

Calgary housing market picks up as buyers tiptoe back into market

March MLS sales, house prices up over February

BY MARIO TONEGUZZI, CALGARY HERALD APRIL 2, 2009 7:41 AM



Sale and sold signs for new single-family homes in Calgary's many subdivisions.

Photograph by: Calgary Herald Archive, Calgary Herald Archive

Calgary's housing market picked up in March, with both MLS sales and average house prices for single-family homes and condominiums rising from the previous month's levels.

With house prices stabilizing in the past few months, low mortgage rates and still a high selection of properties for sale, more homebuyers entered the resale housing market last month compared with the dismal months of February, January and December.

Homebuyers such as Kristen Hulsman and her husband Devon who purchased a two-storey, split level house in Temple during the month. The couple own another town-house in Forest Heights which they are renting out. They have owned the townhouse since 2006.

"We were just kind of baby-sitting the market for a while just because we knew it was a pretty good time to buy. So we were kind of waiting for the deals to come up and this one was probably the best that was out there. It's a beautiful home, so we're happy," said Kristen.

The couple had purchased another property a year ago, renovated it and sold it in December.

"We noticed how hard the market had been hit," she said.

Over the past three months, they've been seriously looking at the local market to see what was available. What they found was plenty of selection and "a lot of deals."

"There's a ton of deals out there if you keep on top of it or if you have someone or a real-tor who stays on top of

that. There's just a lot out there," said Kristen.

"Anybody who is motivated right now has been pricing their homes very well."

For single-family homes, the average MLS sale price in March was \$420,354, up from \$415,568 in February but still down from a year ago at \$474,513. Sales for the month were 1,086 properties, which was up from 825 in February, but off from the 1,418 sales registered in March 2008.

In the condo market, the average sale price in March was \$284,056, up from \$268,971 the previous month and down from a year ago at \$312,620. Condo sales for the month were 446 properties, which was up from 343 in February, but a decrease from the 565 sales in March 2008.

"The Calgary market is slowly shaking off its winter blues," said Bonnie Wegerich, president of the Calgary Real Estate Board.

"Spring has brought a nice uptick in sales this month and the supply of homes has been trending lower. It is also the first time that the year-over-year decline in average price has started to decelerate -- a sign that we are moving into a more balanced market."

The March MLS numbers are a hopeful sign, said Todd Hirsch, senior economist with ATB Financial in Calgary.

"Consumer confidence in Alberta is down, but I think that there is this underlying sort of latent interest in getting into the housing market and people have been waiting to see where prices are going, and over the several months they've kind of flattened out," said Hirsch.

"It's given people the sense that the market is not going to correct another 20 per cent downward. Maybe the biggest part of the falling prices is over and maybe now is a good time to get back into the market."

Average sale prices for single-family homes peaked at \$505,920 in July 2007 and for condos at \$332,237 in May 2007.

Hirsch said it's a great time to buy a home as it has become a buyer's market with plenty of selection, prices down and low mortgage rates.

The fact average prices are "firming up" is a good sign of confidence, said Lai Sing Louie, senior market analyst in Calgary with Canada Mortgage and Housing Corp.

"There has been significant improvement in affordability," said Louie.

Calgary Metro MLS Sales For March

Single Family Homes 2009 2008 Change

Month-end inventory 4369 5957 --26.66%

New listings 2023 3493 --42.08%

Sales 1086 1418 --23.41%

Aver. days on market 48 40 20.0%

Average sale price \$420,354 \$474,513 --11.41%

Median sale price \$375,000 \$420,000 --10.71%

Condominiums

2009 2008 Change

Month-end inventory 2052 2781 --26.21%

New listings 903 1561 --42.15%

Sales 446 565 --21.06%

Aver. days on market 56 43 30.23%

Average sale price \$284,056 \$312,620 --9.14%

Median sale price \$260,000 \$293,000 --11.26%

Source: Calgary Real Estate Board

© Copyright (c) The Calgary Herald