

## Calgary home sales jump 16% in October 2016 Vs. October 2015

Dear clients,

I read this article in the Calgary Herald and thought it was a nice piece of positive news I wanted to pass along.

Calgary's housing market saw a much-needed boost in October compared to the same month a year before, according to numbers released Tuesday by the Calgary Real Estate Board.

There were 1,644 units sold citywide — marking a 16 per cent increase over October 2015. The biggest jump came from sales of detached homes valued between \$300,000 and \$400,000.

The move marked the first time in two years sales numbers resembled what officials call a "normal" level, but they aren't getting excited just yet.

Rather than signaling the bottom of a downswing in the housing market, the increase in sales is likely the result of new mortgage rules coming into effect, CREB chief economist Ann-Marie Lurie said in a release.

"The combination of all these factors may have encouraged some purchasers to take advantage of the market conditions, particularly in the lower price ranges," she said.

"However, with several factors at play, the monthly shift in demand may be temporary and will need to be monitored over the next several months."

The **new mortgage rules aim** to make it tougher for buyers to qualify if they put less than 20 per cent down.

Before the change, an Alberta family with a household income of \$80,000 and a minimum down payment of five per cent would likely have qualified for a \$400,000 home. Under the new rules, they'll now only be approved for a \$320,000 home.

Calling the sales uptick a "nice building block," CREB president Cliff Stevenson said consistent sales over the course of a few months are necessary before the growth can be considered a trend.

"This year has been a challenge for many sellers," he said. "When we have a rise in sales, it means more buyers got into the market and more sellers got out, which is a positive for consumers on both sides of the transaction."

Despite the positive numbers in October, total sales so far in 2016 are down 6.3 per cent compared to the same period last year. (By Dave Dormer, CBC News)

