



2018

Calgary Economic & Housing Outlook



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HOUSING MARKET

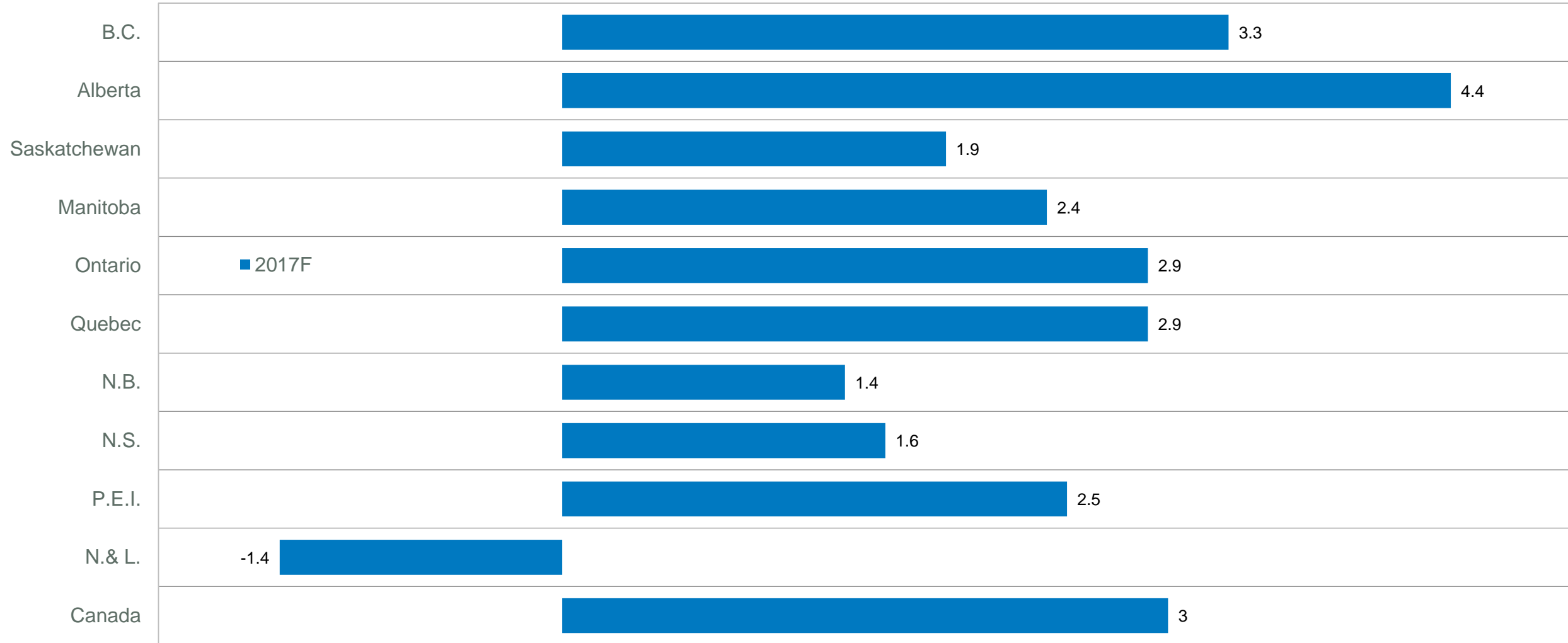
	Sales	Price Growth			
	Total	Total	Detached	Apartment	Attached
2015	18,839 (-26.3%)	1.06%	1.17%	0.09%	1.71%
2016	17,796 (-5.54%)	-3.73%	-2.98%	-5.97%	-4.23%
2017	18,882 (6.10%)	-0.17%	0.63%	-3.97%	-0.13
2017 (F)	18,335 (3.0%)	0.30%	0.80%	-2.00%	0.50%

HOUSING MARKET

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2017 (F)	18,335 (3.0%)	0.30%	0.80%	-2.00%	0.50%
2018 (F)	18,853 (-0.15%)	-0.06%	-0.10%	-1.00%	0.38%

