

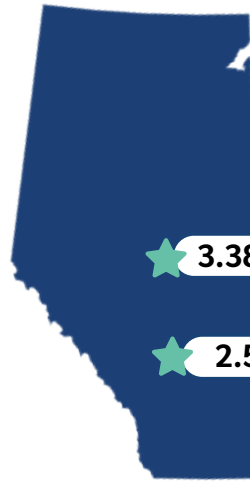


This report shares key highlights from ARLA's 2026 State of the Rental Industry Report. Overall, Alberta's rental market is shifting from a period of rapid growth and tight conditions to a more balanced environment. Rapidly expanding supply combined with moderating demand has slowed rental rate growth and created more favorable conditions for tenants. While rent growth slows, landlord expenses continue to rise, adding pressure to landlords.

## State of the Rental Industry: Key Highlights

### Demand for Rental Housing

Alberta's population has grown at the fastest rate in Canada over the past five years, creating strong underlying rental demand. However, lower migration and rising youth unemployment in 2025 slowed demand for rental housing. This has resulted in increased competition amongst landlords, who now require greater use of pricing and leasing incentives.



Alberta's population surpassed 5M in 2025, rising

★ 3.38% in Edmonton

★ 2.53% in Calgary

and remaining the fastest growing province in Canada.

### Alberta Net Migration 2025

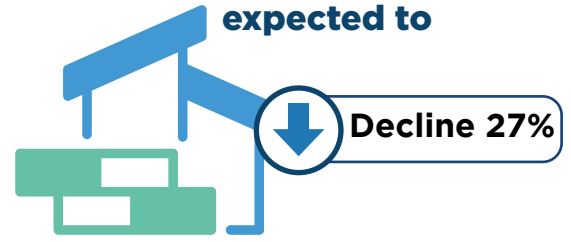




### Rental Housing Supply Shifts

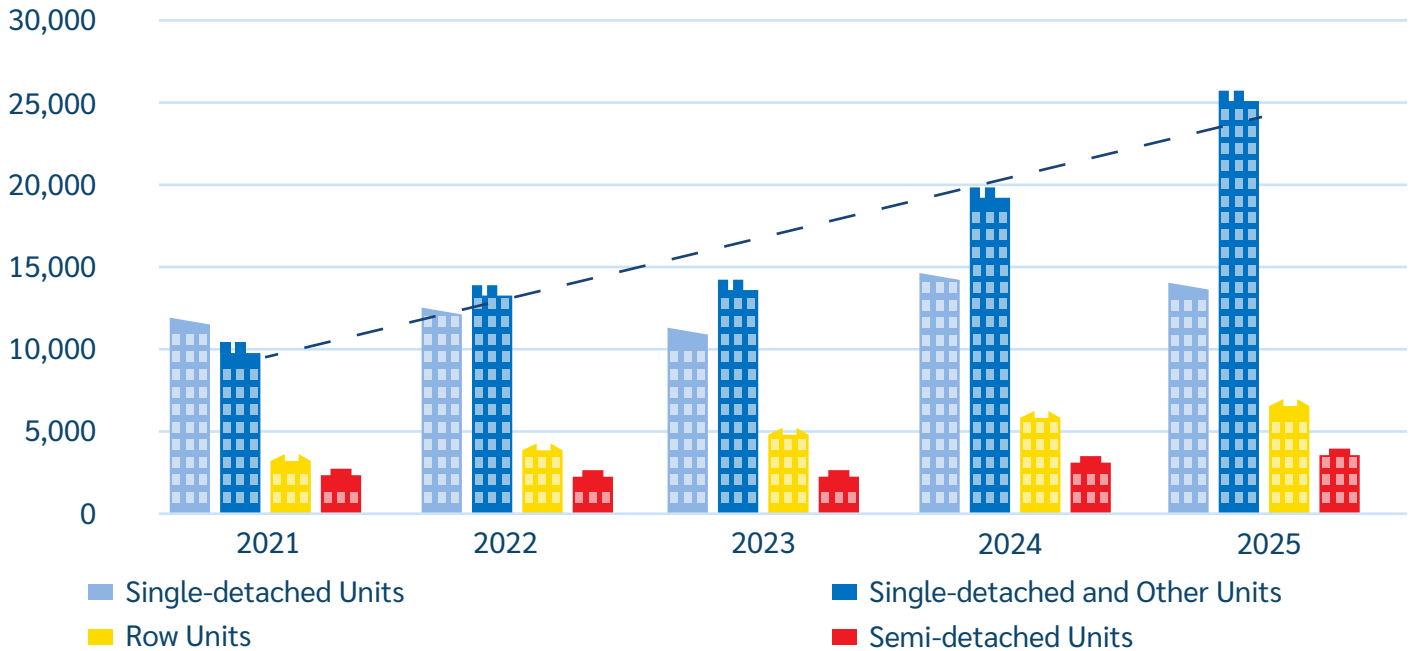
Record levels of rental construction have significantly expanded Alberta's rental housing stock. More units entering the market, combined with slower demand creates additional competition for tenants. As a result, landlords may need to moderate rent growth and introduce incentives until the market balances as supply growth moderates in coming years.

