



Pulse of the city



FEBRUARY 2024 MARKET UPDATE

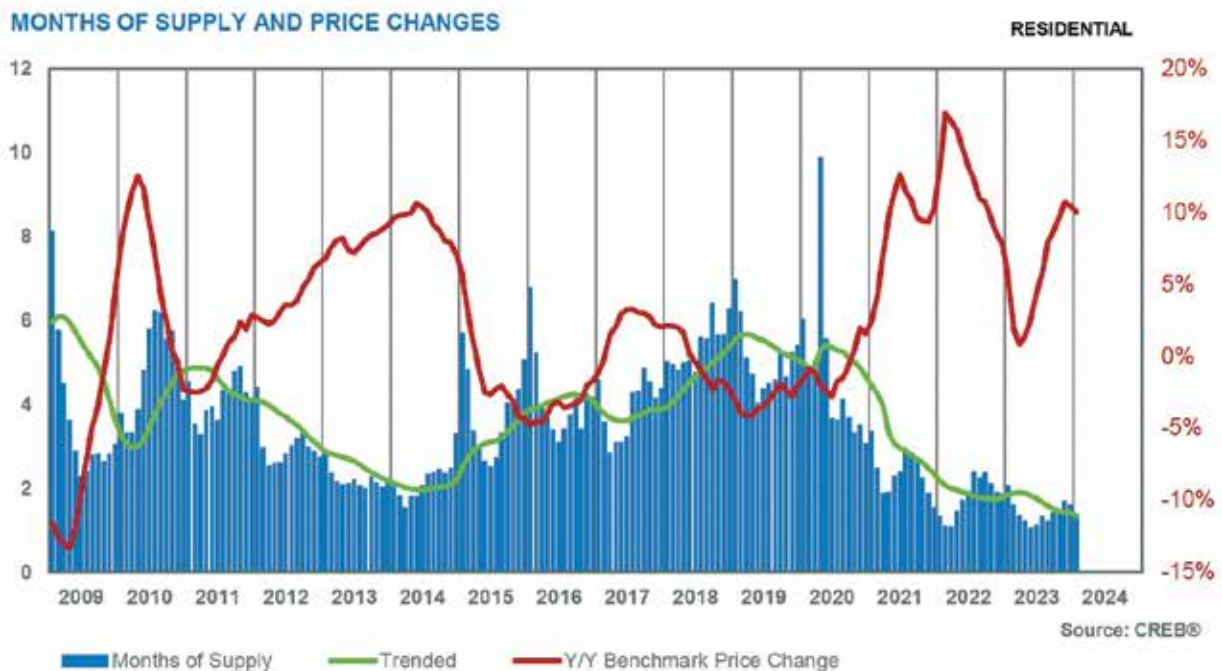
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Calgary Real Estate Forecast: Thriving Market Insights & Investment

As we step into 2024, the Calgary real estate market presents a landscape of resilience and adaptation, reflecting the dynamism of its economy and the robustness of its community. January 2024 has set a precedent for the year, showcasing significant movements in sales, new listings, and benchmark prices that not only echo the market's enduring strength but also hint at the evolving challenges and opportunities that lie ahead.

In this comprehensive report, we delve into the intricacies of the Calgary real estate market as it stands at the outset of 2024, armed with data from the January Market Report and insights from the 2024 Forecast. Our aim is to provide a detailed analysis that serves as a beacon for potential buyers, sellers, and investors, navigating the complexities of the market with clarity and confidence.

The Calgary real estate market, known for its spirited response to economic ebbs and flows, has once again demonstrated remarkable agility. Despite the overarching narrative of supply constraints and escalating prices, January's performance reveals a market that is not just surviving but thriving, with sales surging and new listings providing a much-needed breath of fresh air.



This report will take you through a journey of understanding—from the granular details of sales figures and inventory levels to the broader economic forces at play. We will explore how different sectors of the market, from detached homes to apartment condominiums, are responding to current conditions. Moreover, we will cast our gaze towards the horizon, analyzing the 2024 Forecast to uncover what the future holds for Calgary's real estate market.

