

<b>Business in Calgary (Calgary, AB)</b>			Order/Commande
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# Real Estate Analysis

BY HEATHER RYAN

Calgary's real estate market is "shaking off its winter blues" as home sales blossomed last month giving rise to an optimistic outlook for spring, says local experts.

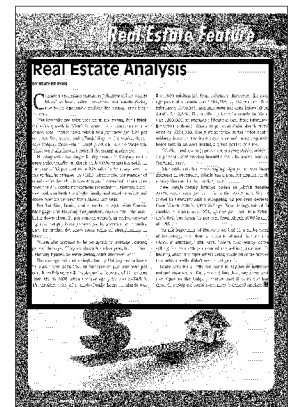
"We typically see sales pick up in the spring, but I think the sales growth in March is more due to consumer confidence, low interest rates, which you can now get 3.99 per cent for five years, and affordability in the marketplace," says Calgary Real Estate Board president Bonnie Wegerich. "And, we really haven't entered the spring market yet."

Housing sales for single-family homes in Calgary metro grew substantially in March with 1,086 properties sold, an increase of 32 per cent from 825 sales in February, according to figures released by CREB. Meanwhile, the number of condo sales for March was 446, an increase of 30 per cent from the 343 condo transactions recorded in February. However, sales in both the single-family and condo markets are down over 20 per cent from March last year.

But Lai Sing Louie, senior market analyst with Canada Mortgage and Housing Corporation, says while "the market is down about 21 per cent on average in year-over-year figures, that gap is not as steep as the previous two months, and the market did show some signs of strengthening in March.

"There also appears to be an uptick in average housing prices," he says. "They are down from last year, but up from February figures, so we're seeing some improvement."

The average price of a single-family Calgary metro home in March was \$420,354, an increase of just over one per cent from February's \$415,568 and a decrease of 11 per cent from March 2008 when the average price was \$474,513. The median price of a single-family home in March was



\$375,000 unchanged from February. However, the average price of a condo was \$284,056, up six per cent from February's \$268,971, and just nine per cent below March 2008's \$312,620. The median price of a condo in March was \$260,000, an increase of four per cent from February's \$249,900, although down 11 per cent from March 2008's price of \$293,000. The median price is the price that is midway between the least expensive and most expensive home sold in an area during a given period of time.

"Median and average prices are staying stable, which is a sign that we're moving toward a more balanced market," Wegerich says.

She adds another encouraging sign is the continued decrease in inventory, which has a positive impact on the absorption rate in the marketplace.

New single-family listings added in March totalled 2,023, down two per cent from the 2,057 new listings added in February and a whopping 42 per cent decrease from March 2008's 3,493 listings. New listings added for condos in March were 903, up one per cent from February's 892, but down 42 per cent from March 2008 listings of 1,561.

"At the beginning of the year we had 11 months worth of inventory, now that is down to almost four months, which is amazing," she says. "We're also seeing homes selling for 95 to 96 per cent of the asking price and I'm hearing about multiple offers being made on some properties, which really didn't occur last year."

Louie says it's a little too early to say we've bottomed out and now are on the upswing, but there are some positive signs in the Calgary market and if sales continue through spring we could see a more balanced market. **BIC**