

Make a house your home for less here

Gilbert Morrissey had a dream of playing catch with his son in a spacious backyard. His wife wanted a clothesline where her laundry would flap in the breeze and catch the scents of her hometown.

Instead of the space and quality of life they were used to back home in New Brunswick, the couple were cooped up in a small Grande Prairie apartment, spending twice as much on rent as they did for their spacious bungalow near Fredericton.

"I was making decent money, for sure, but that's all there was for us there. My wife wanted to plant flowers, and I wanted a home of my own again where I could build something in the garage, or have a big deck for friends to come over for a barbecue," Morrissey shares.

The couple left Alberta earlier this year, and that little fantasy of once again owning their own home and acreage is reality now. Gill is working as a contractor and his wife Natalie works in retail.

"I won't lie. The money isn't as good as I was making out there but I need to be home. With the cost of housing alone, we feel we are so much further ahead being back here," Morrissey explains.

The Morrisseys were like so many Albertans who face the reality of a housing crisis in many parts of the western province.

In Grande Prairie, where the population is expected to reach about 56,000 by the end of this year (double the 1991 figure) rents have skyrocketed due to a very low vacancy rate. The average two-bedroom apartment rented for close to \$800 a month in Grande Prairie, thanks in part to a drop in the vacancy rate from 3.2 per cent in 2004 to a tiny 0.2 per cent last year.

The vacancy rate problem has caused hundreds of new residents to be placed on waiting lists as new units are developed.

Grande Prairie has nothing, however, on the Fort McMurray suburb of Wood Buffalo. The vacancy rate in Wood Buffalo is 0.3 per cent and the average two-bedroom apartment rent rose an astounding 21 per cent in 2005 to nearly \$1,400 per unit. Wood Buffalo is now the most expensive urban centre in which to rent across Canada.

The story is much the same in many parts of Alberta. Housing co-ordinators are even asking people considering a move to the province to ensure they first have housing accommodations.

In Atlantic Canada, the situation is different. The real estate market is steady but the opportunities for people to own a home at a decent price is tangible.

In Atlantic Canada, homes typically sell for the most in the Halifax region. With that said, however, they are still less than half the price for the same house in some regions of Alberta.

According to Royal LePage's most recent quarterly survey (July 2006) of Canadian home prices, a detached bungalow with three bed-



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Housing costs in Atlantic Canada are stable and among the most affordable in the country.

Housing costs

Below is the difference in the housing market, according to Royal LePage's most recent survey of Canadian home prices. The cost reflects that of a detached bungalow with three bedrooms and a garage:

- Halifax, N.S. (Clayton Park) — \$210,000
- Truro, N.S. — \$115,000
- Charlottetown, P.E.I. — \$145,000
- Moncton, N.B. — \$133,000
- Fredericton, N.B. — \$155,000
- St. John's, Nfld. — \$145,000
- North Calgary, Alta. — \$330,400
- South Inner City, Alta. — \$433,800
- Clareview (Edmonton), Alta. — \$260,000

rooms and a garage sells for about \$210,000 in Halifax's Clayton Park. That same house in Truro, N.S., costs in the area of \$115,000, and in Charlottetown, P.E.I. the price would be about \$145,000. In Moncton, N.B., that home would sell for about \$133,000, in Fredericton, N.B. about \$155,000 and in Newfoundland and Labrador's largest city of St. John's, about \$145,000.

For comparison, that same house in North Calgary would sell for about \$330,400 and in South Inner City, Alta., \$433,800, and less in Sylvan Lake at \$270,000.

"We still have the most affordable housing in Canada," says Carla Bouchard, owner of Royal LePage Realty Experts in Moncton, N.B.

Within the four Atlantic provinces the prices vary largely due to the size of the community; however, they are all reasonable.

Bouchard says a recent meeting with a Royal LePage broker working in Alberta painted a scary picture.

"This is a very, very stressful time for agents, homeowners and buyers in Alberta," she says. "There are few homes to be had, and for those

that are on the market, the prices are high."

She has heard stories of Alberta houses hitting the market and within a half an hour there are 20 offers on the house.

"It is so stressful because people looking for a home know if they don't get the house they're bidding on, there may not be another one for a while," Bouchard adds. "And real estate agents find it hard to do their job because they can't predict what a house is going to sell for. It could be listed at \$500,000, but because of the bidding wars, the house could go for \$25,000 to \$50,000 more than the asking price."

"It may seem like a great opportunity for people to sell their home and make a mint in Alberta but there are no other houses to move into so they have to stay put."

Bouchard has a son living in Alberta who is in that situation now. He would like to sell, but there are no other homes within a reasonable price to buy.

"People are getting into high, high mortgages," Bouchard says. "I would think it is getting very, very uncomfortable in Alberta. If the market changes, and it has to, people will lose their shirt."

Back in Atlantic Canada, the real estate market is stable.

"We don't have big peaks and valleys. There's nice, steady growth, which is good for everyone."

"We have lots of homes, lots of buyers and lots of financing, and the prices are affordable. People can live in a beautiful home at a good cost, and they know in five years they won't lose what they have."

Bouchard has another son who was recently in Alberta to work but moved home.

"For so many of our people out there, their hearts are here. What we have to offer here can't be compared," Bouchard says of New Brunswick and the rest of the east coast.