Join us as we unfold the story of Calgary's real estate market in January 2024, setting the stage for a year of informed decisions, strategic investments, and opportunities for growth. Whether you're a first-time homebuyer, a seasoned investor, or somewhere in between, this report is your guide to understanding the market's current dynamics and preparing for what's to come.

January 2024 Market Performance

The performance of the Calgary real estate market in January 2024 underscores a vibrant beginning to the year, characterized by robust sales activity and an uptick in new listings, despite the overarching theme of inventory constraints that have defined the market in recent years.

January 2024

	Sales		New Listings		Inventory		S/NL	Months of Supply		Benchmark Price	
	Actual	Y/Y%	Actual	Y/Y%	Actual	Y/Y%	Ratio	Actual	Y/Y%	Actual	Y/Y%
Detached	734	31%	954	9%	992	-13%	77%	1.35	-33%	\$702,200	13%
Semi	131	18%	223	49%	219	-3%	59%	1.67	-18%	\$625,000	11%
Row	297	42%	322	16%	257	-18%	92%	0.87	-43%	\$426,400	20%
Apartment	488	54%	638	17%	682	-12%	76%	1.40	-43%	\$324,000	19%
Total Residential	1,650	38%	2,137	15%	2,150	-12%	77%	1.30	-36%	\$572,300	10%

Year-to-Date

January 2024

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Total Residential	1,650	38%	2,137	15%	2,150	-12%	77%	1.30	-36%	\$572,300	10%

Sales Surge Amidst Supply Constraints

January 2024 saw a remarkable **increase in residential sales**, with a total of **1,650 units** sold. This represents a **37.7% rise** compared to the same period last year, indicating a strong market demand that continues to outstrip the pre-pandemic levels. The surge in sales highlights the market's resilience and the continued allure of Calgary as a desirable place to live and invest.

New Listings Offer a Glimmer of Hope

The market experienced a **15.4% increase in new listings**, with **2,137 units** added in January. This growth, particularly in homes priced above \$700,000, suggests that sellers are beginning to respond to the strong demand. However, the largest gains were observed in the more affluent market segments, hinting at a compositional shift that could influence the market dynamics moving forward.

Inventory Levels Near Record Lows

Despite the rise in new listings, **inventory levels remained tight**, with only **2,150 units** available, echoing near-record lows set in 2006. This figure is **49% below the long-term average** for January, underscoring the supply challenges that have become a persistent theme in the Calgary real estate narrative.

Benchmark Prices Reflect Market Heat

The **benchmark price for total residential properties** stood at **\$572,300**, marking a **10% year-over-year growth**. This price increase is reflective of the tight market conditions and the high demand across all property types, with detached homes seeing a particularly notable price growth.

A Market Defined by Tightness

The **months of supply** was recorded at a low **1.3 months**, indicating an extremely tight market where demand significantly outpaces supply. This condition is further evidenced by the sales-to-new-listings ratio of 77%, highlighting a market that, despite new listings, remains firmly in favor of sellers.

The performance of the Calgary real estate market in January 2024 paints a picture of a market that is vigorously active, with demand continuing to push against the boundaries of available supply. This dynamic is shaping an environment where price growth is not only expected but is already manifesting across various segments. As we delve deeper into the sector-specific analysis, the nuances of this growth and its implications for different market participants will become even more apparent.

Sector-Specific Analysis

In January 2024, the Calgary real estate market exhibited varied performances across different housing sectors. Each segment faced its unique set of challenges and opportunities, influenced by the broader market trends of supply constraints and strong demand. Below, we dissect these performances to provide a clearer picture of the current market landscape.

Detached Homes

The detached housing sector saw a notable surge in interest, with sales increasing by 31% compared to the previous year. This rise in sales was supported by a modest increase in new listings (9%), though inventory levels remained 13% lower than the previous year, underscoring the ongoing supply challenge. The benchmark price for detached homes reached \$702,200, marking a significant 13% year-over-year increase. This price growth reflects the sector's tight market conditions and the premium placed on single-family living spaces in Calgary.

