Calgary Region: Chestermere, Cochrane & Okotoks Single-Family New Homes

Quarterly Market Overview

Data for Q3 2021

Altus Group | BILD CALGARY REGION

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Introduction

BILD Calgary Region (BILD) in partnership with Altus Group is pleased to present this overview of the single-family new home market for the Calgary Region municipalities of Chestermere, Cochrane and Okotoks which will be produced on a quarterly 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 Chestermere, Cochrane and Okotoks, we can:

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

This quarterly report is made possible by the cooperation and contribution of data from many of the top builder companies in Chestermere, Cochrane and Okotoks. These builder companies combined represent approximately 78% of the single-family new home activity in Chestermere, Cochrane and Okotoks and we will grow that number as more builder companies become data partners. If you are a single-family new home builder in Chestermere, Cochrane or Okotoks 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 Homes
- Calbridge Homes
- Douglas Homes
- Excel Homes
- Homes by Avi
- Jayman Built
- Morrison Homes
- NuVista Homes
- Prominent Homes
- Stepper Homes
- Sterling Homes/Pacesetter by Sterling (Calgary)
- Trico Homes

Highlights – Q3 2021

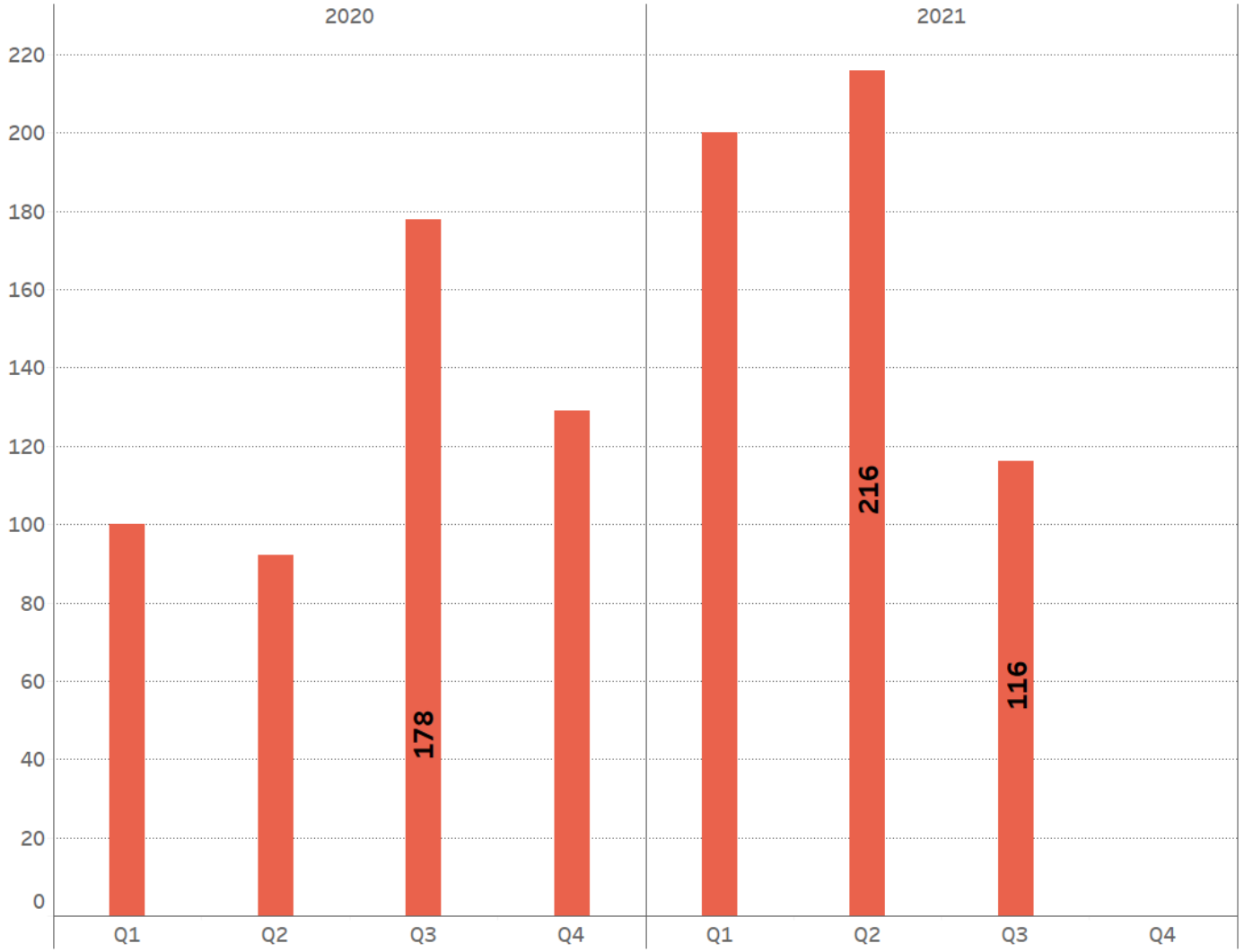
- The Calgary region municipalities of Chestermere, Cochrane, and Okotoks had a slow Q3 following a busy first half of the year. The third-quarter total sales output was the lowest since Q2 2020 as total sales were down 35% year-over-year. Market activity was measured throughout the quarter as none of the months within Q3 exceeded fifty sales. Both presales and spec sales declined by more than a third from a year ago and sales activity will likely remain repressed leading to the historically slowest quarter of the year. It's worth noting the Alberta provincial government removed COVID-19 restrictions on July 1st and declared a state of emergency reinstating restrictions on September 15th in response to rising case counts.

