

Alberta leads country in first-time homebuyers

Alberta has the highest rate of first-time homebuyers in the country, according to a new report released Tuesday by the Canadian Association of Accredited Mortgage Professionals.

The report, A Profile of Home Buying in Canada, found that 55 per cent of Alberta homes purchased in the past 27 months were by first-time buyers compared with the national average of 45 per cent.

The report said the Alberta number is due to migration patterns.

Of the 75,000 homes sold in Alberta during that period, 40,000 were by first-time buyers, 15,000 were second-time buyers, and 20,000 were subsequent purchases.

In Canada, first-time buyers numbered 280,000 of the 620,000 sold followed by 130,000 second-time buyers and 210,000 subsequent purchases.

The breakdown in Alberta for the types of homes sold were: 45,000, detached; 10,000, semi-detached; 15,000, condo apartment; and 5,000, other.

In the province, the highest percentage of home sales, at 18 per cent, fell in the price range of \$400,000 to \$449,000.

First-time homebuyers are some of the most engaged, enthusiastic and well-researched groups in the market. Most of them are also between 25 and 34 years old.

According to the Calgary Real Estate Board, there were 8,013 MLS sales in the city this year up until the end of May. The following are the number of sales in the lower price ranges — 181, \$100,000-\$199,999; 1,215, \$200,000-\$299,999; 895, \$300,000-\$349,999; 1,135, \$350,000-\$399,999; and 1,120, \$400,000-\$449,999.

A total of 4,546 MLS transactions this year have been under \$450,000, representing almost 57 per cent of all the sale in the city.

Entry level priced homes are a hot commodity and in a seller's market. For example, there is only a 0.7 month supply of detached homes available under \$400,000 but 6.7 months of inventory for detached homes priced above \$800,000.

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