Semi-Detached Homes

Semi-detached homes experienced an 18% rise in sales, complemented by a substantial 49% increase in new listings. Despite this influx of new listings, inventory levels slightly decreased by 3%, indicating a rapid absorption rate. The benchmark price for semi-detached homes climbed to \$625,000, an 11% increase from the previous year, highlighting the sector's resilience and the sustained demand for more

Row Houses

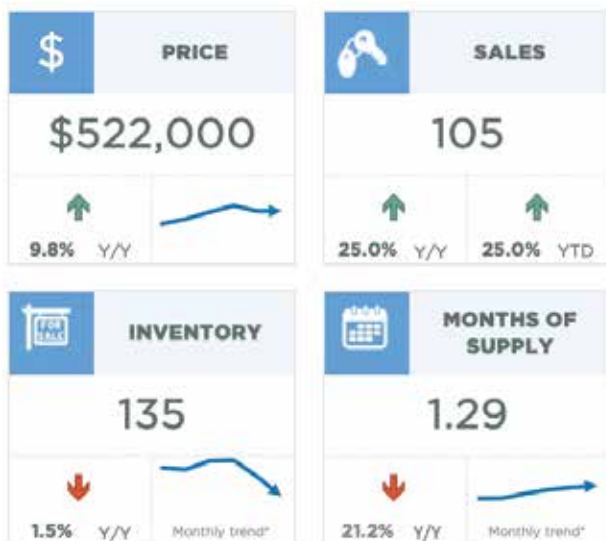
The row housing market also witnessed robust activity, with sales up by 42% and new listings increasing by 16%. The sales to new listings ratio remained exceptionally high at 92%, contributing to further reductions in inventory levels. This led to a benchmark price of \$426,400, nearly 20% higher than January 2023. The price appreciation in this sector is indicative of the growing appeal of row houses as a cost-effective alternative to detached homes, offering both space and affordability.

Apartment Condominiums

Apartment-style condominiums stood out as the most dynamic sector, with sales soaring by 54%—a clear indicator of the segment's attractiveness to buyers seeking affordable housing options. Despite a 17% increase in new listings, inventory remained 40% below long-term trends, underscoring the acute supply shortage. The benchmark price for apartments reached \$324,000, up 19% from the previous year, driven by tight market conditions and the segment's recovery trajectory.

These sector-specific performances paint a picture of a market characterized by strong demand across all housing types, with notable price increases reflecting the competitive landscape. The detached and semi-detached homes cater to those seeking space and privacy, while row houses and apartment condos offer appealing alternatives for those prioritizing affordability and maintenance-free living. As we move through 2024, these trends are expected to persist, with supply challenges continuing to shape the market dynamics.

Airdrie



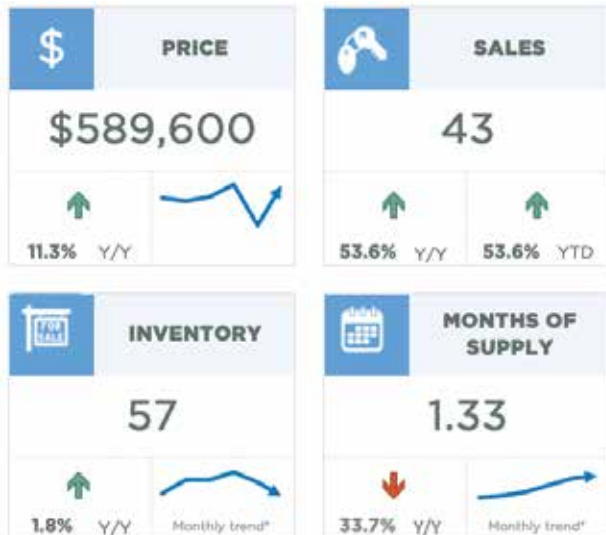
Airdrie's real estate market in January 2024 showcased a blend of strength and stability. Sales in Airdrie increased, demonstrating the area's continued appeal among buyers looking for alternatives to Calgary's inner-city market. This uptick in sales was supported by a noticeable rise in new listings, although the increase wasn't sufficient to significantly shift inventory levels, which remained about half of what is typically seen in the market. The enduring demand in Airdrie, coupled with constrained supply, underscored a competitive market environment where prices remained on an upward trajectory.

