

Calgary Home Prices Continue to Rise in the Second Quarter of 2017

Improved consumer confidence leads many areas across Calgary to transition to seller's markets

Royal LePage forecasts that home values will continue to rise in Calgary for the remainder of the year

CALGARY, July 13, 2017 – According to the Royal LePage House Price Survey¹ and Market Survey Forecast released today, the aggregate² price of a home in Calgary continued to rise in the second quarter of 2017, climbing by 4.4 per cent year-over-year to \$472,798.

When broken out by housing type, the median price of a two-storey home grew by 5.3 per cent year-over-year to \$518,632 in the second quarter of 2017, while the median price of a bungalow rose by 4.1 per cent to \$485,953. Over the same period, the median price of a condominium dipped 0.3 per cent year-over-year to \$294,436.

“Home prices continue to rise in Calgary, as many areas within the region transition to seller’s markets,” said John Hripko, associate broker, Royal LePage Benchmark. “With oil prices having stabilized around \$45, prospective homeowners have increasingly been enticed back into the market, placing a strain on inventory levels across the region.”

Looking ahead to the end of the year, Royal LePage forecasts that Calgary’s aggregate home price will rise by 5.0 per cent year-over-year to \$482,140, as the region’s improved economic outlook continues to bolster consumer confidence and places an upward pressure on market activity.

“With demand already beginning to flood the market, we anticipate that prices will continue to rise throughout the remainder of the year,” added Hripko. “If interest rates steadily climb over the next couple of years, as anticipated, buyers sitting on the fence will increasingly feel the heat and look to the market before it is too late, boosting sales activity and intensifying market trends across the region.”

Nationally, Canada’s residential real estate market posted strong home price gains in the second quarter of 2017, with the majority of metropolitan markets across Canada displaying expansionary trends. During the quarter, the Royal LePage National House Price Composite showed that the price of a home in Canada increased 13.8 per cent year-over-year to \$609,144. When broken out by housing type, the price of a two-storey home rose 14.6 per cent year-over-year to \$725,391, while the price of a bungalow increased by 10.7 per cent to \$511,965. Over the same period, the price of a condominium climbed 13.4 per cent to \$397,826.

“Following a period of unprecedented regional disparity in activity and price appreciation, we are now seeing a return to healthy growth in the majority of Canadian housing markets,” said

¹ Powered by Brookfield RPS

² Aggregate prices are calculated via a weighted average of the median values of homes for reported property types in the regions surveyed

Phil Soper, president and CEO, Royal LePage. “The white-hot markets are moderating to very warm; the depressed markets are beginning to grow again. Canadian housing is in great shape – a statement that I certainly did not make last quarter.”

“The rate of national house price appreciation that we experienced in the second quarter continues to be above what we would consider a normal range, driven primarily by very strong year-over-year price growth across much of Ontario,” continued Soper.

Looking ahead to the remainder of the year, Royal LePage forecasts that the national aggregate price of a home will increase by 9.5 per cent in 2017 to \$617,773 when compared to year-end, 2016.

About the Royal LePage House Price Survey

The Royal LePage House Price Survey provides information on the three most common types of housing in Canada, in 53 of the nation’s largest real estate markets. Housing values in the House Price Survey are based on the Royal LePage National House Price Composite, produced quarterly through the use of company data in addition to data and analytics from its sister company, Brookfield RPS, the trusted source for residential real estate intelligence and analytics in Canada. Commentary on housing and forecast values are provided by Royal LePage residential real estate experts, based on their opinions and market knowledge.

About Royal LePage

Serving Canadians since 1913, Royal LePage is the country’s leading provider of services to real estate brokerages, with a network of over 17,000 real estate professionals in more than 600 locations nationwide. Royal LePage is the only Canadian real estate company to have its own charitable foundation, the Royal LePage Shelter Foundation, dedicated to supporting women’s and children’s shelters and educational programs aimed at ending domestic violence. Royal LePage is a Brookfield Real Estate Services Inc. company, a TSX-listed corporation trading under the symbol TSX:BRE.

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