ALBERTA TO LEAD GROWTH

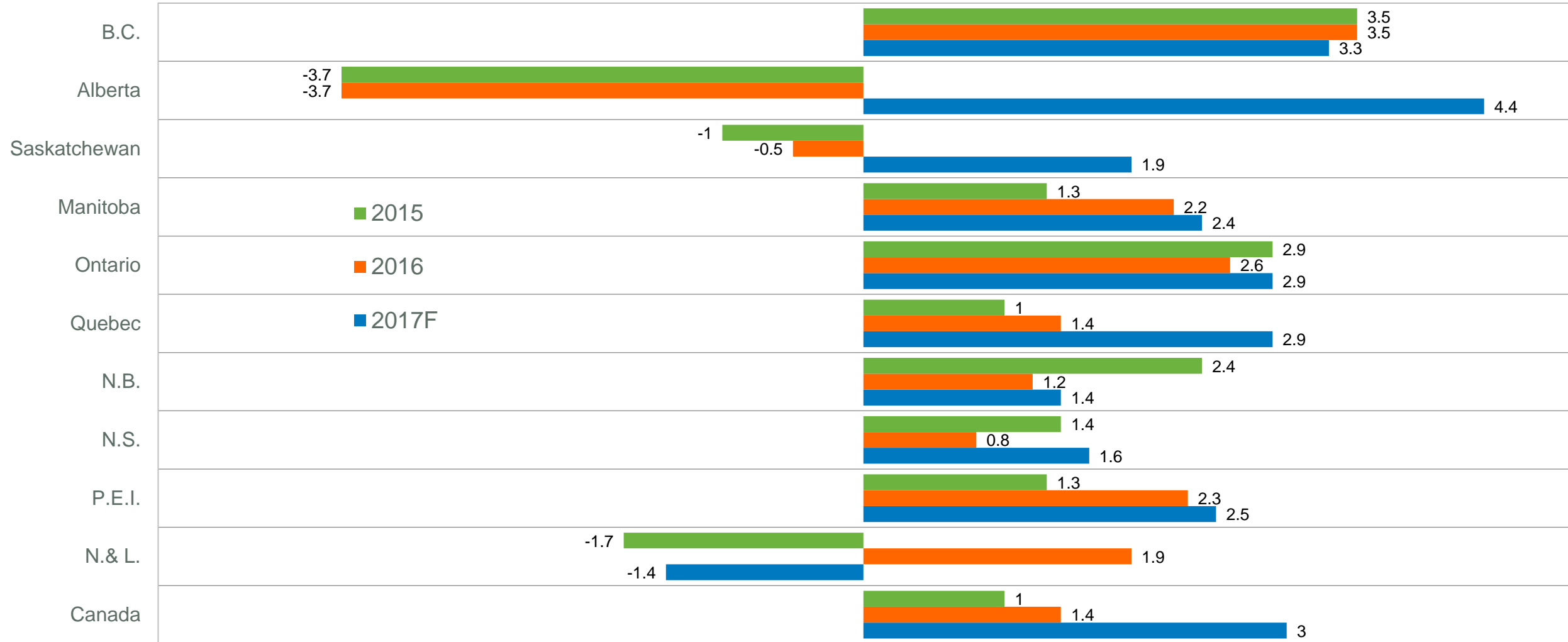
REAL ANNUAL GDP GROWTH



Source: Statistics Canada / Haver Analytics, Forecast by TD Economics as at December 2017

GROWTH NEEDS PERSPECTIVE

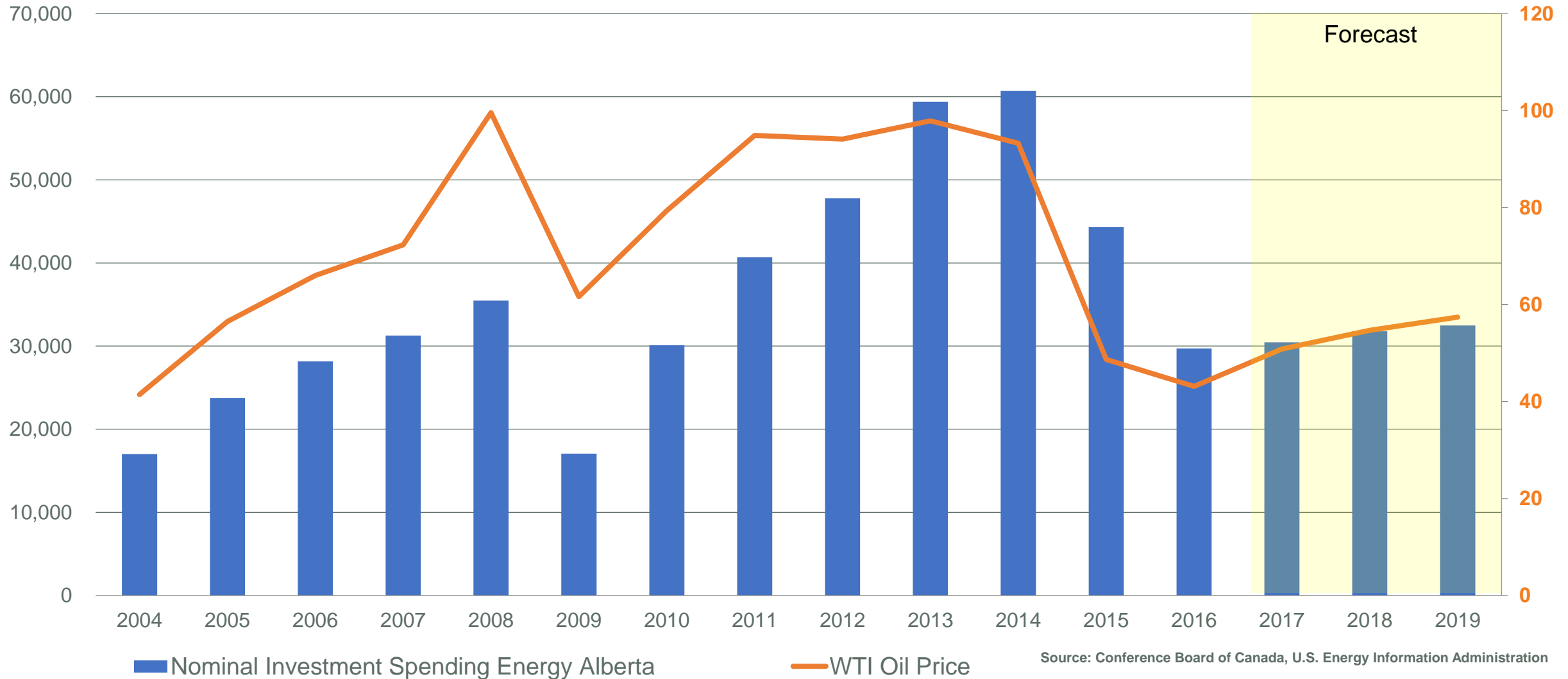
REAL ANNUAL GDP GROWTH



Source: Statistics Canada / Haver Analytics, Forecast by TD Economics as at December 2017