- After three consecutive quarters of the average selling prices of each product type increasing, Q3 in Chestermere, Cochrane, and Okotoks saw upwards price pressure ease. Quarter-over-quarter Front Drive and Laned homes remained relatively flat while Attached Housing declined by nearly 15%. The overall pace of market activity in southern Alberta has been on the decline despite interest rates remaining historically low. Likely, Q4 won't see a marked uptick as winter approaches as the majority of purchaser decisions tend to be delayed until the New Year.

- Construction starts for the three tracked regional areas declined in Q3 following five consecutive quarters of increases. Similar to Airdrie and Calgary, the glut of activity has been caught from the first half of the year. Construction starts will likely continue to decrease because of declining market activity paired with the start of the cold season. Completed inventory remains at historically low levels despite rising quarter over quarter. Lots to be brought to market inventory as increased for the third consecutive quarter bringing inventory above 1,500 homes for over a year.

Total Quarterly Sales

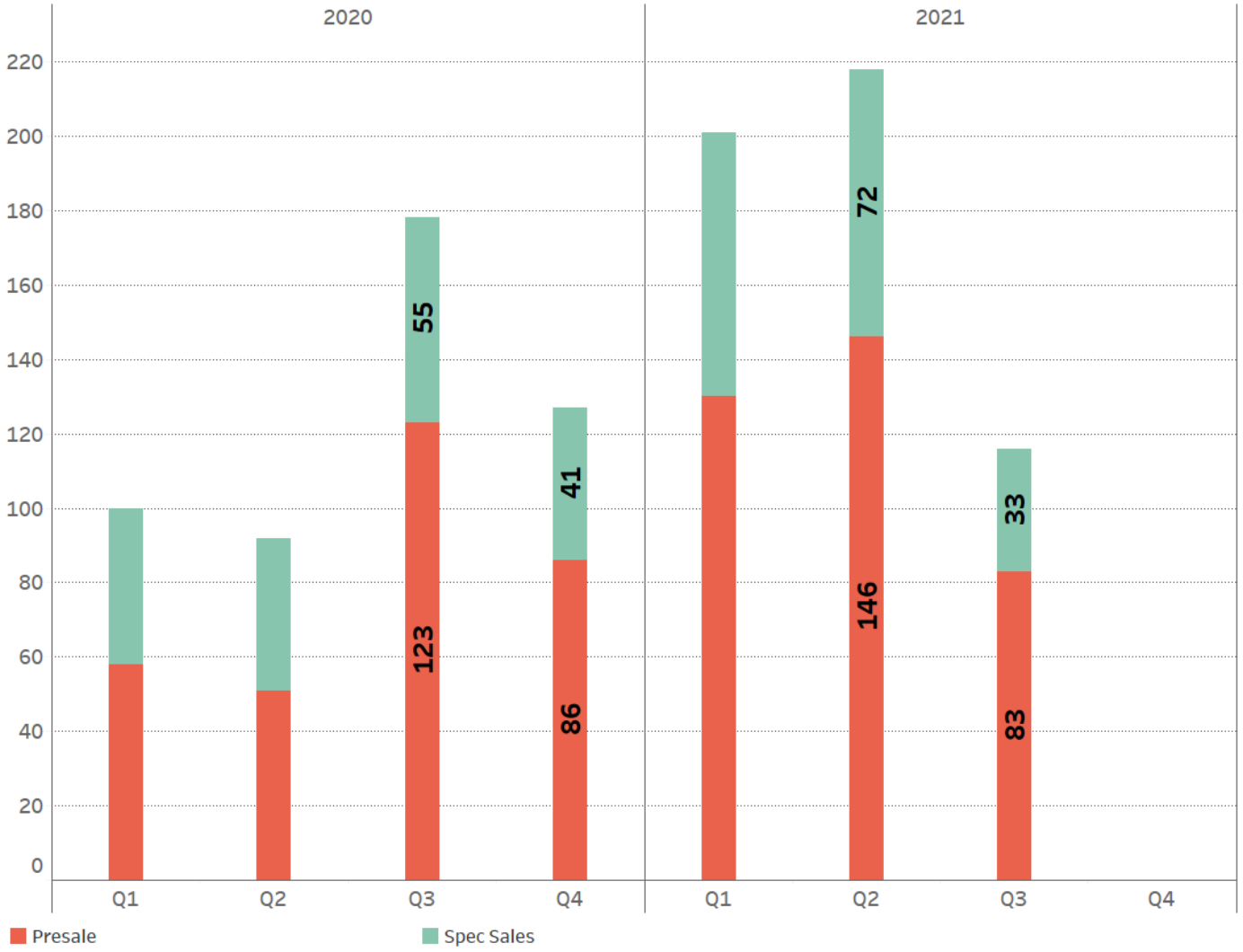
Chart represents the total number of firm sales achieved in each quarter regardless of construction status (based on data reported by participating builders).



Note: data may include revisions to previously reported numbers.

