

Calgary Home Prices Post Healthy Gains in the Third Quarter of 2017

Region sees uptick in home listings as real estate market shows signs of recovery

CALGARY, October 12, 2017 – According to the Royal LePage House Price Survey¹ released today, the aggregate price of a home in Calgary rose 5.0 per cent year-over-year to \$479,211 in the third quarter of 2017.

When broken out by housing type, the median price of a standard two-storey home increased 4.8 per cent year-over-year to \$520,624 in the third quarter of 2017. During the same period, the median price of a bungalow increased 7.3 per cent to \$505,925, while the median price of a condominium rose a modest 0.8 per cent year-over-year to \$297,558.

“We are a region in recovery. Our home price appreciation numbers are promising but we are comparing this quarter with the same period in 2016, when prices were still depressed,” said Corinne Lyall, broker/owner, Royal LePage Benchmark. “This uplift is a good sign and we remain cautiously optimistic. However, until we see the price of oil stabilize over \$50 per barrel and full-time employment numbers increase, the recovery will continue to be slow.”

Lyall noted that there has been a big improvement in consumer confidence since the economy showed signs of stabilizing.

“Both buyers and sellers who were waiting on the sidelines for the housing market to show signs of recovery started to reengage in recent months,” added Lyall. “In the most recent quarter, listings inventory has slightly outpaced demand, which will act to keep a lid on major price increases in the immediate-term. Buyers are feeling that it is the right time to act and seem happy with the good selection of properties to choose from in Calgary.”

Nationally, the Royal LePage National House Price Composite, compiled from proprietary property data in 53 of the nation’s largest real estate markets, showed that the price of a home in Canada increased 13.3 per cent year-over-year to \$628,411 in the third quarter. When broken out by housing type, the median price of a standard two-storey home rose 13.9 per cent year-over-year to \$748,049, and the median price of a bungalow grew 9.5 per cent to \$525,781. During the same period, the median price of a condominium rose 15.2 per cent to \$413,670.

Meanwhile, on a quarter-over-quarter basis, home prices in Canada’s five most populated housing markets are rising at a similar, healthy pace – the first time this has occurred in six years.

“For now, the Toronto and Vancouver housing markets have returned to earth,” said Phil Soper, President and CEO, Royal LePage. “After a period of unsustainable price inflation and sharp market corrections, we are seeing low single digit appreciation in each. Calgary has shaken off the oil-bust blues and Montreal appears to be at the beginning of a new era of economic prosperity. Rounding out the ‘big five,’ the Ottawa market is behaving like it usually does - a picture of healthy market growth.”

¹ Aggregate prices are calculated using a weighted average of the median values of all housing types collected. Data is provided by RPS Real Property Solutions.

“Uneven regional economic growth has plagued Canada for much of the past decade, a challenge most evident in the nation’s housing markets,” continued Soper. “For the first time since 2011, we are seeing real estate in all five of our largest cities appreciate at a manageable, healthy clip. Canadian housing is enjoying a Goldilocks moment – not too hot, and not too cold.”

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, RPS Real Property Solutions, 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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