MODEST GAINS IN THE ENERGY SECTOR

ENERGY INVESTMENT SPENDING AND WTI PRICE

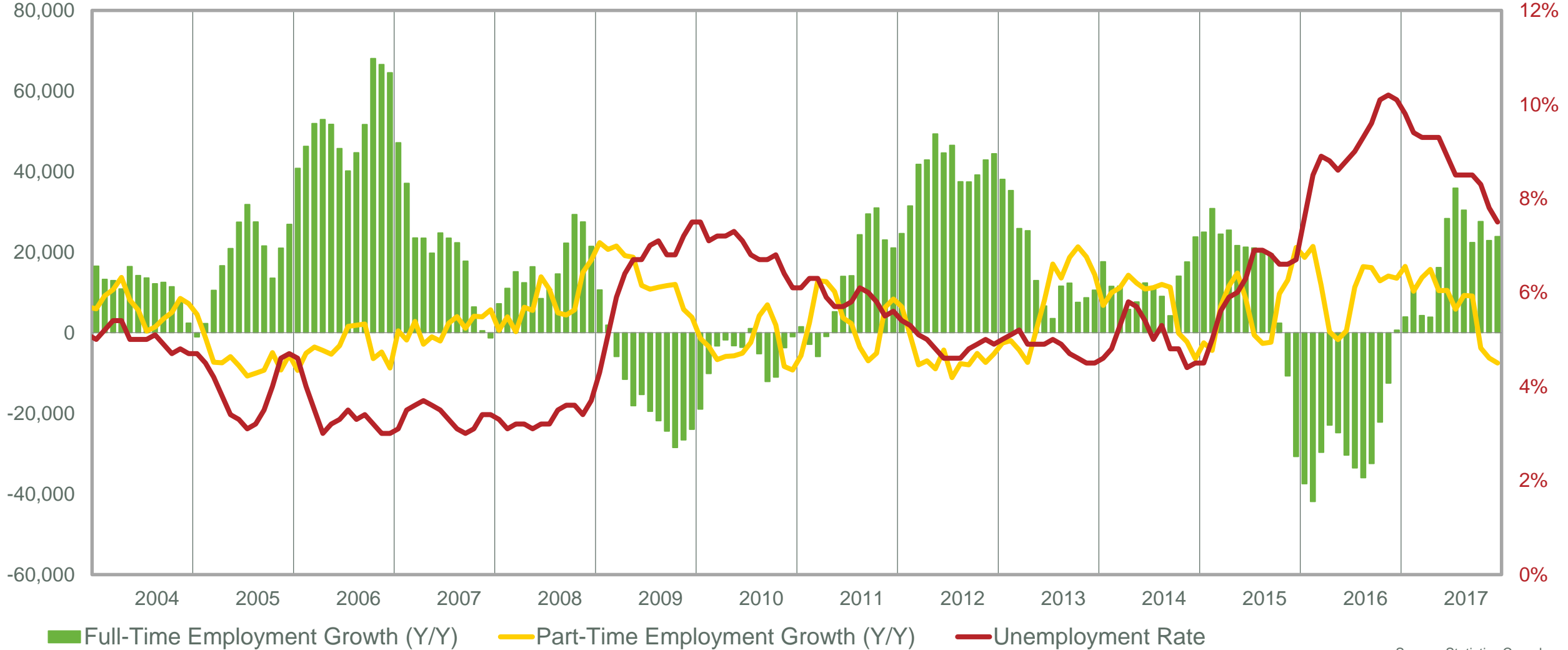


TURNAROUND IN EMPLOYMENT, BUT...

