

Dear clients,

I hope everyone is staying warm out there. In February, the Calgary Real Estate Board (CREB) has released its outlook for 2019, and I thought it would be a perfect mail out for this month. The bottom line for real estate in Calgary is it will be similar to 2018, with lots of inventory.

In short – Calgary will be a **buyers'** market for the rest of 2019.

Here are CREB's top considerations for the year.

- If conditions in the energy sector get worse, this could have downside risk on confidence, employment and wages, creating persistent oversupply and steeper-than-expected price declines in the housing market.
- Signs of supply adjustments are present in the market. If the downside risk is averted, then the amount of oversupply should start to ease by the end of the year.
- Unless the Canadian economy underperforms, further rate increases are expected in 2019. This will impact housing demand.
- If new home inventories and product under construction do not ease, this will prolong buyers' market conditions in the housing market.



- Provincial and federal elections could result in changes to government spending, policies and confidence in the market.
- For those considering ownership, further resale price declines can make the resale market more attractive to purchasers.

Population growth:

- The pace of growth is expected to remain comparable to 2018, with a continued shift towards more international migrants.
- Net migration gains in 2019 will help chip away at some of the oversupply, primarily in the rental market. However, it is not expected to be enough to support significant improvements in ownership demand.
- Net migration is expected to be 14,000 in 2019.
- Inter-provincial migration has moved from negative to positive. While levels remain relatively low, the lack of outflow is a move in the right direction.

In summary, there is great opportunity out there for buyers and with rates remaining low, there is a good chance to build significant wealth in the next 10 years.



I hope that you found this helpful and please email, call or text if you ever have any questions.