

Dear Clients,

This summer, the hottest commodity in town is a detached home on a nice lot or a perfect downtown condo with a view.

It started taking off around February where Calgary has become Canada's hottest real estate market in 2023.

Homes often selling the day they're listed and well over the asking price — and occasionally sight unseen, as sellers accept a bid before the scheduled viewings even start. It's common to see anywhere from 4 to 17 offers (on one listing).

The frenzy in Calgary — the city set an all-time record for home sales in June, up 11 per cent year-over-year, with apartment sales alone up an eye-popping 48 per cent — flies in the face of what's happening nationally.

The real estate story across the country for most of the year thus far has been a decrease in activity due to the impact of higher interest rates.

While home sales in major markets like Toronto and Vancouver started picking up steam again this spring, home sales nationwide in May — the most recent month for which national statistics are available — were up just 1.4 per cent year-over-year, compared with Calgary's 11 per cent.

And while prices have fallen nationwide — the Canadian Real Estate Association's (CREA) aggregate composite home price index for the month of May sat 8.6 per cent below 2022 levels — they are sizzling in Calgary.

The average selling price of a home in Calgary last month increased by almost seven per cent from a year earlier to \$552,273, according to the Calgary Real Estate Board.

Part of the reason that Calgary's housing market is outperforming the rest of the country is that it has more room to grow.

Unlike Toronto and Vancouver, whose overheated housing markets have been a topic of national conversation in recent years, Calgary is coming out of a years-long slump that began with the oil price crash of 2015.

That year alone, home sales in Calgary plunged 26 per cent. In the city's condo and apartment market, it has taken eight years for prices to recover to their 2014 levels.

But with the higher commodity prices that began last year in the wake of the invasion of Ukraine, the city's oil-and-gas-based economy is rebounding.



Over the past twelve months, the Alberta labour market has outperformed the rest of the country in terms of job gains, and a recent report predicts the province will experience the strongest economic growth in the country this year at 2.1 per cent.

People are also flocking to the province, in particular the city. Statistics Canada says Alberta saw the largest net interprovincial migration of all the provinces during the first three months of the year, with more than 15,000 people arriving from other parts of the country — in particular, Ontario, B.C. and Saskatchewan.

Another 100,000 people moved to Alberta from other countries, according to Statistics Canada.

But while the influx of people is good news for the province's economy — and for the Alberta government, which has been trying to entice new residents from other parts of the country through its "Alberta Is Calling" marketing campaign — it can make for a stressful home-buying experience.

The Key is to be ready with your preapproval. Know your limit on price, and do not get caught up in a bidding war. The perfect home will come up, but patience and organization is required.

If you are in the market, please give me a call and we can get you prepared.

Happy Stampeding!

