Altus Group

BILD CALGARY REGION

Calgary Single-Family New Homes

Monthly Market Overview

Data for May 2021

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Introduction

BILD Calgary Region (BILD) in partnership with Altus Group is pleased to present this overview of the Calgary single-family new home market which is produced on a monthly basis. Single-family includes detached, duplex (semi-detached) and row townhouse (fee simple) built forms. Our objective is to deliver insights on market sales, inventory and price activity and construction trends to assist BILD and its members with market trends and knowledge, and policy discussions with government.

Through our partnership, and by providing market trend data that promotes complete perspective on the New Housing Market in Calgary, we can:

- Support the Calgary new home builders and BILD with key market metrics to enable informed decision-making and promote awareness about the new home industry in Calgary
- Expand knowledge of single-family supply, sales, inventory and price trends
- Increase market transparency that benefits all

This monthly report is made possible by the cooperation and contribution of data from many of the top builder companies in Calgary. These builder companies combined represent over 90% of the single-family new home activity in Calgary and we will grow that number as more builder companies become data partners. If you are a single-family new home builder in Calgary and wish to become a data partner and receive the benefits that go along with that please contact Beverly Jarvis, Director of Policy, Projects & Government Relations at BILD Calgary Region at beverly.jarvis@bildcr.com.

Current Participating Builders

- Baywest Homes
- Broadview Homes
- Brookfield Residential
- Calbridge Homes
- Cardel Homes
- Cedarglen Homes
- Crystal Creek Homes
- Excel Homes
- Genesis Land Development Corp.
- Homes by Avi
- Hopewell
- Jayman Built
- Mattamy
- Morrison Homes
- NuVista Homes
- Prominent Homes Ltd.
- Shane Homes
- Sterling Homes/Pacesetter by Sterling (Calgary)
- Trico Homes

Note:Beginning in Oct 2020 Stepper Homes was no longer a participating builder

Highlights – May. 2021

Important Updates About the Report

- New participating builders were added for January 2019. As such, the chart data as of January 2019 includes data from all previous participating builders **plus the new builders that were added**. Furthermore, the chart data from May 2018 to December 2018 has been amended slightly to include data from some of the new participating builders. *(Update – Jan. 2019)*

- New builder participants were added for May 2019. The sales and average sold price data as of January 2019 has been amended to include sales from all previous participating builders **plus the new builders that were added**. Therefore, the data for sales and average sold price from January 2019 and on is based on a consistent group of participating builders. *(Update – May 2019)*

Highlights (based on data reported by all builder participants)

- Market activity for Calgary single-family homes remained elevated, but cooled compared to the record-setting winter and spring. Despite total sales declining by nearly a third month-over-month, the output marked the highest May total since Altus Group began tracking. Last year, the province started stage one of their relaunch strategy. Unfortunately, due to high cases, the Calgary relaunch was delayed until May 25th. In contrast to now, the Alberta government announced a full reopening strategy beginning in July. Restrictions over the last year paired with current progress concerning Covid-19 in Calgary were the key variables leading to total sales increasing 76% year over year. All tracked submarkets experienced consistent activity in May. Notably, the Northwest, Established West, West End, and South Inner City achieved its third-highest sales output since tracking began.

- Beginning in January, average sold prices across all tracked home types steadily increased and have reached historical highs for the month of May. Looking at price by submarkets, all tracked areas average sold prices reached above the $650,000 mark for the first time. To combat rising national home prices, the Canadian government will introduce a new mortgage stress test on June 1 that will reduce buyers' purchase power. The newly introduced stress test could have a cooling effect on the market as a whole, however as lending rates remain affordable and demand remains high, it's uncertain how much these new measures will achieve.

- Construction in the Calgary Market by home type and submarket produced high May numbers catching up to the sales activity experienced throughout 2021. For the first time in 2021, there was a high volume of inventory brought to market, and completed inventory increased month over month. If inventory levels increase by consecutive months, downward price pressure on available homes could occur.

Submarket Comparison – May. 2021

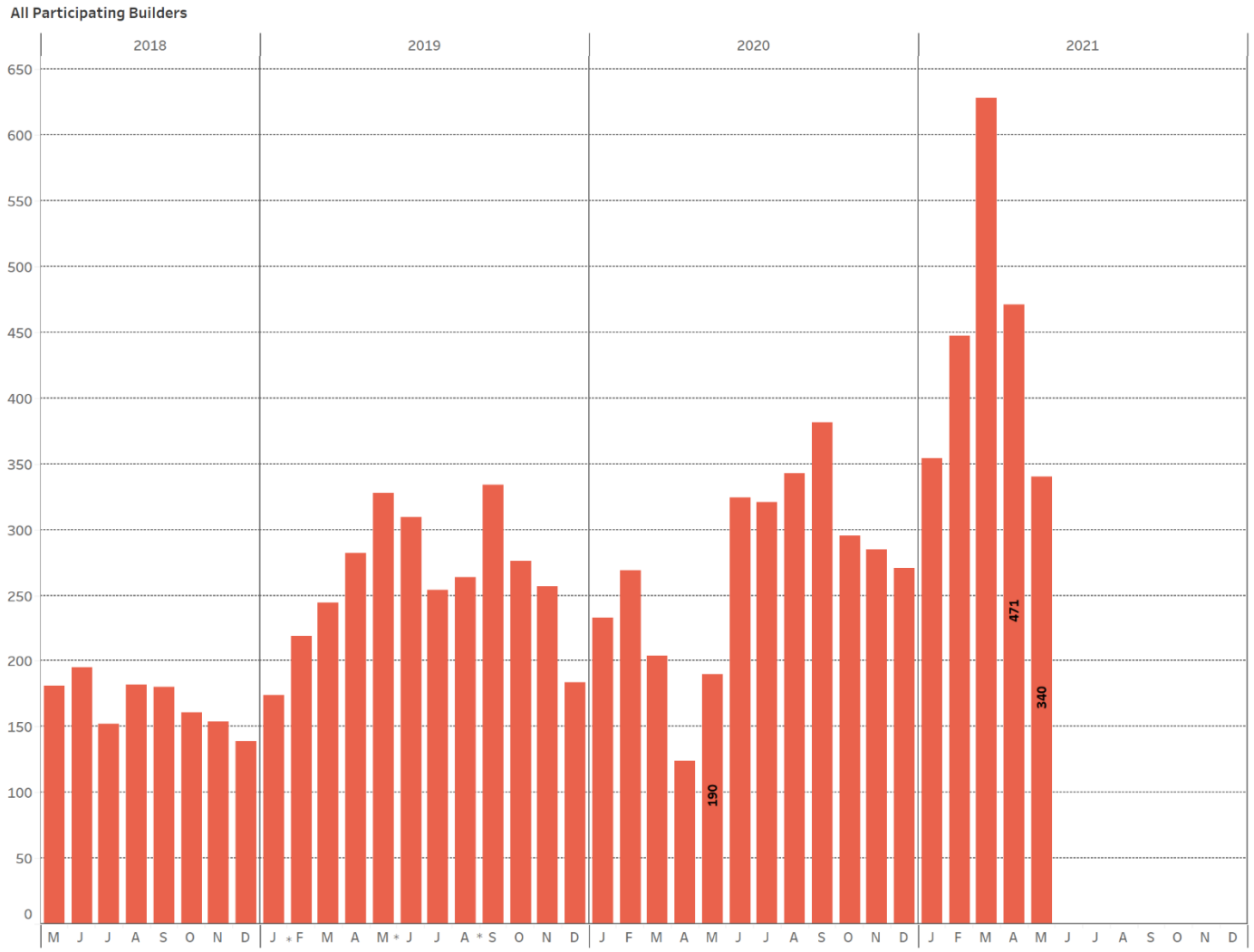
Table shows a comparison of new single-family Total Sales, Spec Sales, Total Available Lot Inventory, Completed Home Inventory, Construction Starts, Overall Average Selling Price and Median Average Selling Price for the month and by Altus Group defined submarkets within Calgary (based on data reported by participating builders).