Pre-Construction Sales vs Spec Home Sales

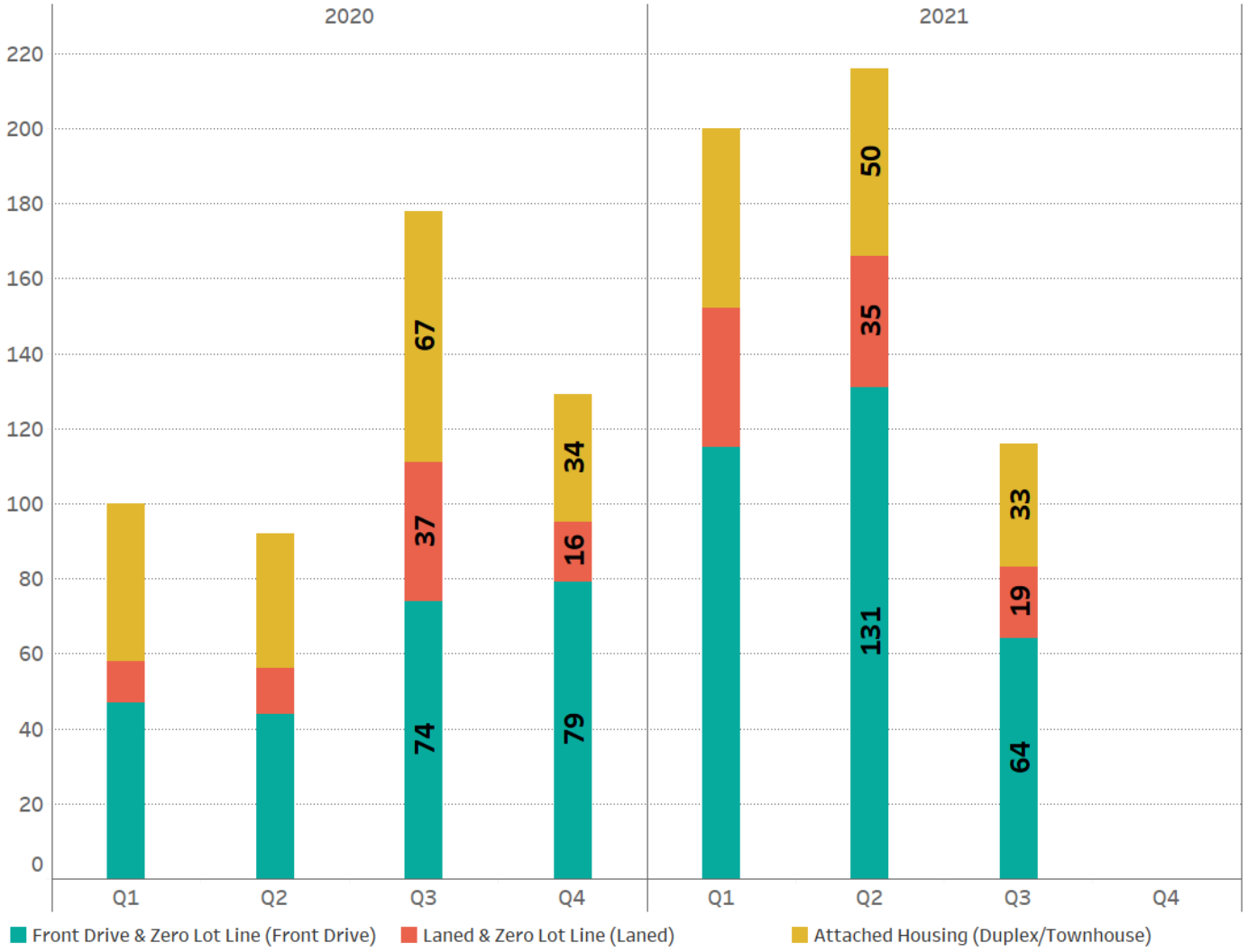
Chart represents the total number of firm sales achieved in each quarter broken down by pre-construction sales and spec home sales (based on data reported by participating builders).



Note: data may include revisions to previously reported numbers.

