

Dear clients,

Calgary's real estate market is struggling to keep pace with demand as inventories fall to near-record lows, and new home builds continue to face challenging conditions for labour and materials.

Calgary Real Estate Board statistics for April show inventory fell more than a third from the same period last year, leading to just over one month's supply to meet current demand.

Overall, supply in the resale market is as low as it has ever been in recent history, which typically averages about three months, CREB (Calgary Real Estate Board) numbers show.

All told, there were 3,238 units of inventory in April, CREB recently reported. That is the second lowest figure on record since 2006.

The tight conditions have helped push prices up again. In fact, the city saw a new all-time high benchmark of \$550,800 set in April, surpassing the high watermark reached last spring.

New home builds in the province are a key piece of the solution to solve the lack of housing in markets like Calgary and it seems to be lagging other provinces.

Growth has seemingly not kept pace with other provinces like British Columbia and Saskatchewan. You hear that the lack of activity has to do with labour and material shortages, but that should apply in Saskatchewan and B.C., as well.

Canada Mortgage and Housing Corp. figures for the first three months of 2023, showing starts were down modestly (0.2 per cent) from the same period in 2022. In contrast, starts were up nearly 75 per cent in B.C. and about 40 per cent in Saskatchewan.

Demand remains the biggest challenge due to record migration. Calgary saw an all-time high of 45,250 people arrive in the city between July 2021 to 2022. The municipal government, in turn, issued 14,000 new home permits last year, the highest figure since 2014. It also approved eight new communities, adding approximately 12,500 additional new homes, and if this continues, we will see prices increase further.



This could be a great time to build equity in your property quickly.

Please let me know if you have any questions and have a great weekend.