period of time the building envelope has improved a great deal;
7. 15 years ago we still saw some **2x4 exterior walls**;
8. Windows have seen the most changes;
9. Rain and wind resistance was brought into their design;
10. Tyvek and Typar appeared along with practicable rain screen wall assembly;
11. **TGI joists** became a standard from dimensional lumber;
12. LVL and Glue Lam beams started to be used in residential;
13. The **bonus room** became popular on the two storey;
14. **OSB** sheathing took over the market;
15. Stud spacing relaxed from 16" o.c. to 19" and then 24" (thus improving thermal bridging & R-values in the wall);
16. **Recycled material** started to show up;
17. **Water lines** were changed from copper to Poly B and then to Ipex;
18. Back water valves on sewers became mandatory
19. **Grading requirements** and storm connections started to be seen and municipalities enforced drainage;
20. Sump pails in walk outs became a requirement;
21. Finished basements became a feature seen in show homes;
22. **MDF** took over the market in finishing profiles and they have opened this to a very broad and affordable selection now;
23. Increased base and case has developed because of this MDF product;
24. In floor heat became more common and more efficient appliances started to enter the market;

25. **High efficient furnaces and hot water tanks** moved from an expensive “upgrade” to an included item in every new home;
26. The **firecode requirements** have seen insulated and taped garages become required, along with fire rated products added to the sides of homes to protect them during the course of construction against fire-spread;
27. Due to increasing development charges, and along with greener densification strategies, we have seen the **trend of building pockets becoming smaller and smaller**, to the point of having up to 2600 sq.ft. two storey plans on a 34 foot wide lot!

And finally a fun bit of nostalgia, that 15 years ago in Edmonton, the average MLS sale price has since tripled from \$106,780 to its current combined average of \$330,298!