**In 2026, housing starts are expected to**



**from the 2025 peak**

### Alberta New Builds by Unit Type



### Rising Costs to Landlords

Rising costs are becoming a defining challenge in Alberta's rental market. Increasing operating expenses and tightening margins are putting upward pressure on rents, affecting both landlords and tenants.

#### Insurance Costs Increased



#### Utilities Increased



#### Repair Costs Increased



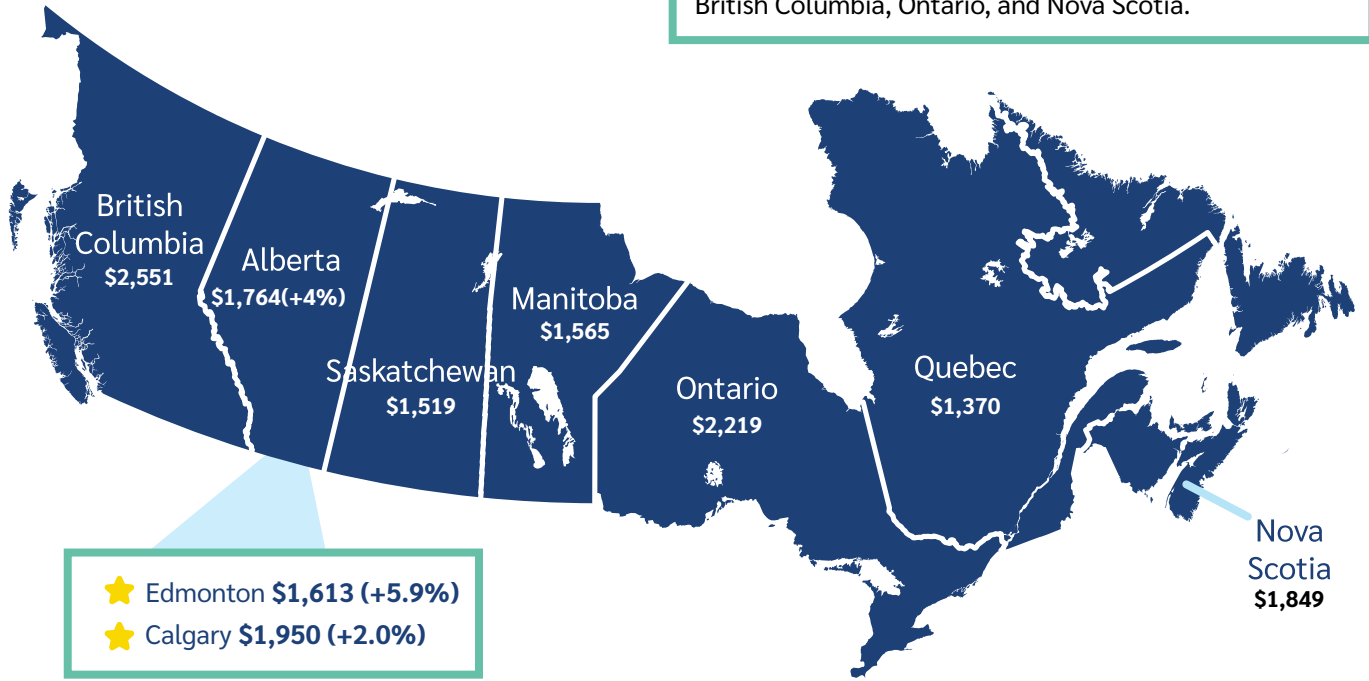


## 2-Bed Rental Market Rates by Province (October 2025)

*Blended apartments and condominium rentals, major municipalities*

### Comparative Rental Rates

Alberta remains among Canada's more affordable rental markets, with average rates below higher cost provinces British Columbia, Ontario, and Nova Scotia.



March 2026 Update: As of March 2026, two-bedroom asking rents averaged \$1,669 in Edmonton and \$1,973 in Calgary, down 4% year-over-year and closely tracking national trends.

## 2-Bed Purpose-Built Apartment Rents (CMHC Rental Market Survey)