CALGARY CMA EMPLOYMENT

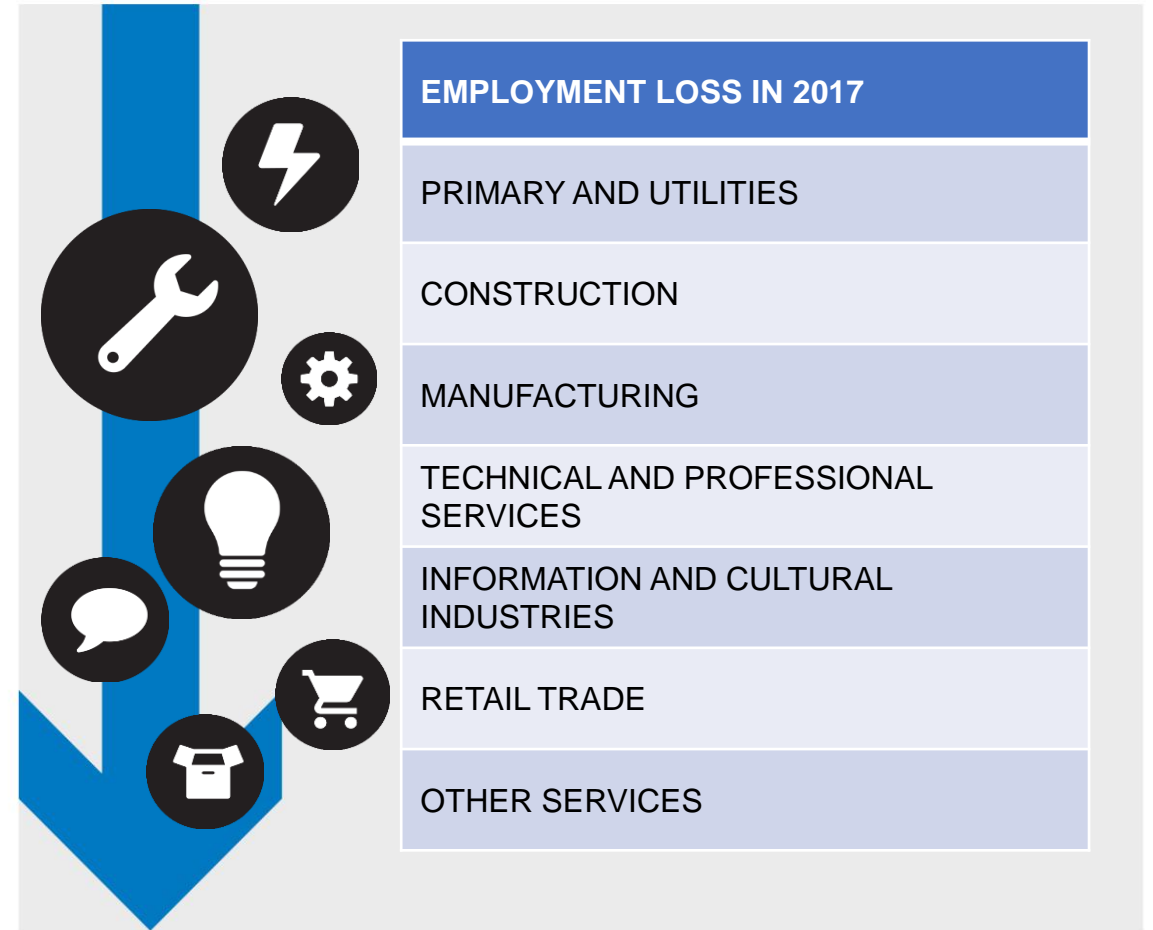
Number of Jobs

Unemployment Rate



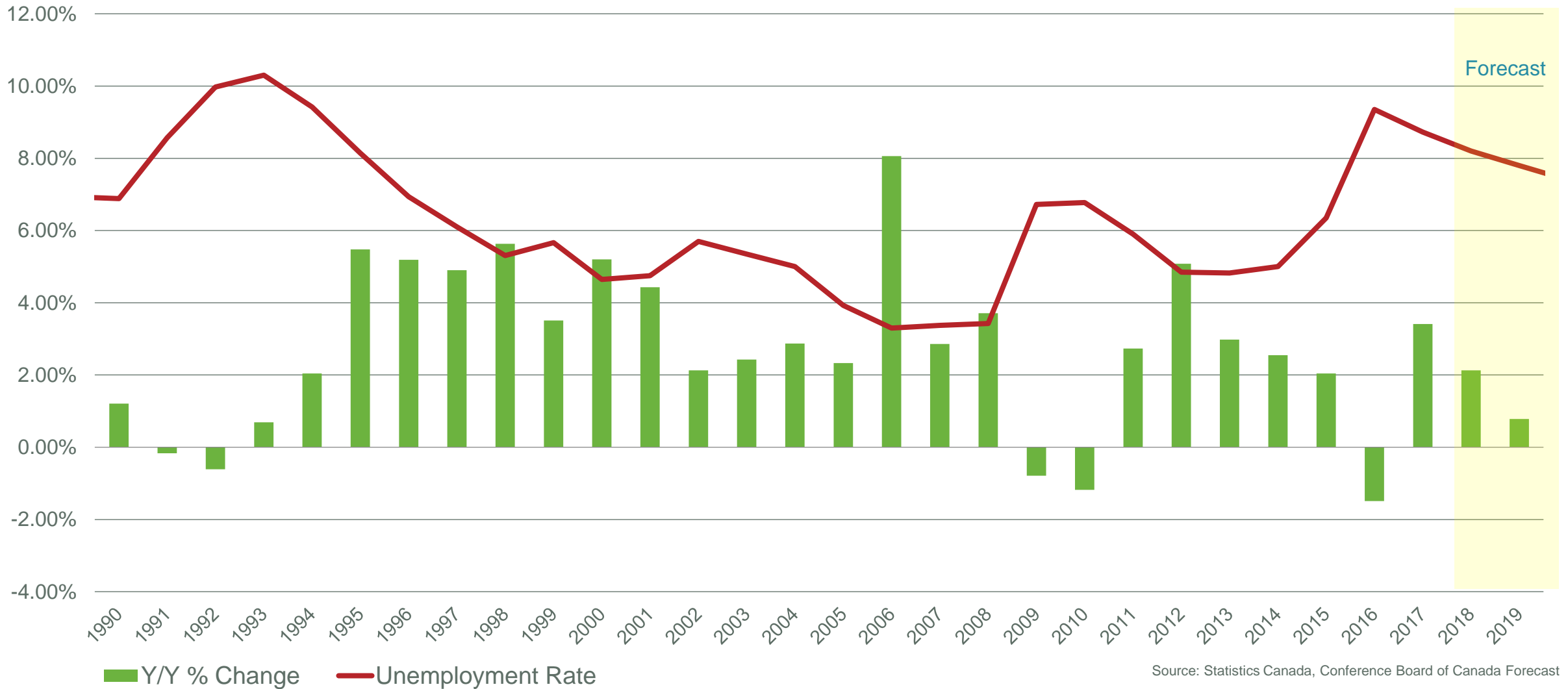
Source: Statistics Canada

WHERE HAS JOB GROWTH OCCURRED?



