

Dear clients,

The full force of COVID-19's effects on the Calgary real estate market were felt in April, the first full month of pandemic-influenced statistics collected by the Calgary Real Estate Board (CREB).

Sales recorded for the month were 573 homes, a decline of more than 63 per cent from the 1,544 sales in April 2019.

With social distancing measures and economic uncertainty in the market, the dramatic drop was expected. The combined impact of COVID-19 and the situation in the energy sector is causing housing demand to fall. This is keeping the market in buyers' territory and weighing on prices.

Detached sales eased by 63 per cent this month compared to last year, with the largest decline in the West district. Apartment sales slowed to 95 units, a 62 per cent decline over last year, and semi-detached and row properties recorded a significant drop in sales of 62.5 per cent.

The benchmark price across all housing types fell 1.56 per cent, while the average sales price fell 8.31 per cent, due primarily to fewer sales of higher priced homes.

Sales activity eased across all price ranges, but the largest declines were for homes priced above \$600,000.

In April 2019, there were 303 homes sold at \$600,000 and higher. Last month, sales in that range were only 70 homes. April was particularly bad in the luxury homes market (\$1 million-plus), with 13 sales, compared to 53 sales in April 2019.

The number of homes listed for sale in April on the Calgary MLS system also fell.

New listings this month totalled 1,425 units, a decline of 54 per cent compared to last year and Inventories also declined, but with 5,565 units available, they remained high enough to push the months of supply above nine months.



The months of supply varies widely by areas within Calgary. City Centre, generously defined by CREB as the area bounded by McKnight Boulevard in the north, roughly 37th Street on the west, Glenmore Trail in the south and Deerfoot Trail on the east, has some of the highest months of supply. There is 16 months of supply of single-family homes; 17 months of apartment supply; 12.72 months of supply of semi-detached homes; and 14.64 months of townhome supply.

The economic impact of the situation is significant and early indications point toward more job losses and higher unemployment rates, several government incentives will help cushion the blow, but challenges in the housing market are expected to persist throughout this year.

This means it will remain a buyers market likely throughout 2020 and with patience and the proper due diligence, buyers can get themselves a very good deal.

Sincerely,

**Felice Corcione B.MGT**  
**Mortgage Specialist**  
**403-973-6849**  
[www.mortgagesbycorcione.com](http://www.mortgagesbycorcione.com)