Quarterly Sales by Lot/Home Type

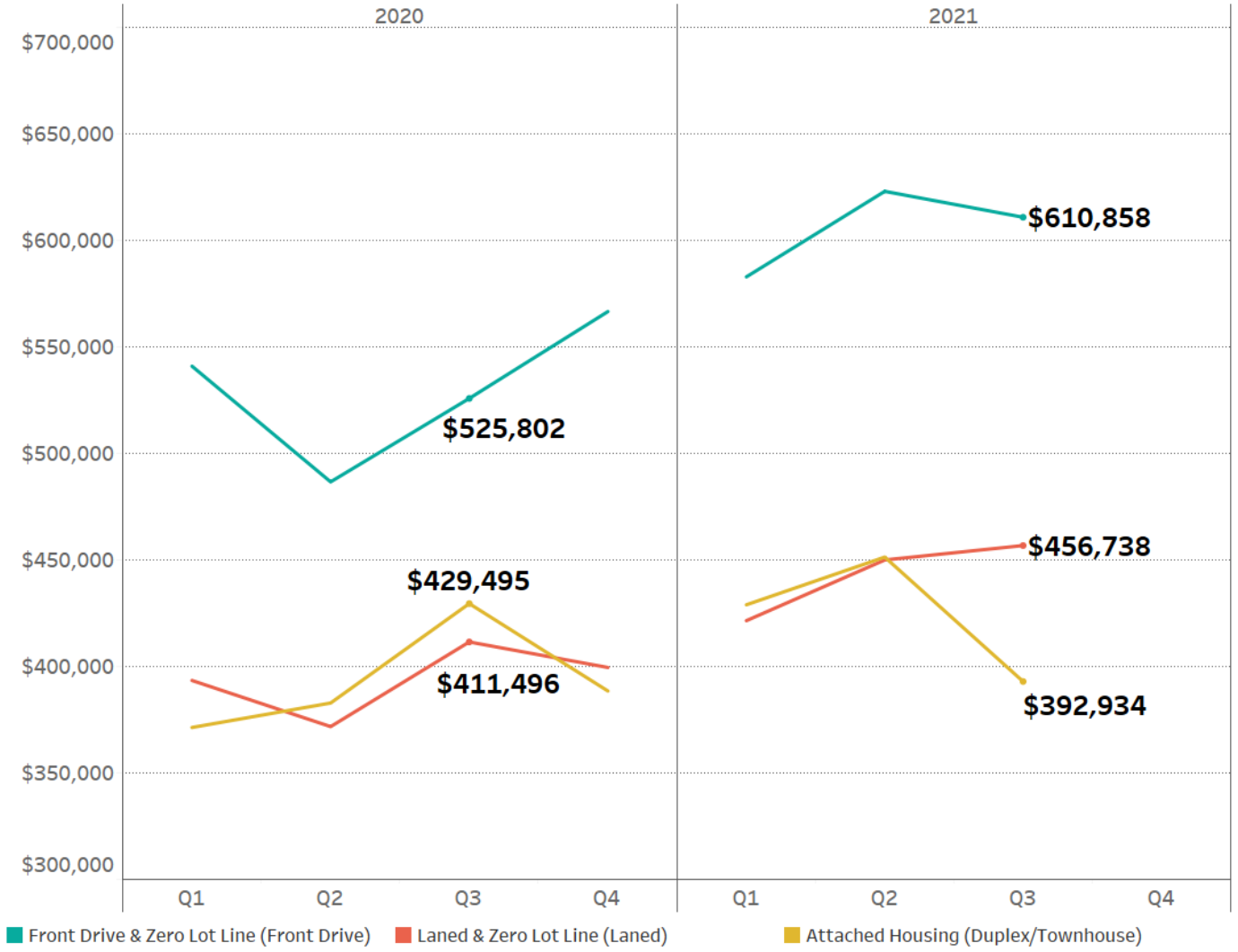
Chart represents the total number of firm sales achieved in each quarter broken down by lot/home type (based on data reported by participating builders).



Note: data may include revisions to previously reported numbers.