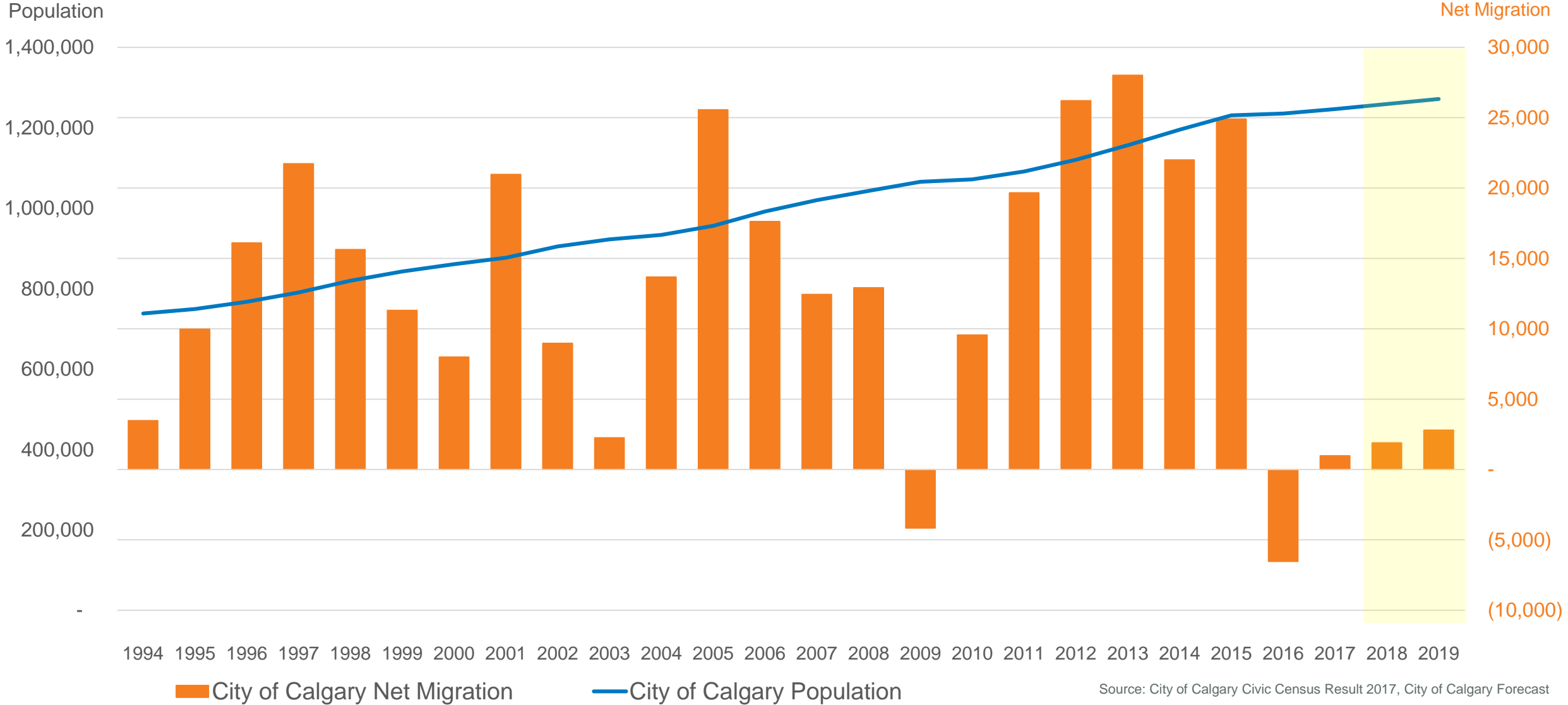
MODERATE PACE OF EMPLOYMENT GROWTH

CALGARY CMA EMPLOYMENT GROWTH

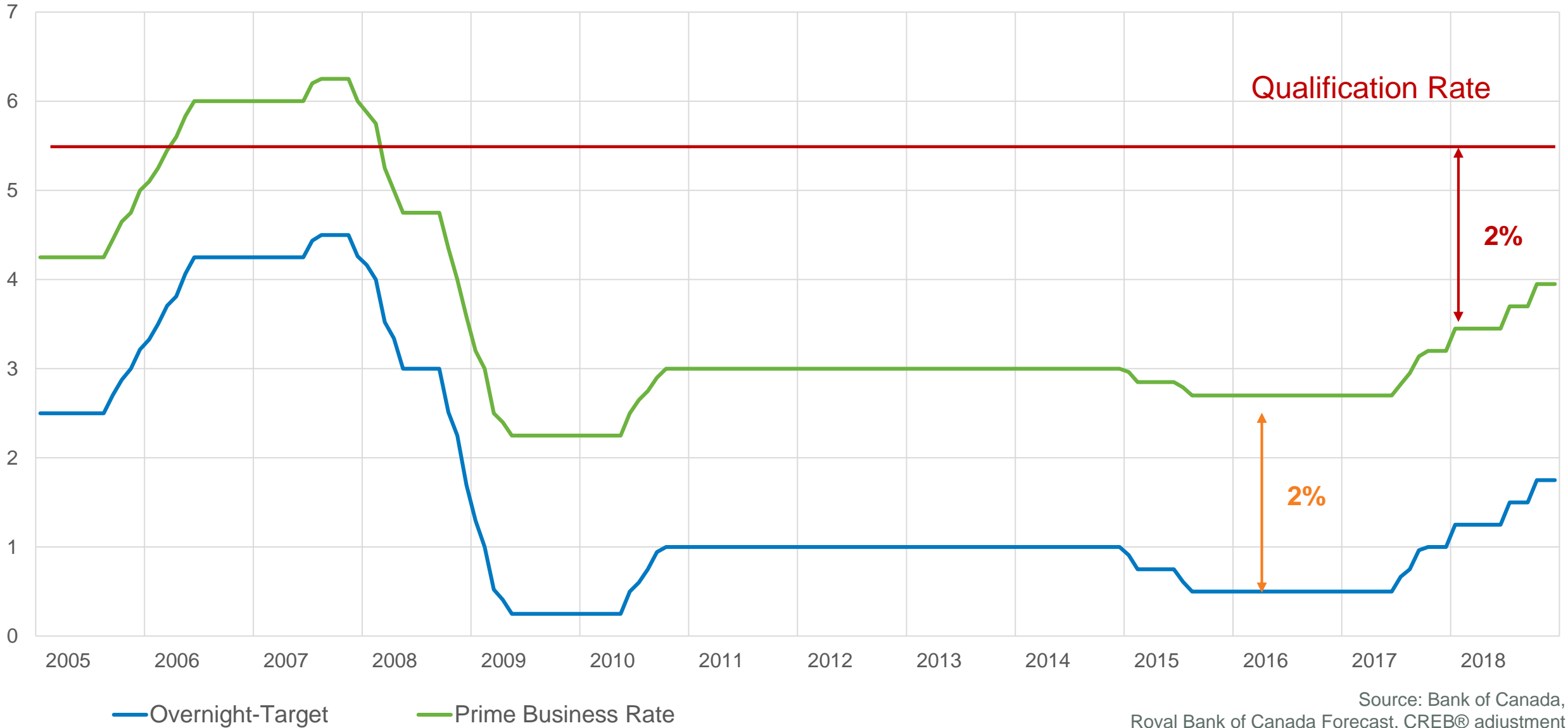


Source: Statistics Canada, Conference Board of Canada Forecast