Cochrane

Cochrane witnessed a harmonious balance between new listings and sales, keeping the sales-to-new-listings ratio relatively high at 84%. This balance did little to alleviate the tight inventory conditions, as the months of supply once again dipped below two months. Despite this tightening, Cochrane's unadjusted benchmark prices saw a slight ease from the previous month but remained over 10% higher than the previous January.

The market in Cochrane reflects a strong preference for suburban living, offering a lifestyle that combines proximity to nature with access to urban amenities.

Okotoks



Okotoks experienced growth in both sales and new listings, indicative of a vibrant market. The sales-to-new-listings ratio, although still high, showed improvement from the previous year, hinting at a slightly more balanced market. However, inventory levels in Okotoks stayed low, with the market conditions remaining tight, thus pushing prices upward. The benchmark price in Okotoks reached new heights, reflecting the area's desirability and the competitive market landscape that favors sellers.

Overall Regional Trends

Across the regions, several common themes emerge:

Strong Demand: Each area experienced strong sales activity, driven by buyers' continued interest in the suburban and semi-urban lifestyles these regions offer.

Supply Constraints: Despite increases in new listings, inventory levels remained tight across Airdrie, Cochrane, and Okotoks, contributing to competitive market conditions.

Price Growth: The persistent demand and limited supply have led to price increases across all property types in these regions, with some areas witnessing double-digit growth from the previous year.

These regional markets are integral to understanding the broader Calgary real estate ecosystem. They offer diverse options for potential buyers, from those seeking the tranquility and space of semi-urban living to those attracted to the affordability and community feel of suburban neighborhoods. As we navigate through 2024, monitoring these regional dynamics will be crucial for both buyers and sellers to make informed decisions in the evolving real estate landscape.

2024 Forecast for the Calgary Real Estate Market

As we delve into the prospects for the Calgary real estate market in 2024, a blend of optimism and caution characterizes the forecast. Anchored by the robust performance in January and informed by prevailing economic factors, the forecast anticipates nuanced shifts across sales, listings, prices, and market dynamics.

Sales Trends



The momentum observed in January 2024 is expected to set the tone for the year, with sales activity likely to remain strong. This vigor stems from continued demand, driven by Calgary's attractive economic fundamentals, a diverse employment landscape, and the city's appeal to both young professionals and families. However, the pace of growth in sales may moderate as the year progresses, influenced by broader economic conditions, interest rate adjustments, and affordability challenges.

New Listings and Inventory Levels

An increase in new listings is anticipated as more homeowners capitalize on the favorable market conditions. This influx is crucial in alleviating the tight inventory situation observed across various sectors. Nevertheless, inventory levels are expected to stay below long-term averages, maintaining a seller's market in many segments. The balance between supply and demand will be key in determining market fluidity and accessibility for first-time buyers.

Price Evolution

Price growth is projected to continue in 2024, albeit at a tempered rate compared to the substantial increases seen in previous years. The detached and semi-detached sectors may witness steadier price gains due to persistent demand for single-family homes. Conversely, the apartment and row housing sectors could see more significant price adjustments, reflecting the shifts in buyer preferences towards more affordable housing options.

Market Dynamics and Economic Influences

The Calgary real estate market's trajectory in 2024 will also be shaped by broader economic influences, including employment rates, migration patterns, and policy interventions. Additionally, the potential for further interest rate hikes could impact buyer affordability and influence market dynamics. The compositional shift towards more affordable housing options may become more pronounced, with apartment-style properties and row houses gaining traction among buyers seeking value in a competitive market.

Regional Perspectives

Regionally, Airdrie, Cochrane, and Okotoks will continue to play vital roles in the broader Calgary real estate landscape. These areas are likely to attract buyers seeking lifestyle choices and affordability outside the city's core. The demand in these regions, coupled with supply dynamics, will contribute to diverse market conditions, offering opportunities for both buyers and sellers.

