

September 2020

Home sales rise along with supply

City of Calgary, October 1, 2020 - September sales activity jumped to 1,702 units, the strongest September total since 2014.

New listings in September improved over last month, but levels remained comparable to the previous year. The increase in sales relative to new listings did prevent any monthly gains in inventory levels, but supply in the market is still down 12 per cent compared to last year.

“The recent rise in new listings, combined with low lending rates and softness in prices, has helped support some of the recent upward trend in sales,” said CREB® chief economist Ann-Marie Lurie.

“However, conditions vary significantly based on the price range and property type.”

The adjustment in supply relative to demand has caused the housing market to move toward more balanced conditions. The current 3.7 months of supply represents the most balanced conditions seen for September in over five years. This has helped support some of the recent monthly gains in prices.

Total residential benchmark prices have trended up over the past three months, resulting in September prices that are similar to prices recorded at the same time last year.

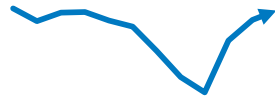
Despite some of the recent improvements, the impact of COVID-19 is still present. Year-to-date sales remain nearly nine per cent below last year’s levels, while citywide prices are still over one per cent lower than last year. Considerable risk also weighs on the housing market due to economic uncertainty and a struggling labour market.



TOTAL RESIDENTIAL PRICE

\$ 421,700

↓ 0.2% Y/Y



DETACHED PRICE



\$ 488,800

↑ 0.9% Y/Y

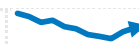


SEMI-DETACHED PRICE



\$ 393,900

↓ 1.8% Y/Y



ROW PRICE



\$ 273,700

↓ 7.1% Y/Y

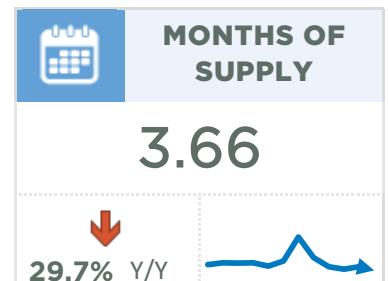
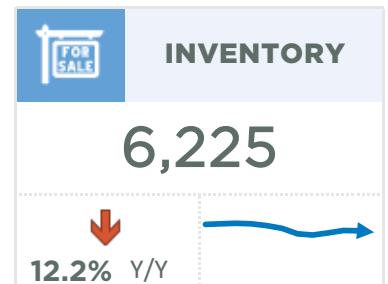
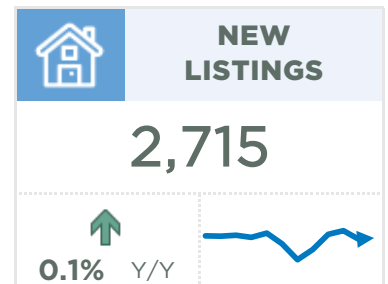


APARTMENT PRICE



\$ 248,400

↓ 0.4% Y/Y



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	Sales		New Listings		Inventory		S/NL	Months of Supply		Benchmark Price	
	Actual	Y/Y%	Actual	Y/Y%	Actual	Y/Y%	Ratio	Actual	Y/Y%	Actual	Y/Y%
Detached	1,052	28%	1,479	-2%	3,077	-18%	71%	2.92	-36%	\$488,800	1%
Semi	152	22%	255	-16%	549	-26%	60%	3.61	-39%	\$393,900	-2%
Row	256	48%	400	2%	956	-4%	64%	3.73	-35%	\$273,700	-7%
Apartment	242	-1%	581	16%	1,643	1%	42%	6.79	2%	\$248,400	0%
Total Residential	1,702	25%	2,715	0%	6,225	-12%	63%	3.66	-30%	\$421,700	0%

Year-to-Date

September 2020

	Sales		New Listings		Inventory		S/NL	Months of Supply		Benchmark Price	
	Actual	Y/Y%	Actual	Y/Y%	Actual	Y/Y%	Ratio	Actual	Y/Y%	Actual	Y/Y%
Detached	7,210	-8%	12,564	-13%	2,984	-18%	57%	3.73	-11%	\$479,633	0%
Semi	1,208	-9%	2,218	-17%	603	-19%	54%	4.49	-11%	\$389,244	-3%
Row	1,569	-4%	3,305	-5%	915	-9%	47%	5.25	-5%	\$277,711	-6%
Apartment	1,765	-16%	4,702	-5%	1,515	-3%	38%	7.72	15%	\$244,300	-2%
Total Residential	11,752	-9%	22,789	-11%	6,016	-14%	52%	4.61	-5%	\$415,611	-1%



Detached

With significant gains in the \$400,000 - \$600,000 range, September sales are the highest they have been since 2014. Improving sales and easing new listings resulted in further reductions in inventory levels and caused the months of supply to ease to balanced territory. Recent improvements in the supply/demand balance have supported some upward price movements. As of September, the benchmark price was nearly one per cent higher than last year. However, the year-over-year gains have been driven by the more affordable end of the market, as prices remain well below last year's levels in both the City Centre and West districts of the city.



Semi-Detached

Given some recent monthly gains in new listings, sales in this sector improved in September, but at a slower pace than both the detached and row sectors. This could be related to the significant pullback in inventory. September inventory levels were nearly 21 per cent lower than last year, the largest percentage decline in inventory among all property types. This shift in supply, along with improving sales, has started to help reduce the oversupply in this sector and ease the downward pressure on prices. September prices remain nearly two per cent lower than last year's levels, but prices have started to improve in the South, South East and East districts of the city.



Row

Sales in this sector have continued to trend up for the past several months and September sales were significantly higher than last year's levels. While it was not enough to offset the pullback that occurred during the COVID-19 shutdown, row sales activity is four per cent lower than last year's levels. The growth in sales could be related to the significant price adjustment that has occurred in this sector. Prices in this sector have eased by seven per cent compared to last year and remain nearly 17 per cent below previous highs.



Apartment

All other sectors have seen some recent year-over-year gains in sales, but this sector continues to trend in the other direction. Year-to-date sales declined by 16 per cent, the largest decline among all property types. At the same time, new listings continue to rise, which is causing further inventory gains. This is keeping the months of supply above seven months. There have been some districts showing signs of price stabilization, but overall, year-to-date prices have eased by more than two per cent, amounting to a total adjustment from 2014 highs of over 18 per cent.

September 2020 District Total Residential Benchmark Price