FEWER PEOPLE MOVING TO THE CITY



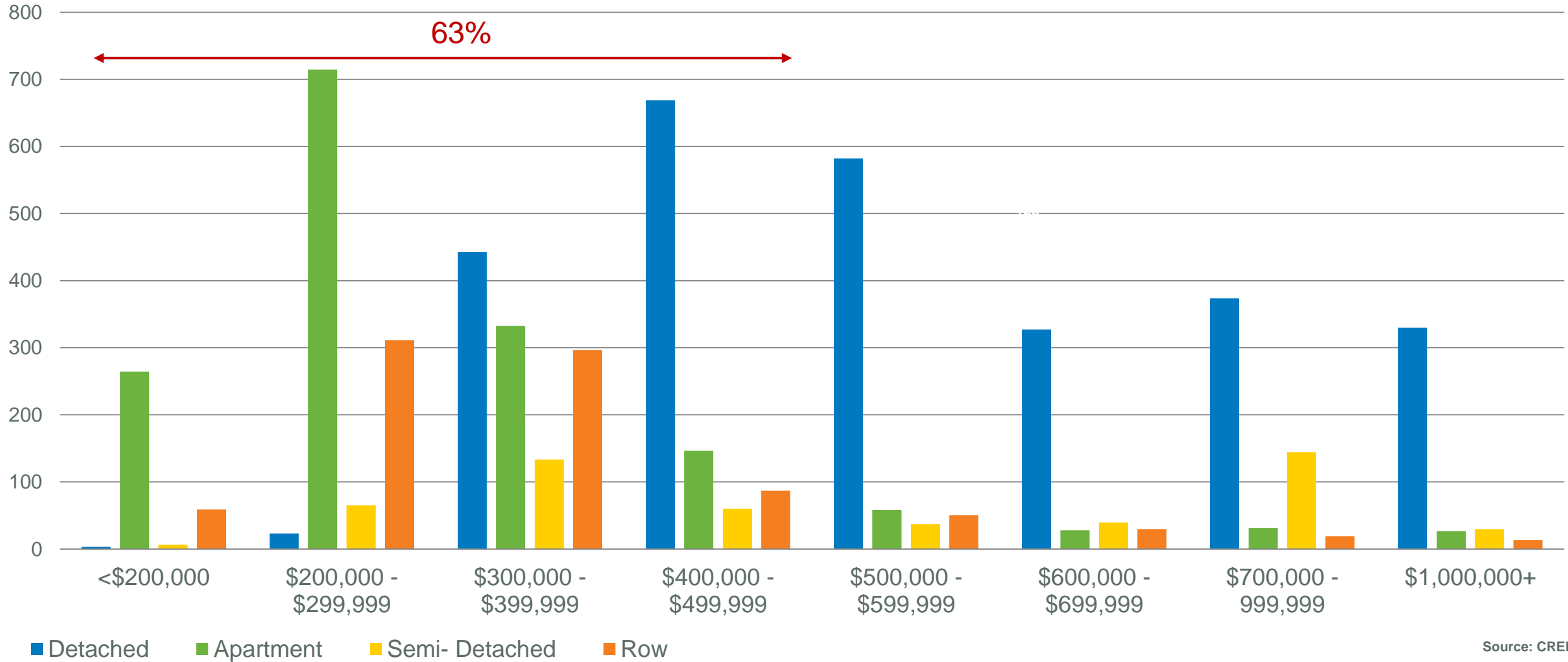
CHANGES IN LENDING



Source: Bank of Canada, Royal Bank of Canada Forecast, CREB® adjustment

SUPPLY IN LOWER PRICE RANGES

