

Calgary: Record year for the real estate market in 2021

By Daren King

Based on December data released by the Calgary Real Estate Board (CREB) for the Calgary economic region*, we estimate that home sales were up 4.7% from November, a fifth consecutive monthly increase (Chart 1). The level of activity remains strong on a historical basis, with home sales up 35.8% year-over-year and the strongest for a December on record. Furthermore, 2021 marks a record year with over 37,000 sales, breaking the previous record set in 2014 and representing a 67.7% increase compared to 2020 (Chart 2). On the supply side, the inventory of homes for sale decreased 37.8% on a year-over-year basis and is at the lowest level on record (since 2019, Chart 3). With sales picking up over the last months and the significant decrease in supply, the market

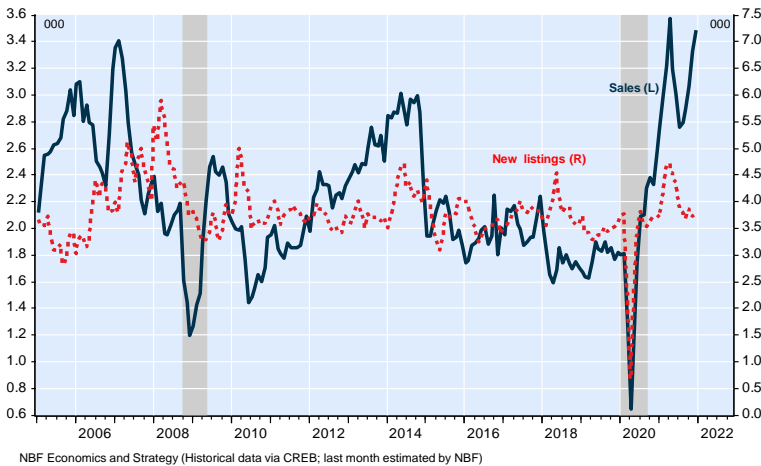
conditions are now deep into "favourable to sellers" territory (Chart 4). In such an environment, it is not surprising that home prices have picked up in 2021 after lagging other markets in 2020 ([see report](#)). However, we expect the pressure to ease over the next few months if mortgage rates continue to trend up in 2022.

Data for the City of Calgary (less inclusive than the CREB economic region) showed strong sales growth of 44.9% in December compared to the same month last year. The inventory of homes for sales dropped by 29% over the past year.

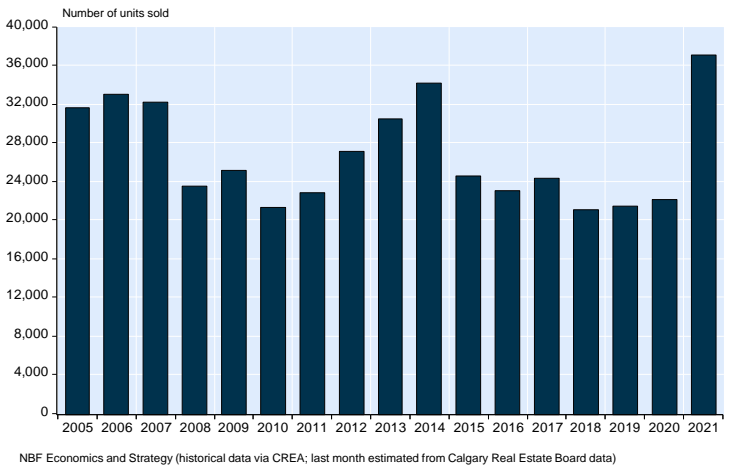
*CREB economic region: Calgary CMA + Regions of Foothills, Mountain View, Kneehill, Wheatland, Willow Creek, Vulcan and Bighorn.

1. Calgary: Home sales and listings

Seasonally adjusted by NBF. Last observation: December 2021

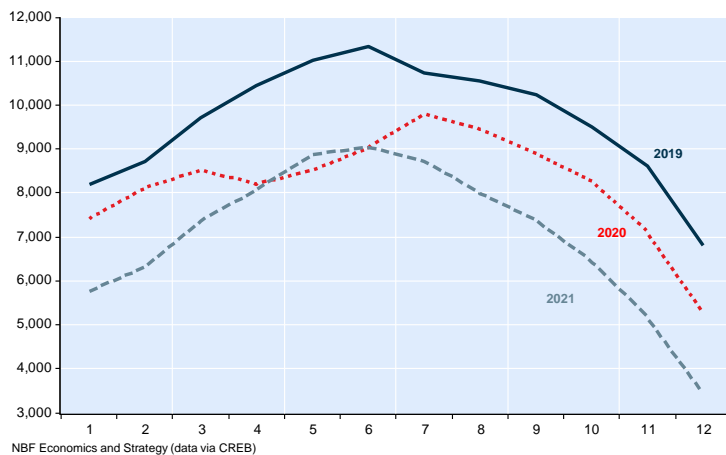


2. Calgary: Year-to-date home sales



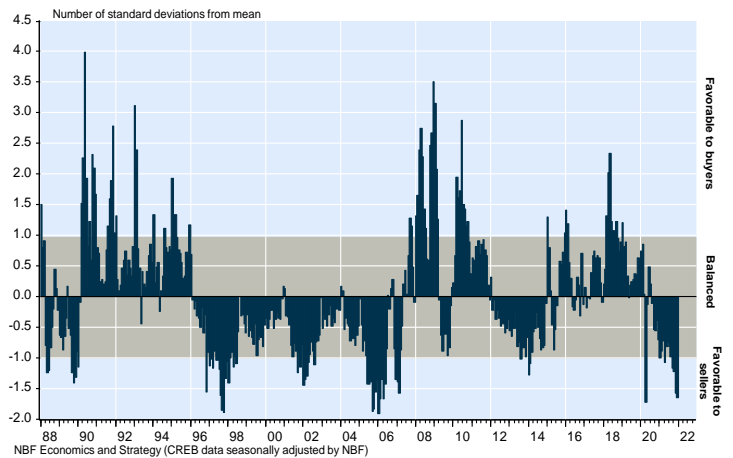
3. Calgary: Active listings

Last observation: December 2021



4. Calgary: Home resale market conditions

New-listing-to-sale ratio. Last observation: December 2021



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