	May 2021						
Submarket (group)	Total Sales (incl. Spec)	Spec Home Sales	Available Lots (Unsold)	Completed Home Inventory (Unsold)	Construction Starts	Overall Average Selling Price	Median Average Selling Price
Northwest, Established West, Westend, South Inner City	50	6	153	4	28	$741,665	$632,294
North Centre	63	15	244	29	83	$564,216	$402,060
Northeast	64	18	666	29	62	$561,122	$451,105
Southeast	82	12	373	12	79	$618,760	$475,512
Southwest	81	18	432	38	69	$556,915	$421,802
Grand Total	340	69	1,868	112	321	$601,144	$460,286

Note: Due to few projects being reported in the Northwest, Established West, Westend and South Inner City submarkets, these submarkets have been grouped together.

Total Monthly Sales

Chart represents the total number of firm sales achieved in each month regardless of construction status (based on data reported by participating builders).

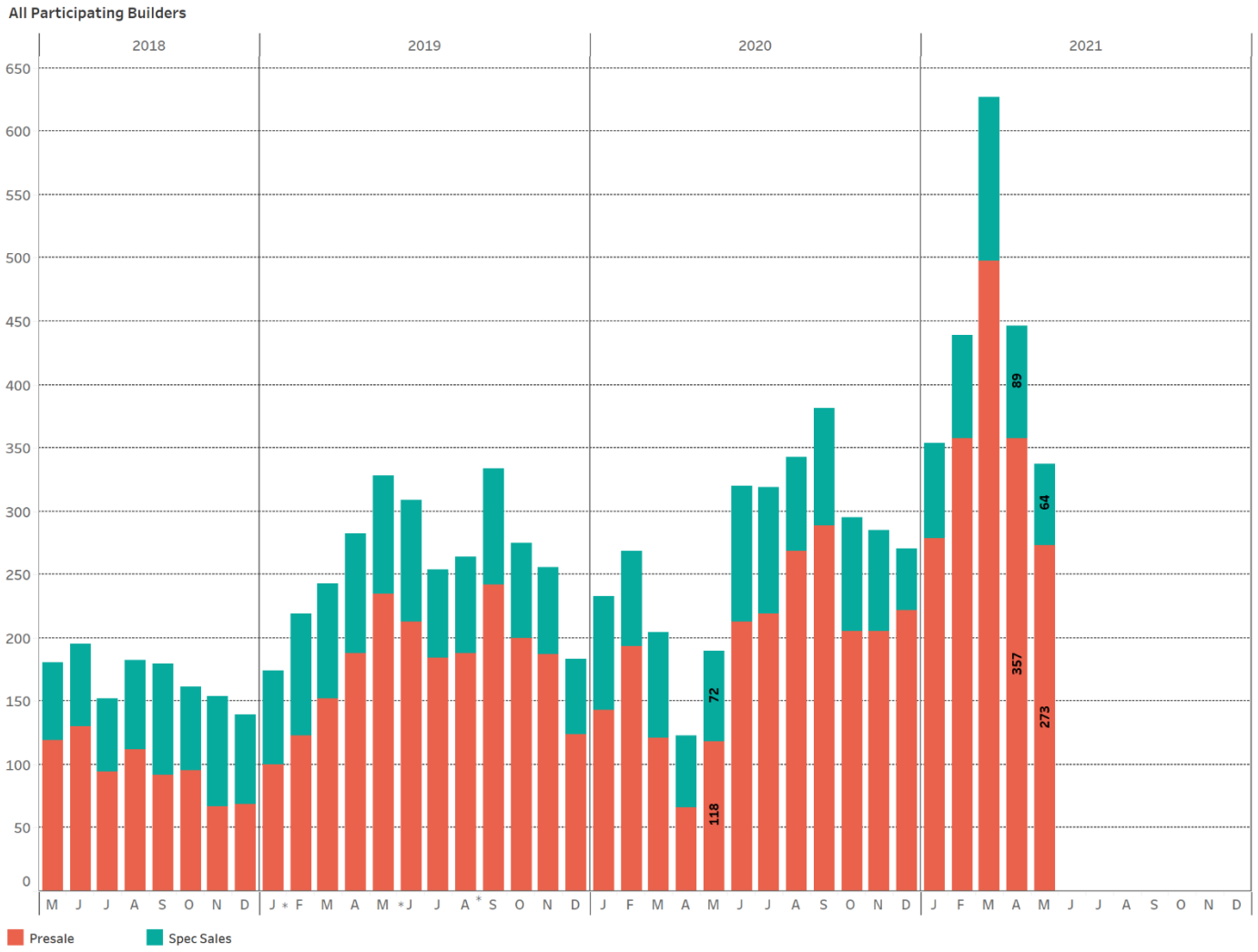


** New builder(s) added.*

Note: data may include revisions to previously reported numbers.

Pre-Construction Sales vs Spec Home Sales

Chart represents the total number of firm sales achieved in each month broken down by pre-construction sales and spec home sales (based on data reported by participating builders).



