

## CALGARY HOUSING MARKET SHOWS SIGNS OF BALANCE, NOT BUBBLE

*An expected rise in interest rates to fuel an active spring market*

**Calgary, March 1, 2010** – Calgary’s housing market continues to build stability and momentum in the second month of the year, according to figures released today by the Calgary Real Estate Board (CREB®).

The number of single family homes sold in February 2010 in the city of Calgary was up 25 per cent from the same time a year ago, while condominium sales saw an increase of 56 per cent from the same time a year ago.

February 2010 saw 1,035 single family homes sold in the city of Calgary. This is an increase of 36 per cent from 762 sales in January 2010. In February 2009, single family home sales totaled 825. The number of condominium sales for the month of February 2010 was 536. This was an increase of 43 per cent from the 376 condominium transactions recorded in January 2010. In February 2009, condominium sales were 343.

“There is a spring in the step of Calgary homebuyers as we get ready for the spring market,” says Diane Scott, president of CREB®. “Indeed, the Calgary housing market has shifted from fragile to fervent in just over 12 months. We will see strong activity in the spring market as many buyers will view 2010 as the time to take advantage of affordability and to get in before interest rates rise.”

“The market is tightening and we are seeing a moderate rise in the number of competing offers on homes,” Scott acknowledges. “But Calgary’s market remains in a healthy and stable position. There has been much talk of a housing bubble in some markets across Canada but we believe balance, not bubble, is the story of the Calgary housing market for 2010.”

The average price of a single family home in the city of Calgary in February 2010 was \$458,254, showing an increase of 4 per cent from January 2010, when the average price was \$441,217, and showing an increase of 10 per cent from February 2009, when the average price was \$415,568. The average price of a condominium in the city of Calgary was \$282,880, showing no significant change from January 2010, when the average price was \$282,639 and a 5 per cent increase over last year, when the average price was \$268,971. Average price information can be useful in establishing trends over time, but does not indicate actual prices in centres comprised of widely divergent neighbourhoods, or account for price differentials between geographical areas.

The median price of a single family home in the city of Calgary for February 2010 was \$411,000, showing a 3 per cent increase from January 2010, when the median price was \$398,000, and a 10 per cent increase from February 2009, when the median price was \$375,000. The median price of a condominium in February 2010 was \$265,900, remaining nearly the same as in January 2010, when

the median was \$265,000. That’s up 6 per cent from February 2009, when the median price was \$249,900.

All city of Calgary MLS® statistics include properties listed and sold only within Calgary’s city limits. The median price is the price that is midway between the least expensive and most expensive home sold in an area during a given period of time. During that time, half the buyers bought homes that cost more than the median price and half bought homes for less than the median price.

“Affordability continues to drive the market and many first time home buyers are seeing this as the time to take advantage of record low interest rates,” says Scott. “The spring market will continue to see strong demand for affordable single family homes by first time home buyers and young families looking to move up.”

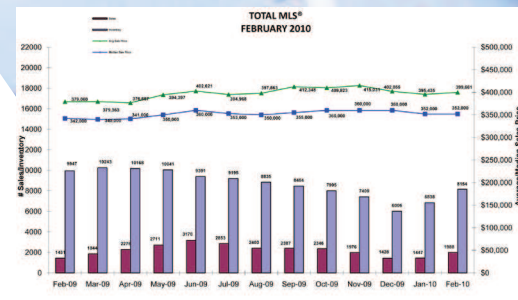
“We will see a rise in both our inventory and demand this spring—and we expect both to stay in a healthy balance. Prices will edge up as the year progresses, but the rise in prices will be moderate,” adds Scott.

Single family listings in the city of Calgary added for the month of February totaled 2,154, an increase of 18 per cent from January 2010 when 1,822 new listings were added, and showing an increase of 5 per cent from February 2009, when 2,057 new listings came to the market. Condominium new listings in the city of Calgary added for February 2010 were 1,109, up 17 per cent from January 2010, when the MLS® saw 951 condo listings coming to the market. This is an increase of 24 per cent from February 2009, when new condominium listings added were 892.

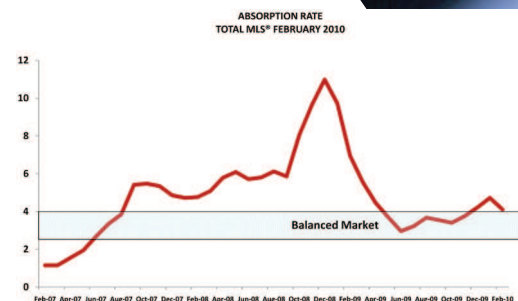
“The story of the housing market is all about interest rates at the moment,” says Scott. “When the rates will rise is the wild card. Canada’s economic recovery showed marked improvement in the final quarter of last year. This will put pressure on the Bank of Canada to begin raising rates sooner than planned to curb inflation.”

CREB® is a professional body of 5,469 licensed brokers and registered associates, representing 251 member offices and is dedicated to enhancing the value, integrity and expertise of its REALTOR® members. REALTORS® are committed to a high standard of professional conduct, ongoing education, and a strict Code of Ethics and Standards of Business Practice. Using the services of a professional REALTOR® can help consumers take full advantage of real estate opportunities while reducing their risks when buying or selling real estate. The board does not generate statistics or analysis of any individual member or company’s market share. All MLS® active listings for Calgary and area may be found on the board’s website at [www.creb.com](http://www.creb.com).

### Total MLS® Information



### Absorption Rate



### Total MLS® Inventory to Sales

