

Calgary

Real Estate Investment Essentials

Spring 2017

ANALYST INSIGHT

"In Calgary there are still interesting times ahead. The slowing trend in the housing market is still not over. Remember, the housing market is an 18-24 month lagging indicator of a region's economy. Given the underlying economics and demographics of the city combined with the unoccupied inventory and new mortgage rules, we expect that the demand is to shift to lower priced neighbourhoods as well as those serviced with the Light Rail Transit system. Other neighbourhoods will continue to feel the current slowness. For those who have a minimum 5 year hold period, this may be the time to be picking up well-priced properties."

-Don R. Campbell, Senior Analyst, REIN



#2

2nd highest weekday totals for Light Rail Transit ridership in Canada

28.1%

Of Calgary's population are immigrants – a key demographic typically focused on rentals

\$5.8

Billion dollars budgeted by the city to support infrastructure and other capital items from 2014 – 2018

HOUSING



Gradual improvement in resale market conditions is expected in 2017 and 2018



AVERAGE SALE PRICE

The benchmark price of a single-detached dwelling was \$440,650 in 2016, down 3.8% from 2015



AVERAGE RENT PRICES

1 BR: \$922
2BR: \$1,253
3BR+: \$1,838



VACANCY RATE

7% - Residential
25% - Commercial



SECONDARY SUITES

The City has been very restrictive on Secondary Suites, but has now started to ease restrictions



POPULATION

CITY OF CALGARY

1,235,171 (2016 City Census)

2016 GROWTH

+4,256 (2016 City Census)

PROJECTED POPULATION GROWTH

1.6% in 2017 - 1.7% in 2018



EMPLOYMENT GROWTH

0.2% projected through 2017 and 1.1% in 2018 (Alberta)

UNEMPLOYMENT RATE

Increased by 4.7% to 8.1% from 2015 to 2016



PROVINCIAL GDP GROWTH

2.2% in 2017 - 3.3% in 2018