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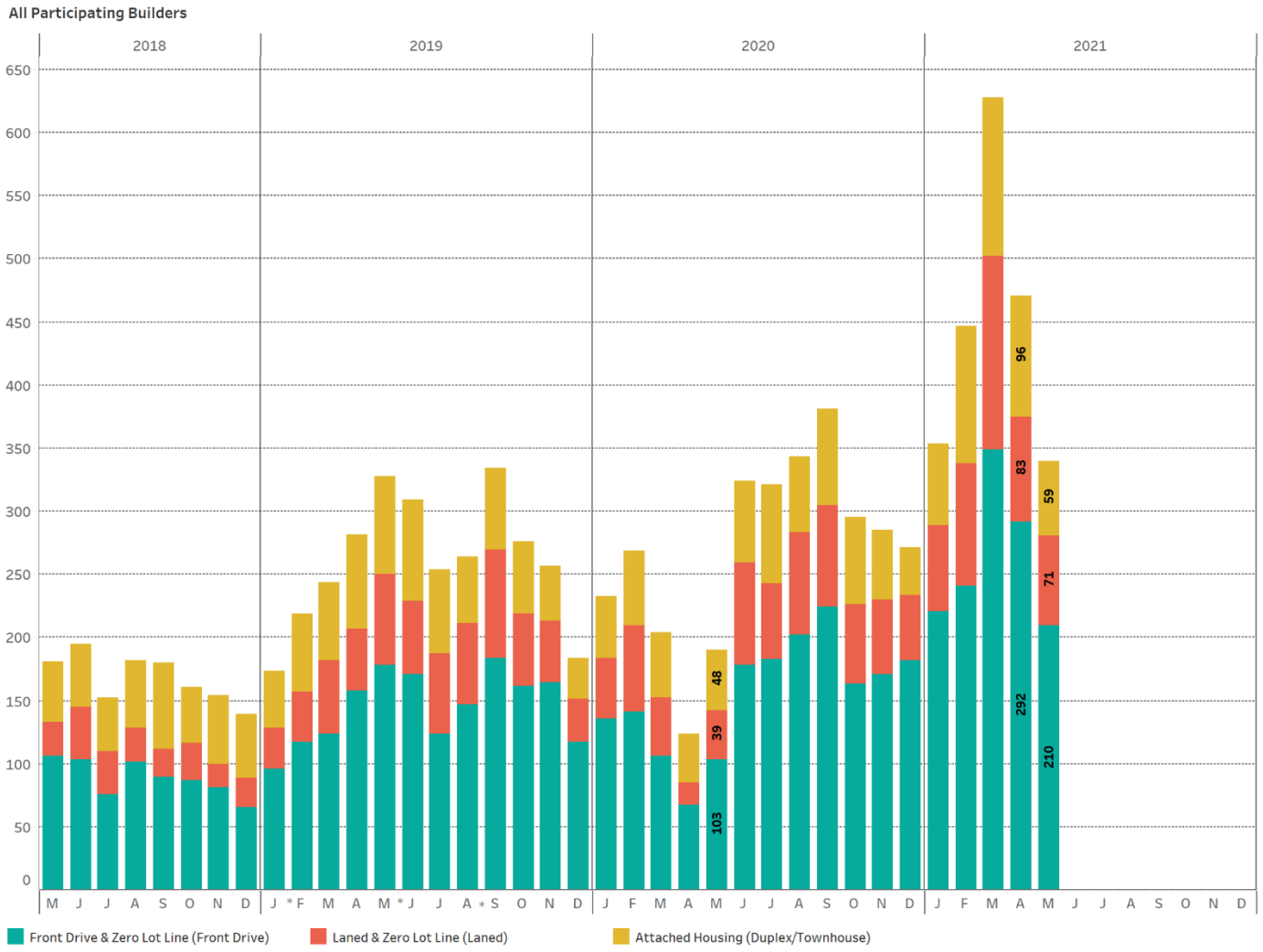
Monthly Sales by Lot/Home Type

Chart represents the total number of firm sales achieved in each month broken down by lot/home type (based on data reported by participating builders).



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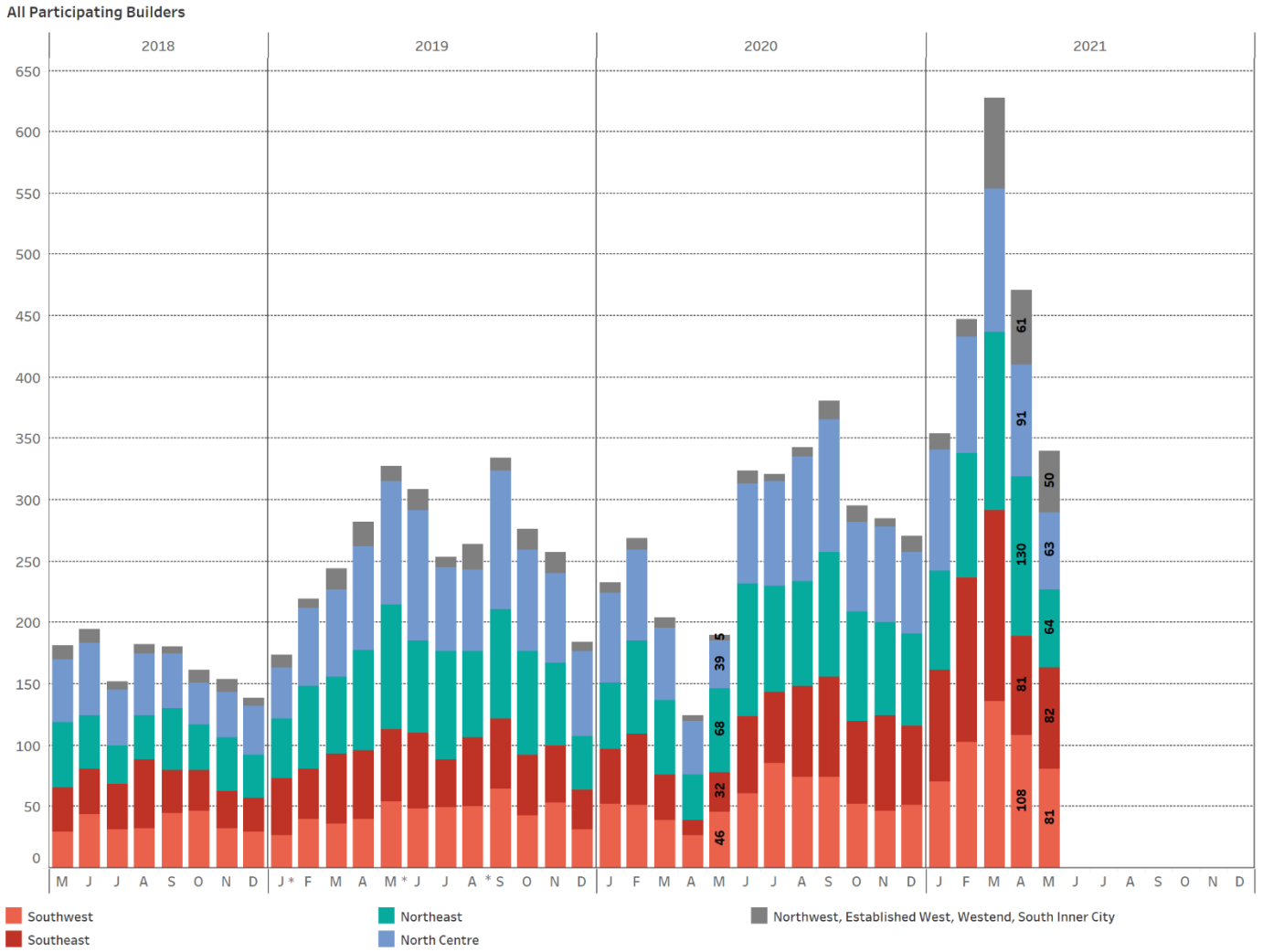
Monthly Sales by Submarket

Chart represents the total number of firm sales achieved in each month broken down by submarket (based on data reported by participating builders).