Conclusion

The forecast for 2024 paints a picture of a resilient Calgary real estate market, poised for growth yet navigating through a landscape of economic and supply-side challenges. Stakeholders, including buyers, sellers, and investors, will need to stay informed and agile, leveraging insights and trends to make strategic decisions. As we move forward, the evolving market conditions will undoubtedly unveil new opportunities, underscoring the importance of understanding the market's nuances and potential trajectories.

The Calgary real estate market in 2024 is set to be dynamic, reflecting the city's vibrancy and resilience. Stakeholders are encouraged to approach the market with both optimism and diligence, ready to adapt to the unfolding trends and opportunities.

As we reflect on the insights gathered from both the January 2024 Market Report and the 2024 Forecast, it becomes evident that the Calgary real estate market is navigating through a period of significant growth and transformation. The market's performance in January, marked by robust sales, an uptick in listings, and continued price appreciation, sets a promising tone for the year ahead. However, it also underscores the challenges of tight inventory levels that have become a defining feature of the Calgary real estate landscape.

The sector-specific analysis reveals a market that is diverse in its opportunities and challenges. From the buoyant sales in the detached homes sector to the remarkable demand for apartment condominiums, each segment of the market tells a story of a city that is adapting to the needs and preferences of its residents. The regional insights further enrich this narrative, highlighting the interplay between Calgary's core and its surrounding areas, each contributing to the vibrancy and dynamism of the overall market.

Looking ahead into 2024, the forecast anticipates a year of cautious optimism. While the fundamentals of the Calgary economy — such as employment growth, migration, and lifestyle appeal — provide a solid foundation for real estate demand, external factors like interest rates and global economic conditions will play a crucial role in shaping the market's trajectory. The expected continuation of price growth, albeit at a moderated pace, alongside the potential for increased listings, suggests a market that is gradually moving towards balance.

For potential buyers, sellers, and investors, the message is clear: the Calgary real estate market in 2024 offers a landscape filled with opportunities, but also one that requires careful navigation. Whether you're looking to purchase your first home, invest in property, or sell a residence, staying informed about market trends and working with knowledgeable professionals will be key to achieving your real estate goals.

In conclusion, the Calgary real estate market stands at a juncture where growth, challenge, and opportunity intersect. As we move through 2024, the market's resilience, coupled with the strategic actions of stakeholders, will undoubtedly shape a compelling chapter in Calgary's real estate story. For those ready to engage with the market, the year ahead promises to be as rewarding as it is dynamic.

As we navigate the evolving Calgary real estate market in 2024, equipped with insights from the latest market report and forecasts, it's clear that informed decisions and strategic planning are more crucial than ever. Whether you're looking to buy your first home, sell your property, or explore investment opportunities, the time to act is now.

Unlock Your Real Estate Potential in Calgary

Don't let the market's complexities deter your real estate ambitions. With the right guidance and expertise, you can confidently make moves that align with your goals and capitalize on the opportunities that 2024 presents.

Here's How We Can Help:

Personalized Consultations: Every real estate journey is unique. Let's discuss your specific needs, goals, and questions. We'll provide tailored advice that considers the latest market trends and your personal circumstances.

Market Insights: Stay ahead with up-to-date information and analysis. Our deep understanding of the Calgary real estate market can help you navigate its challenges and opportunities.

Strategic Planning: Whether you're buying, selling, or investing, a well-thought-out strategy is key. We'll work together to devise a plan that maximizes your success in the current market.

Take the Next Step

Ready to take your real estate journey to the next level? Visit PlanWithMike.ca to schedule your consultation. Together, we'll explore your options, answer your questions, and set you on the path to real estate success in Calgary.

Don't miss out on the chance to make the most of the Calgary real estate market in 2024. **Contact us today**—let's turn your dreams into reality.

Your journey in the Calgary real estate market deserves a partner who understands your goals and knows how to achieve them. **Reach out now**, and let's get started on making your real estate aspirations come true this year.