Average Selling/Contract Price by Lot/Home Type

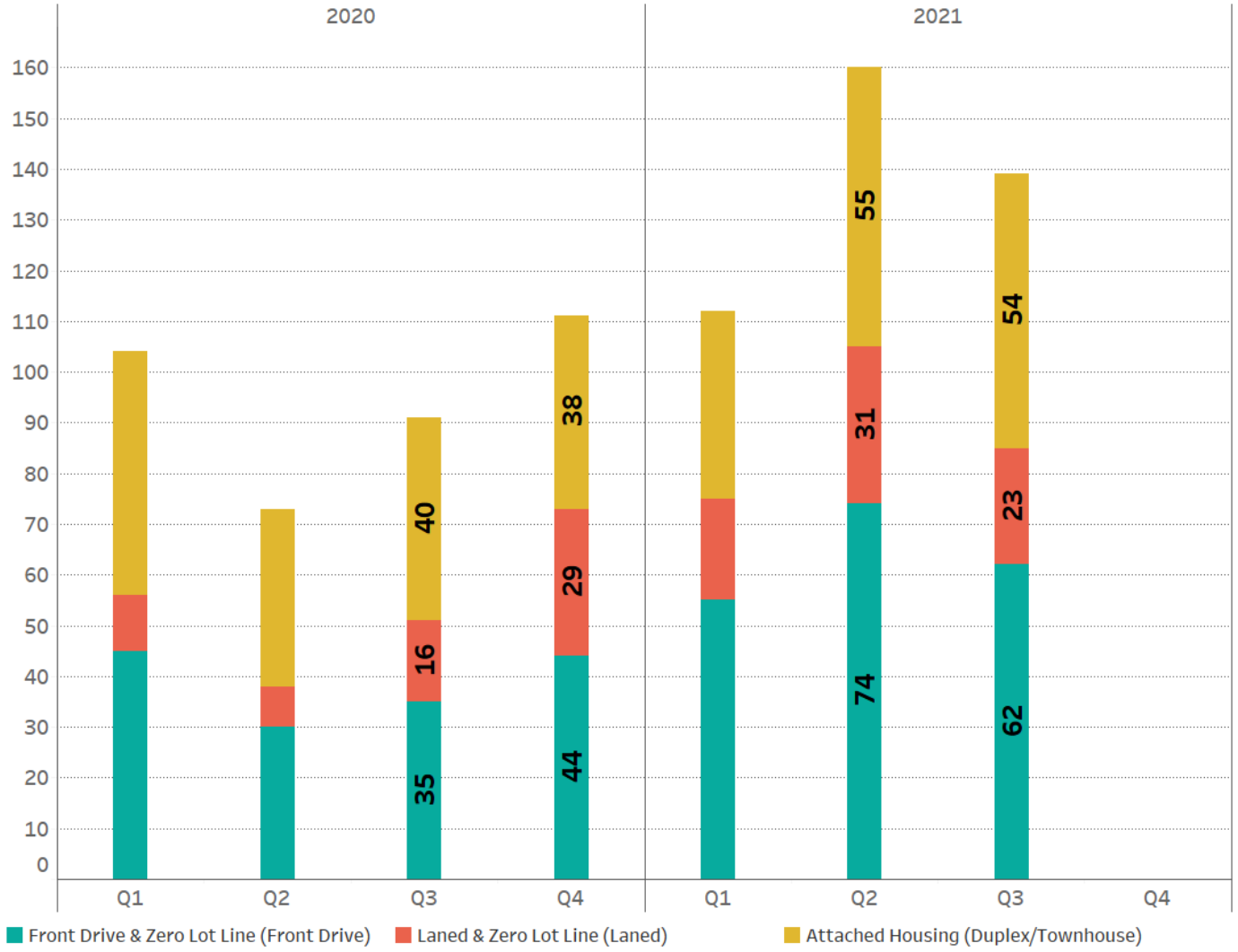
Chart represents the average price (incl. house, options, lot and GST) of homes sold in each quarter broken down by lot/home type (based on data reported by participating builders).



Note: data may include revisions to previously reported numbers.