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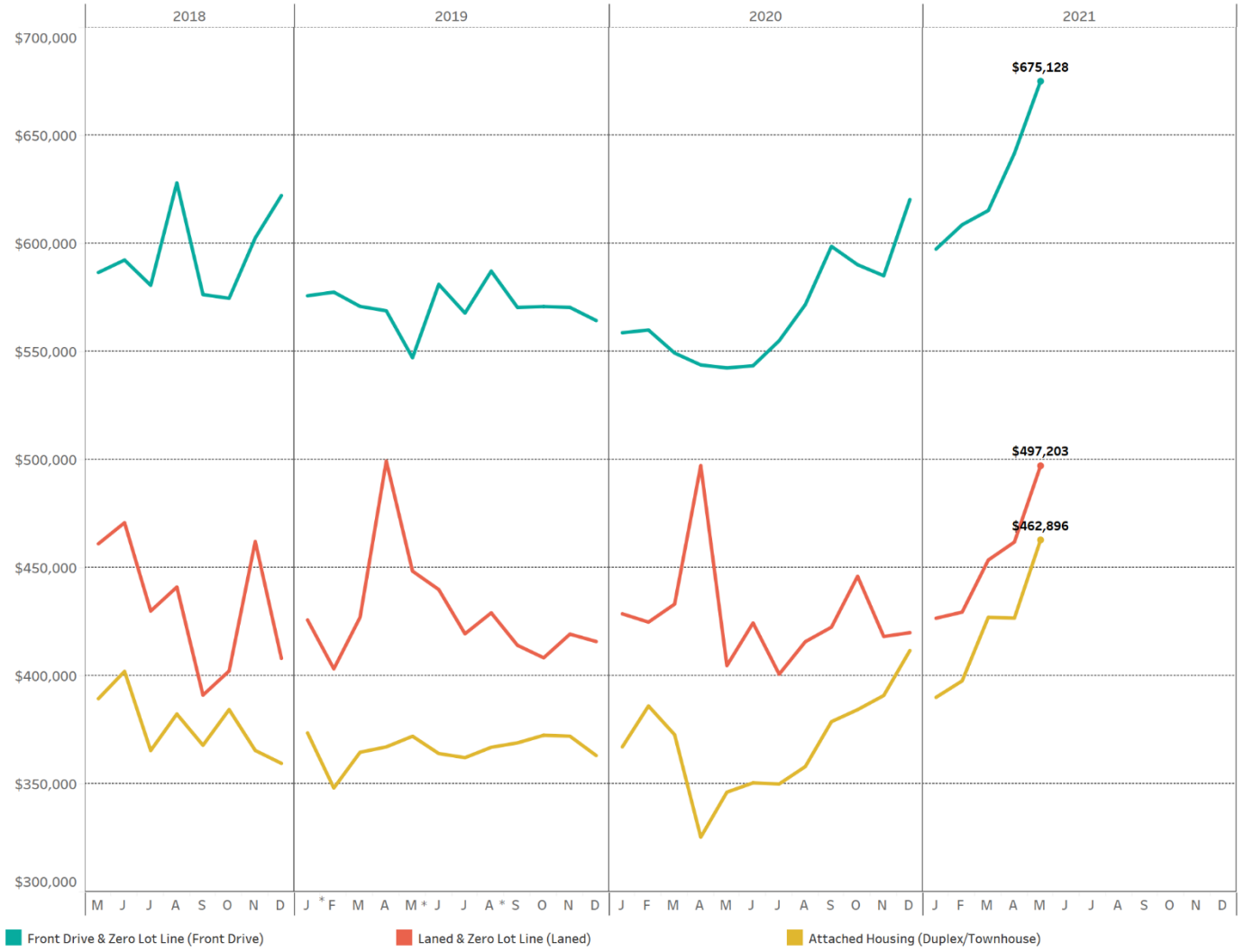
Average Selling/Contract Price by Lot/Home Type

Chart represents the average price (incl. house, options, lot and GST) of homes sold in each month broken down by lot/home type (based on data reported by participating builders).



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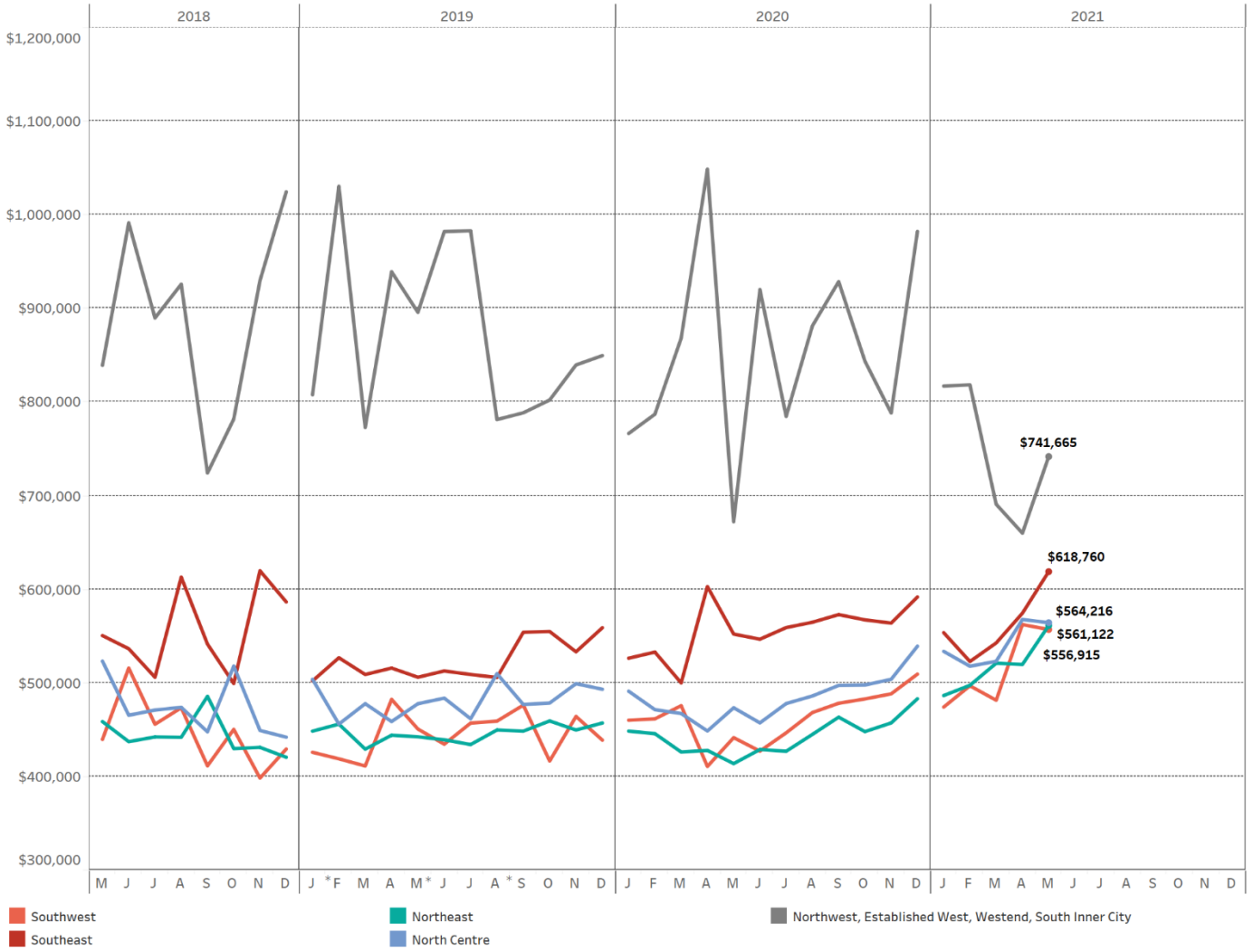
Average Selling/Contract Price by Submarket

