

CALGARY HOUSING MARKET REBOUND CONTINUES

Home prices edge upwards as demand holds steady

Calgary, November 2, 2009 – The Calgary housing market continued to rebound in October, according to figures released by the Calgary Real Estate Board (CREB®).

“Calgary’s housing market has clearly turned a corner,” says Bonnie Wegerich, president of CREB®. “We expect there to be a few bumps on this road to recovery but we believe the worst is over. Home prices have held firm and edged upwards in some markets over the past months. This has helped buoy up the confidence of both buyers and sellers.”

The average price of a single family Calgary metro home in October 2009 was \$462,465, showing an increase of 1 per cent from September 2009, when the average price was \$459,085, and showing an increase of 3 per cent from October 2008, when the average price was \$449,100. The average price of a Calgary metro condominium was \$289,155, showing no significant change from September 2009, when the average price was \$290,253, and no significant change over last year, when the average price was \$289,148. 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.

“Move-up buyers have clearly entered the market,” says Wegerich. “This is reflected in the average price for a single family home cresting just above \$462,000—historically the highest it has ever been in the month of October. Nonetheless, our median price is \$410,000, indicating affordability still remains in the market. We expect upwards pressure on prices will ease as more listings come on to the market.”

The number of single family homes and condos sold in October 2009 in Calgary metro are also both up from the same time a year ago.

October saw 1,285 single family homes sold in Calgary metro. This is an increase of 57 per cent from October 2008, when single family home sales were 820. This is an increase of 2 per cent from 1,257 sales in September of this year. The number of condominium sales for the month of October 2009 was 601, an increase of 51 per cent from October 2008 when 399 condominiums changed hands. This was an increase of 4 per cent from the 580 condominium transactions recorded last month.

“Improved consumer confidence has helped fuel this rebound. It seems for many potential homebuyers it was global-wide uncertainty rather than personal financial circumstances that was holding them back from making a home purchase,” says Wegerich. “Many of these

buyers are now facing improved affordability, and lower mortgage rates than prior to the recession— together these created a tipping point for market recovery.”

“The recent lift in sales over the past several months does represent a release in pent-up demand that built up in the last quarter of 2008 and first quarter of 2009,” acknowledged Wegerich. “We do expect this recovery to be a gradual one and for sales to taper off in the winter months as this pent-up demand eases.”

Single family Calgary metro new listings added for the month of October totaled 1,819, a decrease of 2 per cent from September 2009 when 1,857 new listings were added, and showing a decrease of 22 per cent from October 2008, when 2,322 new listings came to the market. Calgary metro condominium new listings added in October 2009 were 859, down 9 per cent from September 2009, when the MLS® saw 940 condo listings coming to the market. This is a decrease of 20 per cent from October 2008, when condominium listings were 1,071.

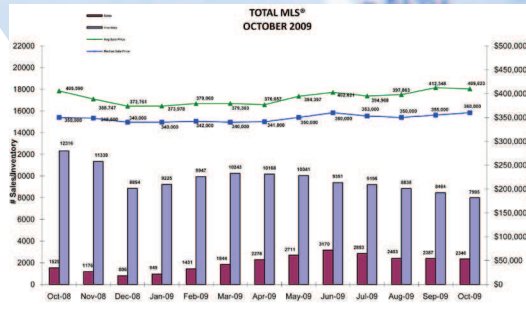
The median price of a single family Calgary metro home in October 2009 was \$410,000, showing a 3 per cent increase from September 2009, when the median price was \$399,900, and up 5 per cent from October 2008, when the median price was \$390,000. The median price of a condominium in October 2009 was \$263,500, down 1 per cent from September 2009, when the median was \$265,000, and down 2 per cent from October 2008, when the median price was \$268,000.

All Calgary metro 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.

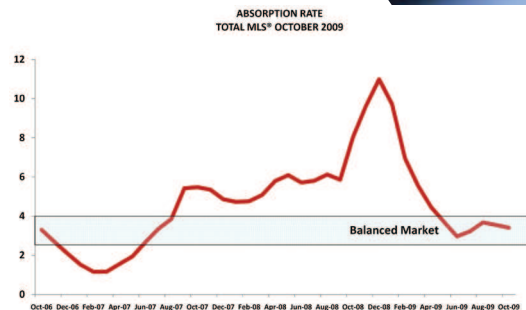
“Canada’s housing market has been a bit of an unexpected bright spot in this current recession,” notes Wegerich. “Unlike recessions in the past, borrowing costs have so far remained very low. This, along with improved affordability, has been fundamental to the recovery in the Calgary housing market.”

CREB® is a professional body of 5,337 licensed brokers and registered associates, representing 250 member offices. 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.

Total MLS® Information



Absorption Rate



Total MLS® Inventory to Sales