Quarterly Construction Starts by Lot/Home Type

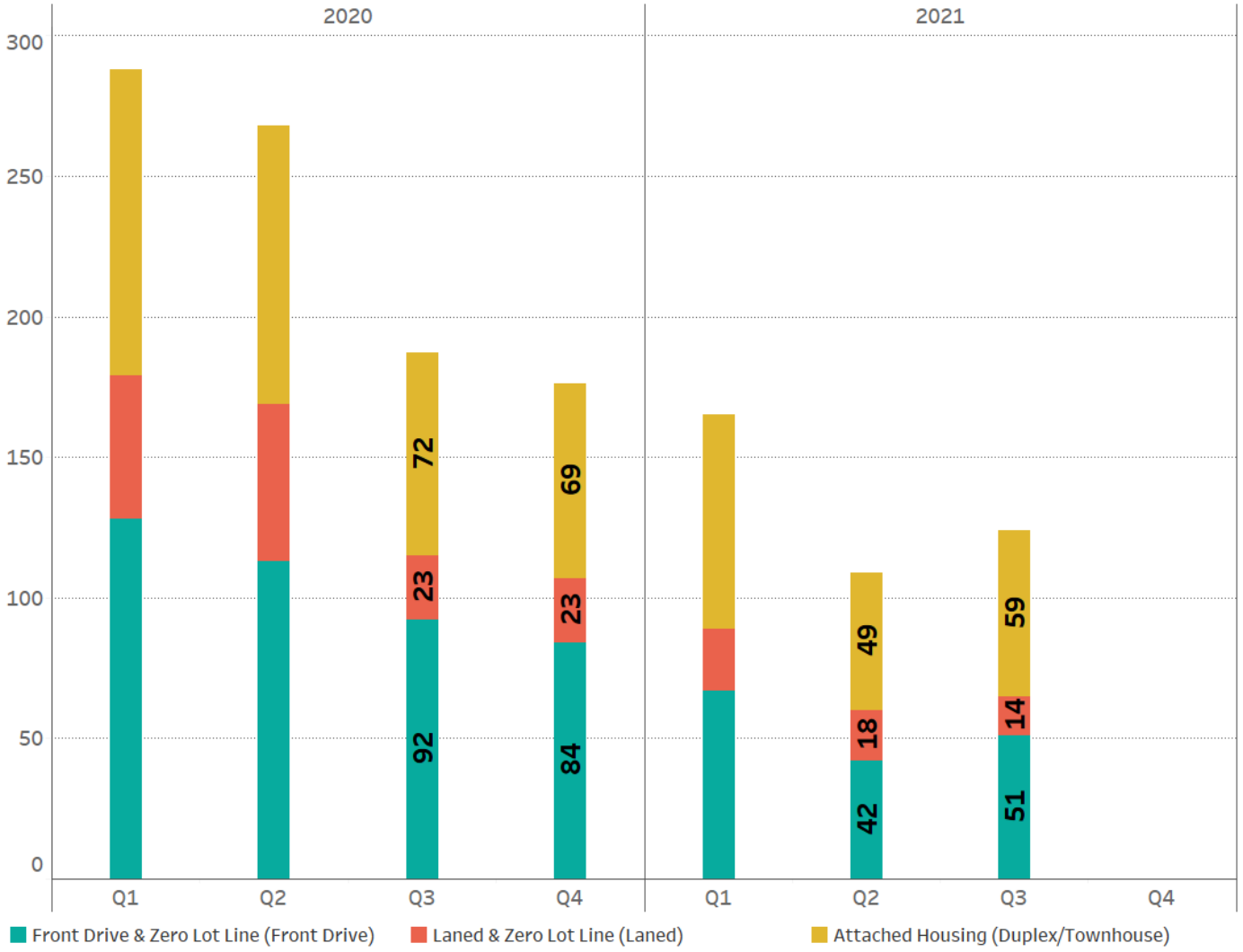
Chart represents number of single-family starts (i.e. foundations poured) in each quarter broken down by lot/home type (based on data reported by participating builders).



Note: data may include revisions to previously reported numbers.