Chart represents the average price (incl. house, options, lot and GST) of homes sold in each month broken down by submarket (based on data reported by participating builders).



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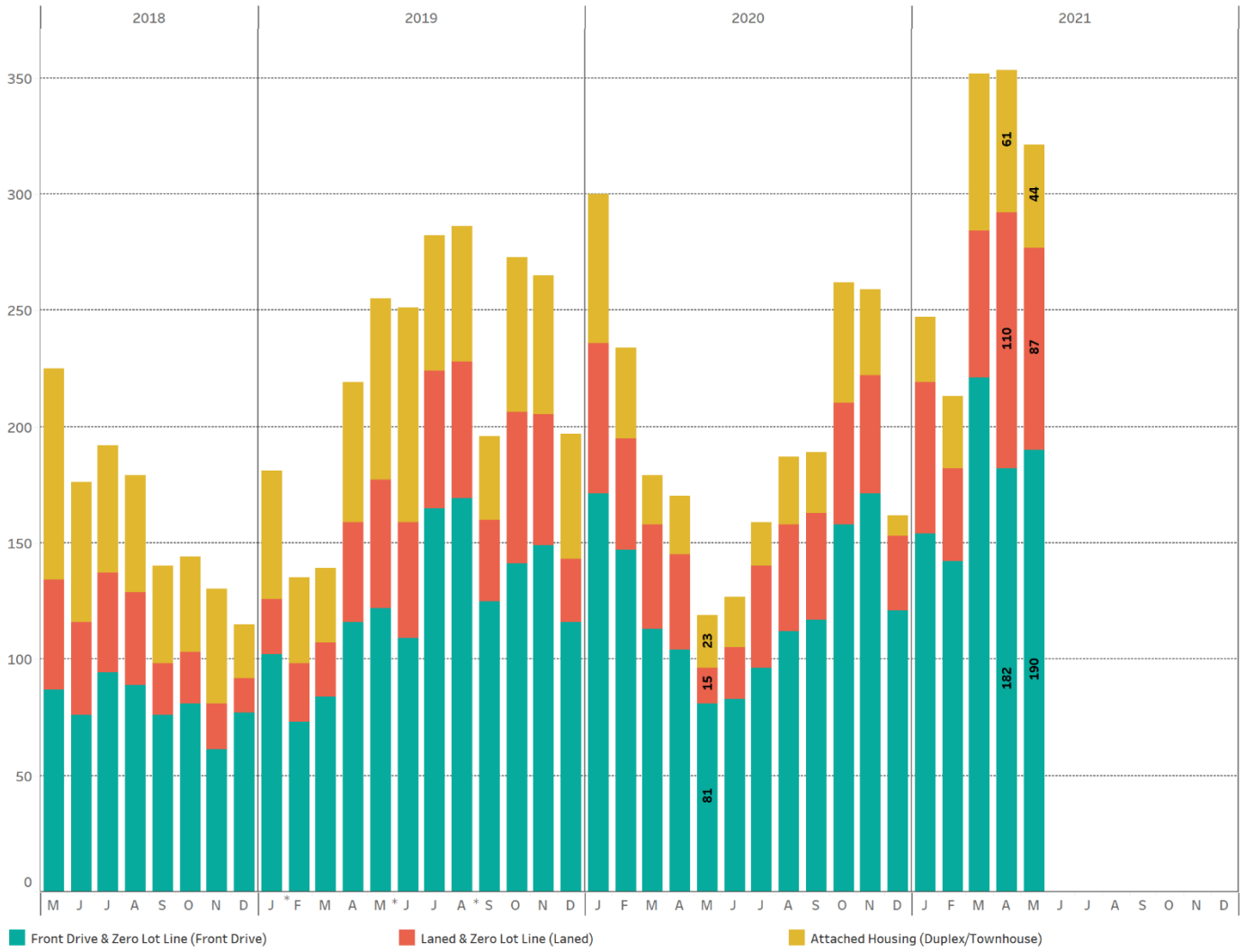
Monthly Construction Starts by Lot/Home Type

Chart represents number of single-family starts (i.e. foundations poured) in each month broken down by lot/home type (based on data reported by participating builders).



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Monthly Construction Starts by Submarket

