

Dear clients,

Residential home sales in Calgary closed out summer strong, with the Calgary Real Estate Board (CREB) reporting a near-record number of transactions in September.

Property sales last month reached 2,162 units, a 27 per cent increase from a year earlier and near the all-time September high of 2005.

The market continues to favour the seller, but conditions are not as tight as they were earlier this year.

CREB recorded 1,268 sales in the detached home segment — up 20 per cent from a year earlier — where rising inventory offered buyers more choice.

The added supply of housing also slowed price gains, with the sale price of a typical detached city home reaching \$537,500, down slightly from the record highs of July but still up 10 per cent year-over-year. Price growth in 2021 has ranged from about five per cent in the city centre to almost 12 per cent in the southeast, according to CREB.

The overall residential benchmark price for all housing types in Calgary was \$457,900, almost nine per cent higher than a year earlier. CREB uses a benchmark price to measure the monthly sale price of a typical city home based on factors such as size, location and the number of bedrooms.

More listings in the apartment condo category also lifted sales last month, although prices remained flat. The benchmark price of \$253,200 is up just 1.2 per cent from September 2020.

Outside Calgary, ongoing supply constraints continue to lift prices in Airdrie, where the benchmark price for all property types hit \$389,700 in September, similar to August but still 13 per cent higher than a year ago.

A similar situation exists in Cochrane, where sales outpaced new listings in September, with inventories falling to levels not seen in more than a decade.

Calgary scored a low-risk rating in three of four metrics with only moderate risk rating for excess inventories in a report by CMHC



Calgary's real estate market is among the more low risk in Canada when it comes to being vulnerable to overheating.

We are seeing healthy activity on both sides (supply and demand) of the marketplace

The study rates four metrics of housing market imbalances that can affect buyers, sellers, renters and builders in major markets across Canada.

These include overheating, price acceleration, overvaluation and excess inventories.

All told, the city received an overall market vulnerability risk rating of moderate, the same score it received in March's assessment report. In that report, its excess inventory score was deemed a high risk. By comparison, the aggregate vulnerability risk level for all of Canada is high, driven by markets in Eastern Canada, including the Maritimes.

Until next month, please stay safe and I am here for all questions at anytime!