Completed Home Inventory by Lot/Home Type

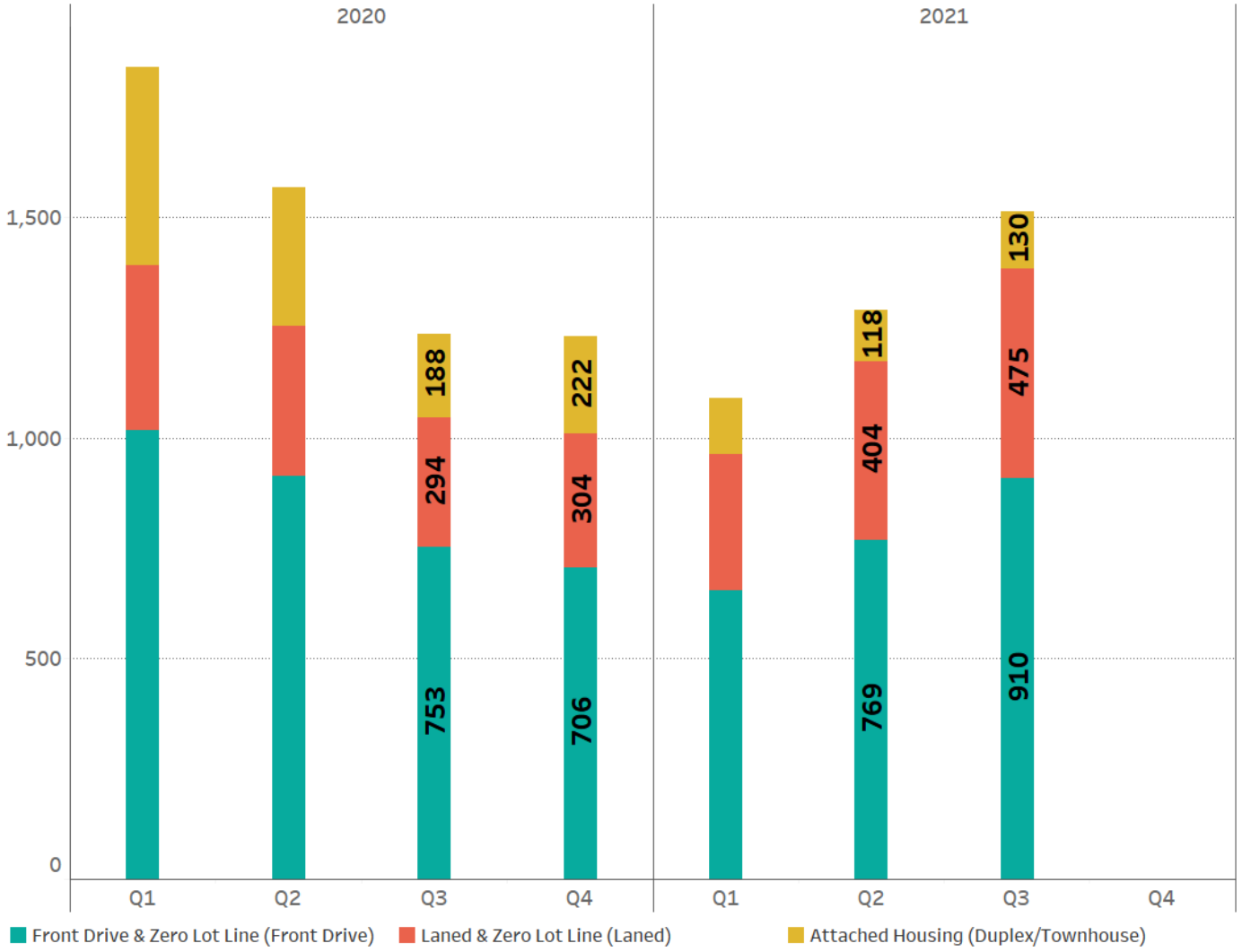
Chart represents number of finished homes available for sale with immediate occupancy in each quarter broken down by lot/home type (based on data reported by participating builders).



Note: data may include revisions to previously reported numbers.

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 quarter broken down by lot/home type (based on data reported by participating builders).



Note: data may include revisions to previously reported numbers.

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