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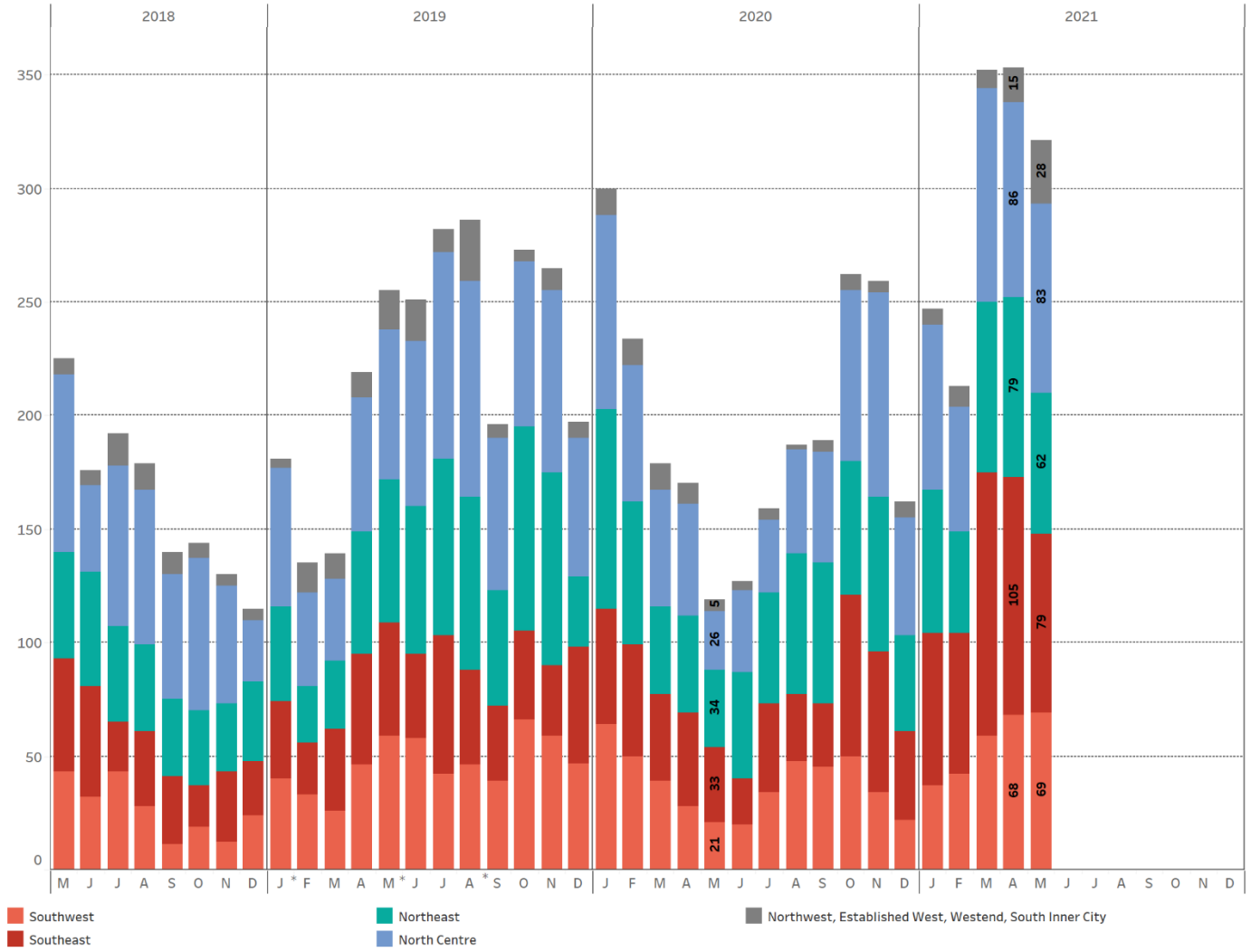

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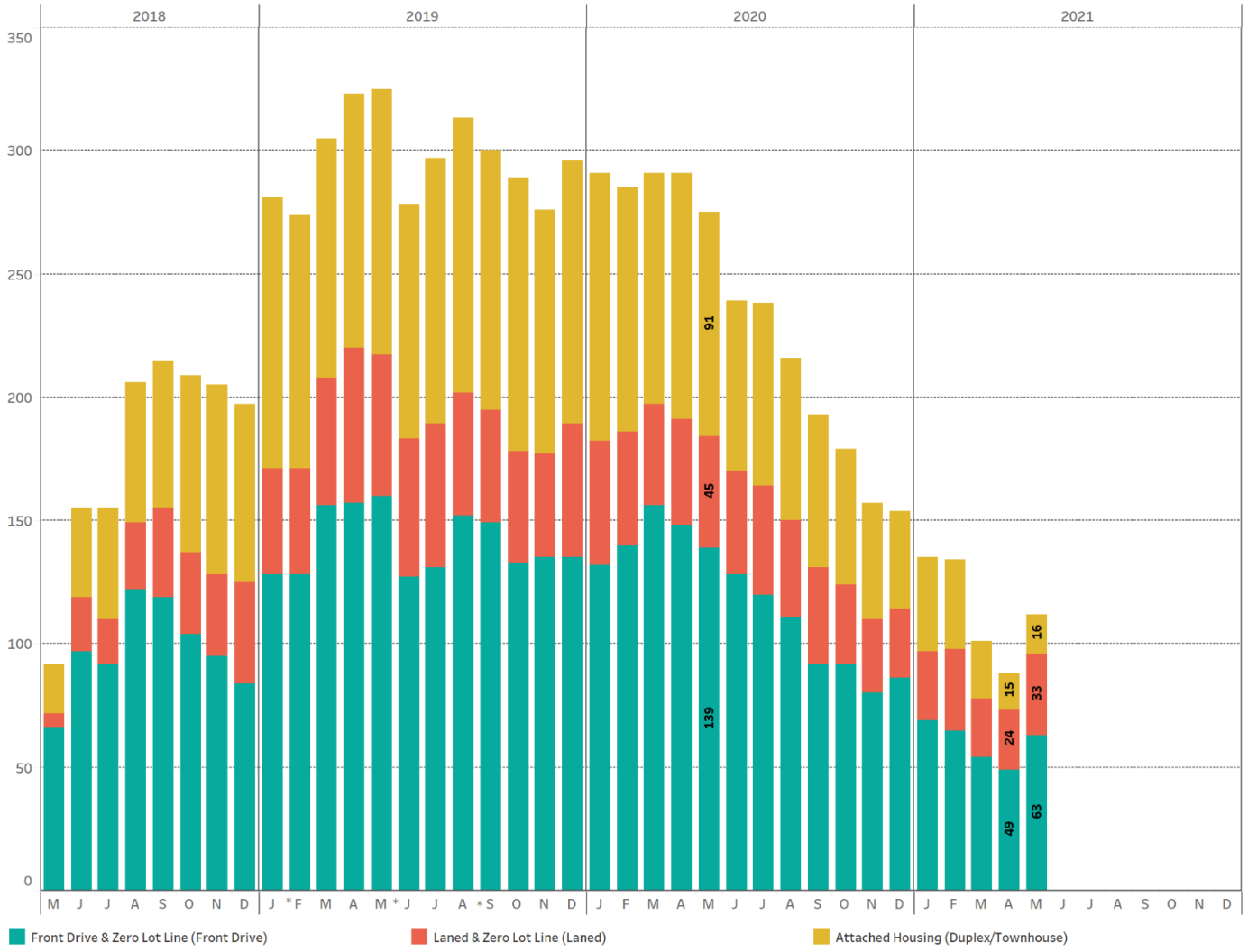
Completed Home Inventory by Lot/Home Type

Chart represents number of finished homes available for sale with immediate occupancy in each month broken down by lot/home type (based on data reported by participating builders).



