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Calgary Resale Markets Lookin' Solid

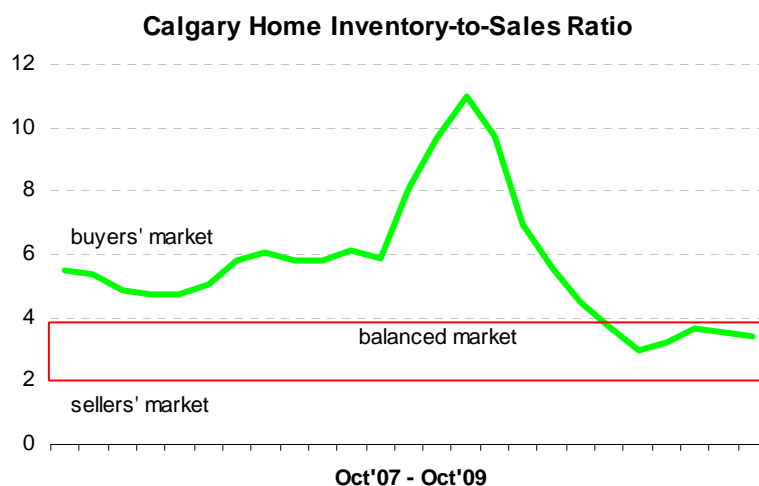
2009 has certainly seen both ends of the boom-bust spectrum when it comes to Alberta resale housing markets, but according to data released yesterday, it is definitely leaning towards ending on a high note.

There were 2,346 MLS sales in October 2009, a 53% increase from year-ago levels. At the same time transaction volumes clipped along at a healthy rate, prices also continued to stabilize (and even increase). The median price of all types of homes (includes condominiums, townhouses, single-family, and rural properties) came in at \$360,000 in October, \$10,000 higher than the same month of 2008.

Inventory levels continued on their downward trend, with 7,995 properties listed on the MLS in October. The inventory of unsold homes has declined steadily over the past year,

from a high of over 14,000 units in spring 2008. With the reduction in inventories and healthy number of sales, the Calgary housing market has been able to remain happily within the 'balanced' range since May 2009 (see graph).

With housing markets moving into the slower fall and winter months, it seems safe to say that the worst is behind for Calgary's housing markets. Buyers have responded well to lower interest rates and with the general economic recovery playing out, confidence has returned to the market. Despite this strength, it will be very interesting to see how resilient sales volumes are to the prospects of rising interest rates, which considering where rates are now, is bound to happen eventually.



Source: Calgary Real Estate Board, Nov. 2, 2009

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