2017 AVERAGE INVENTORY BY PRODUCT TYPE



CHANGES IN DISTRIBUTION

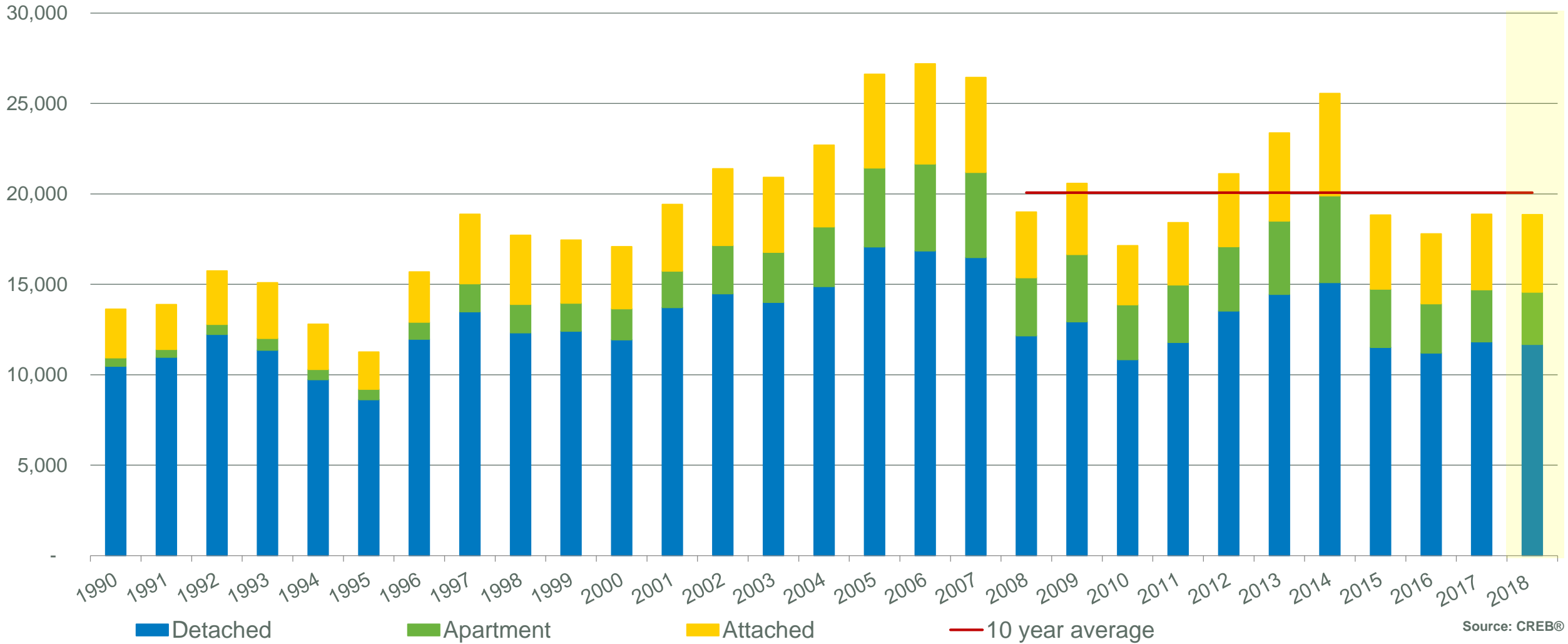
TOTAL RESIDENTIAL SALES BY PRICE RANGE



Source: CREB®

OVERALL SIMILAR CONDITIONS

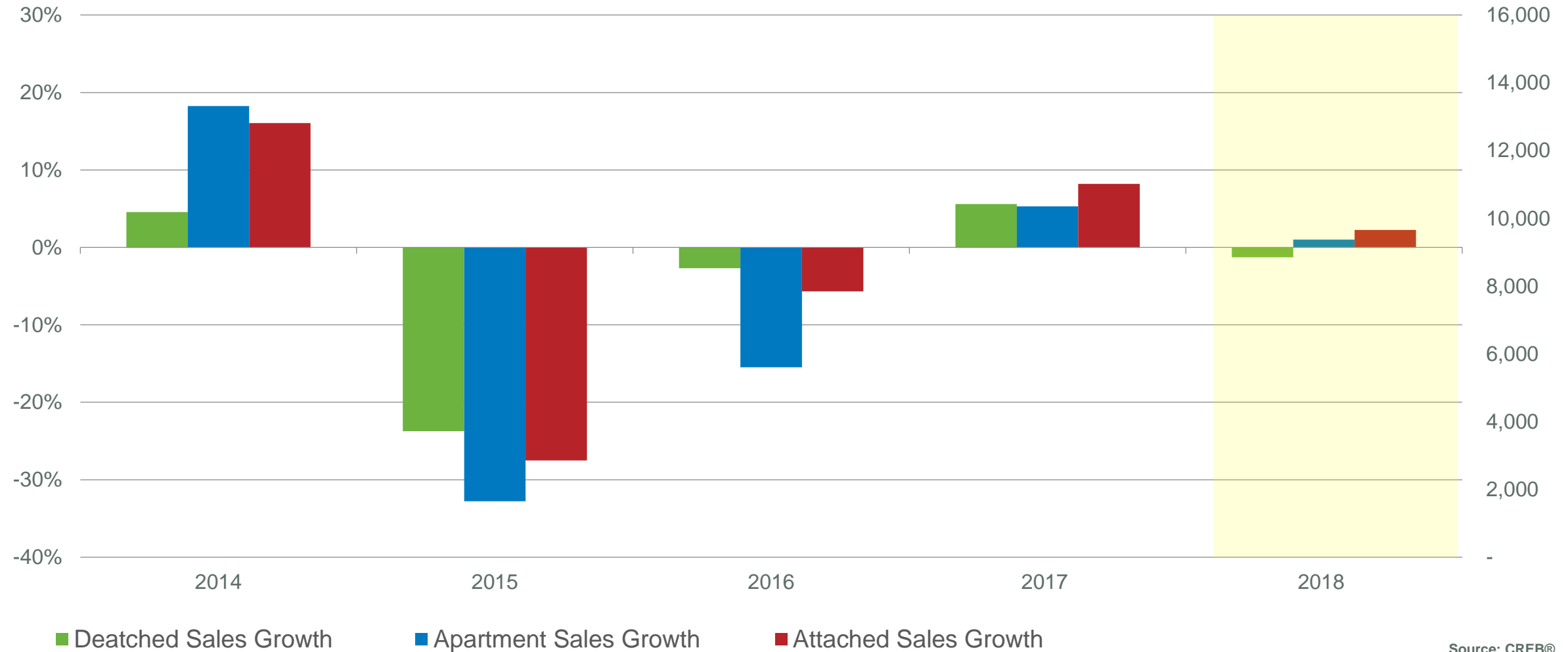