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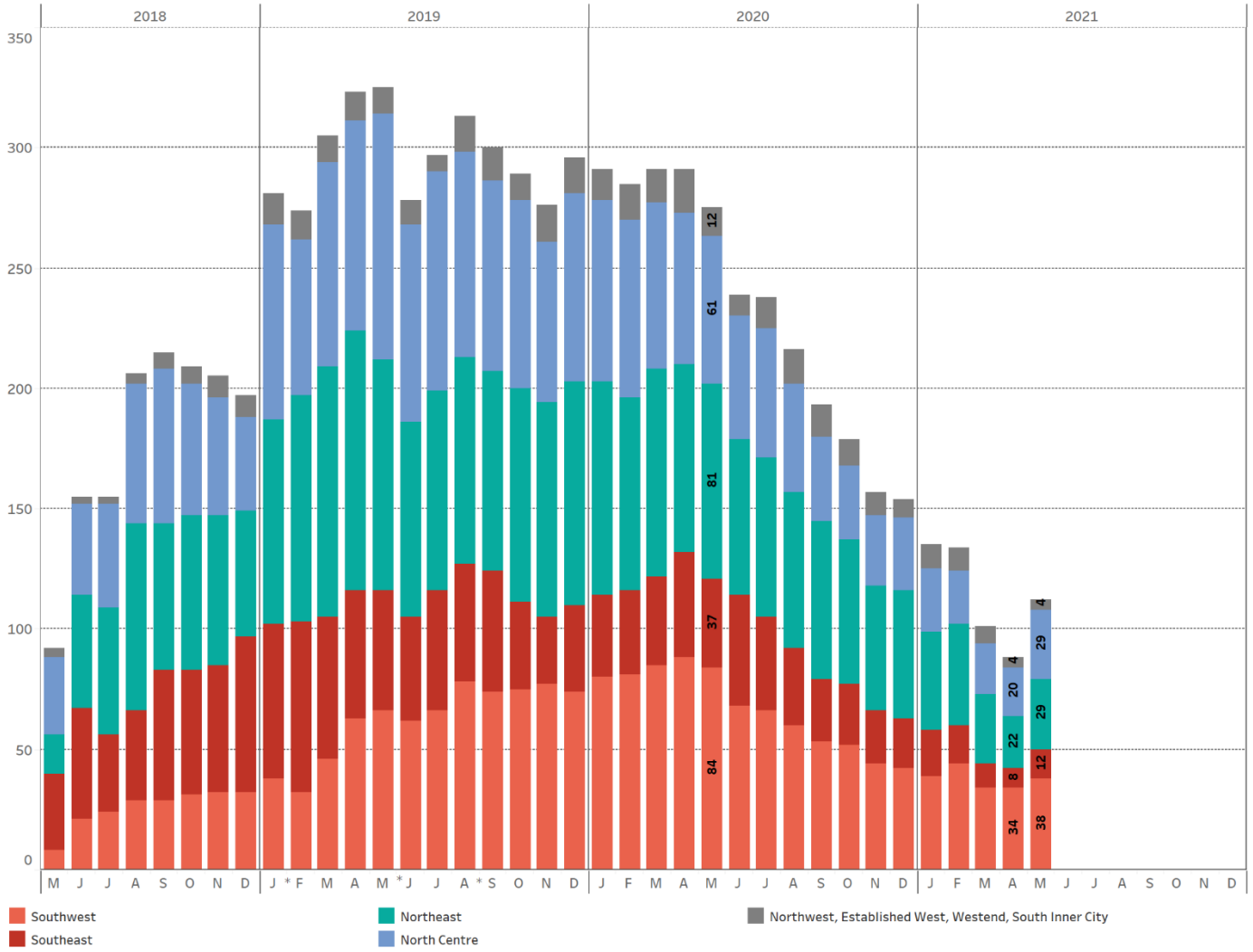

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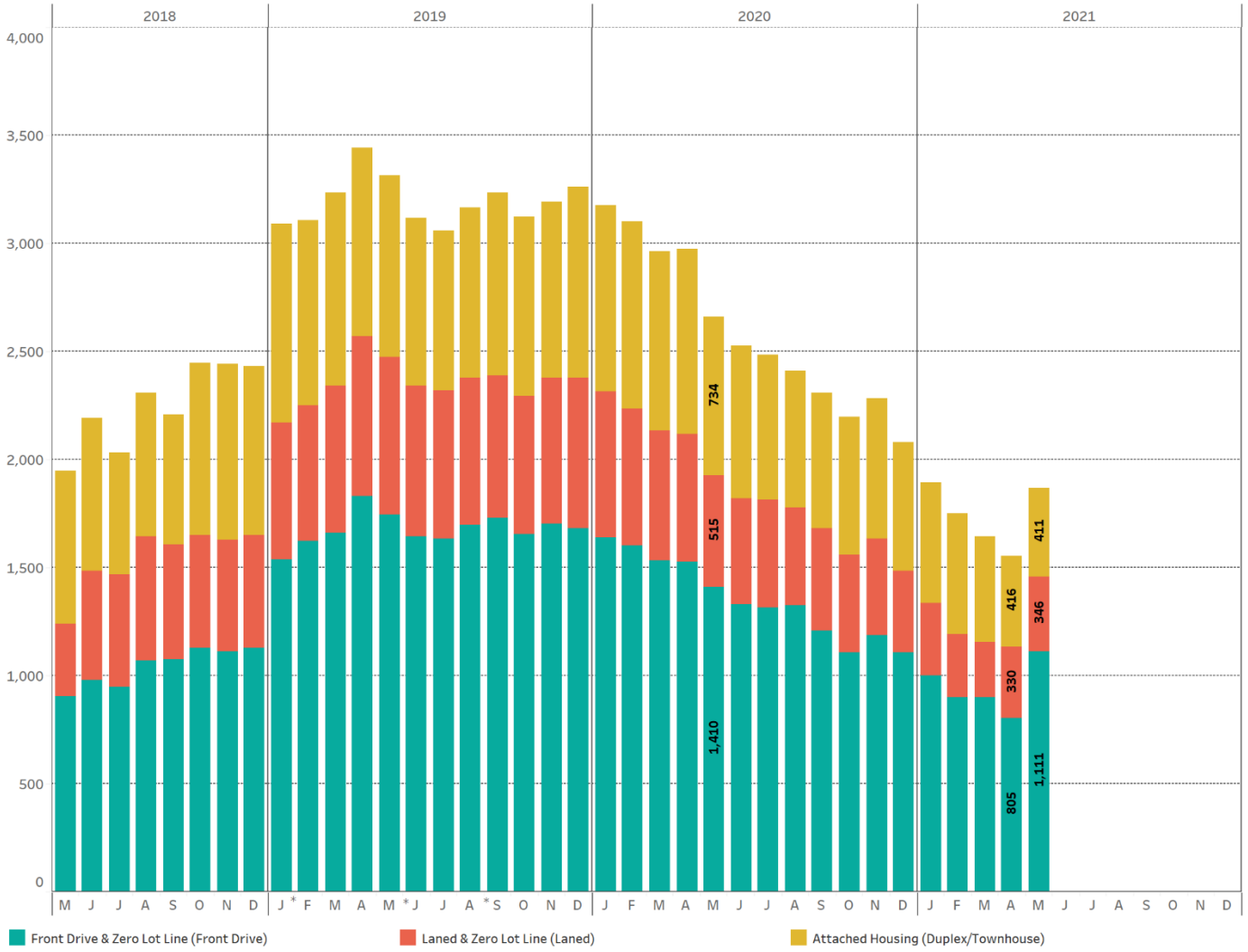
Number of Available Lots by Lot/Home Type

Chart represents number of available/unsold lots (incl. serviced lots available for immediate construction) for sale in each month broken down by lot/home type (based on data reported by participating builders).



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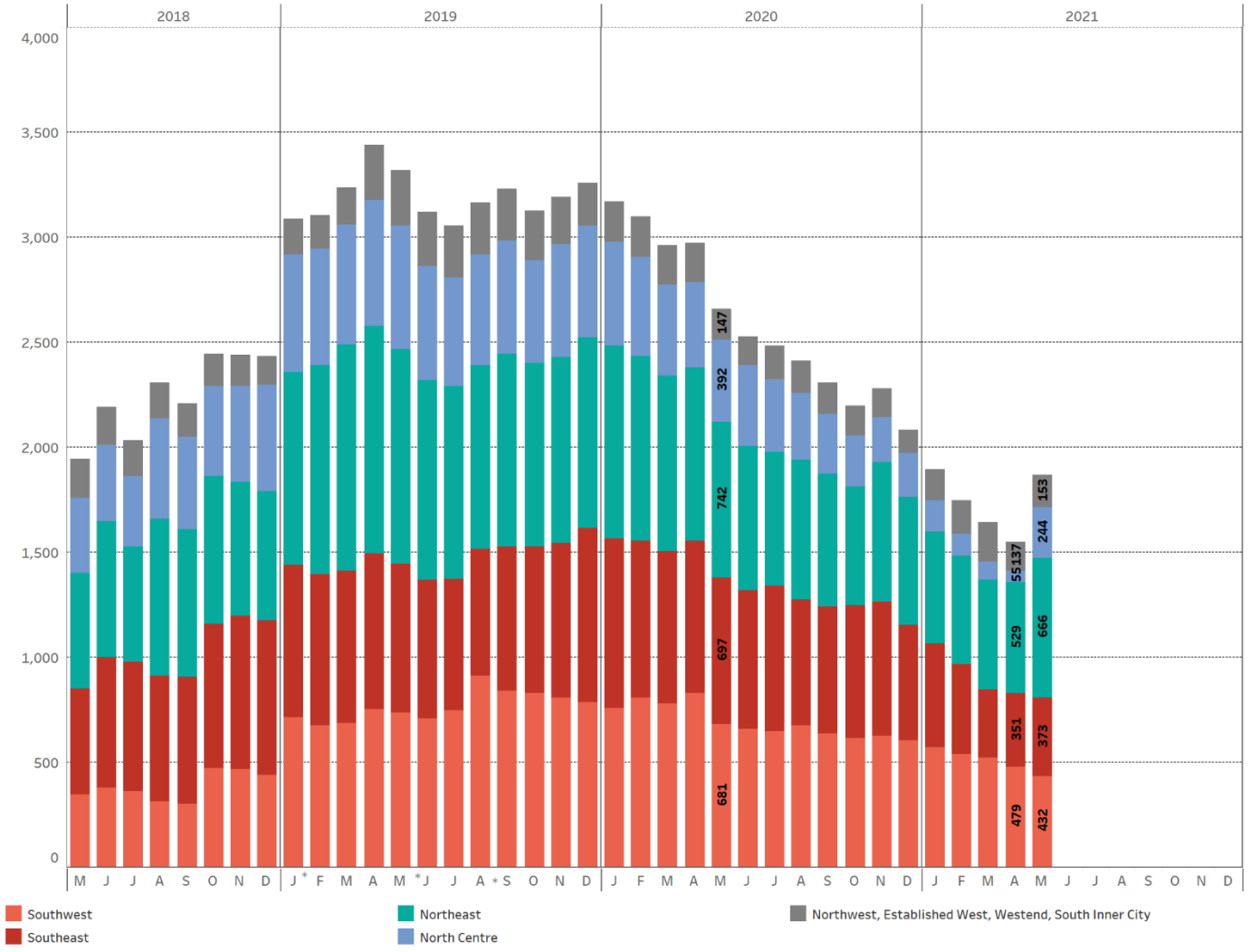

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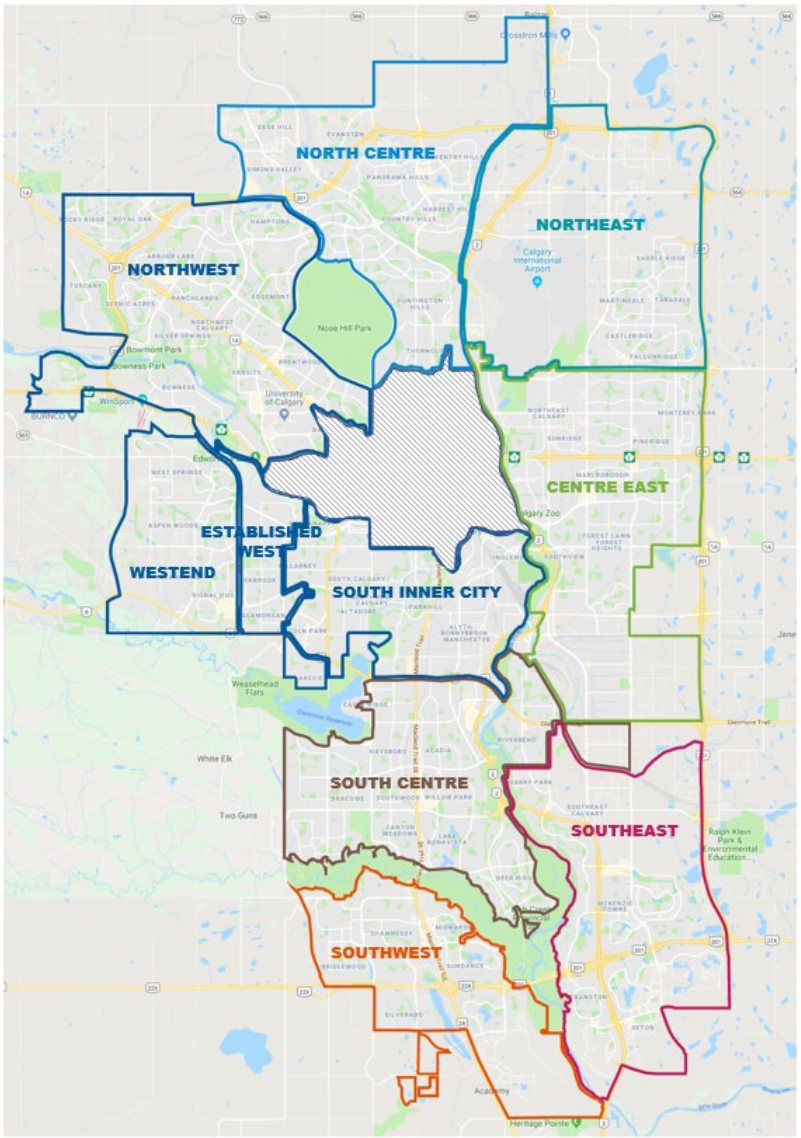
Submarket Boundaries