SALES AND PRICE GROWTH FORECAST



Source: CREB®

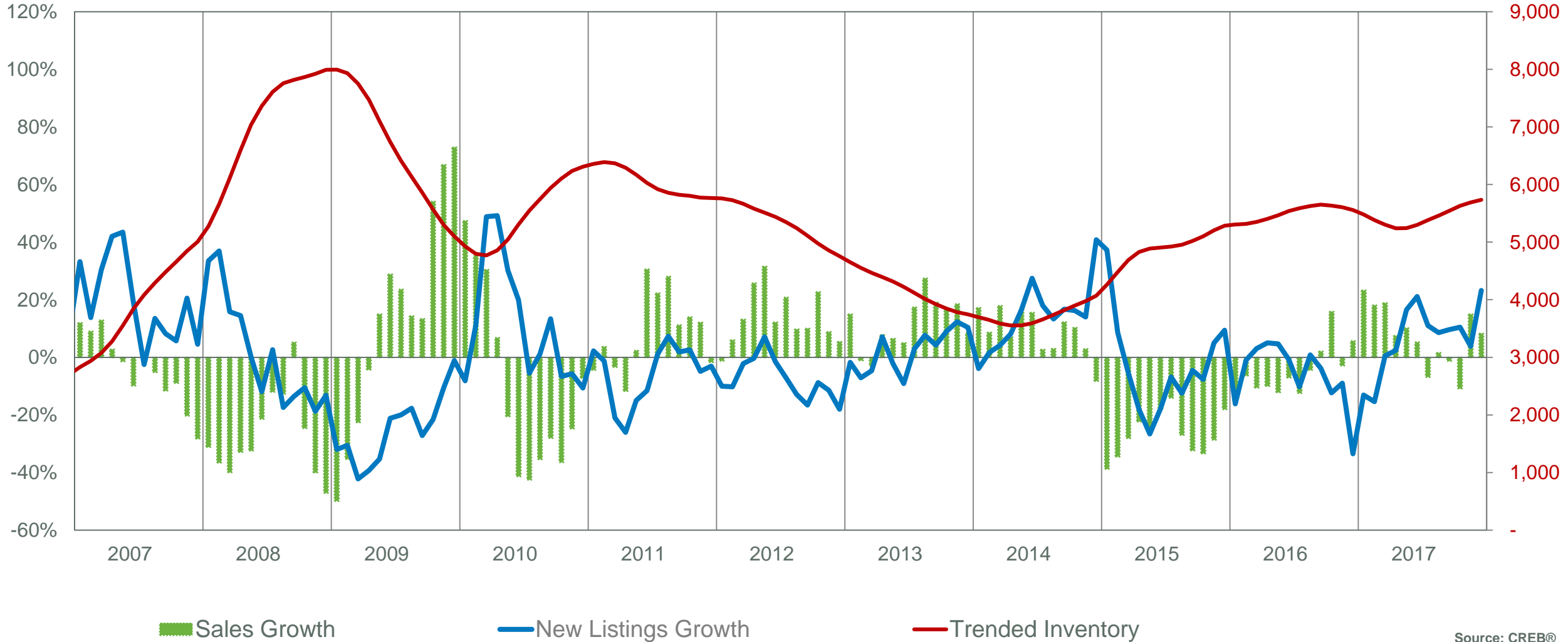
IMPROVED ACTIVITY FOR AFFORDABLE PRODUCT

FORECAST SALES COMPARISON



SUPPLY ADJUSTMENT IMPACTS PRICE

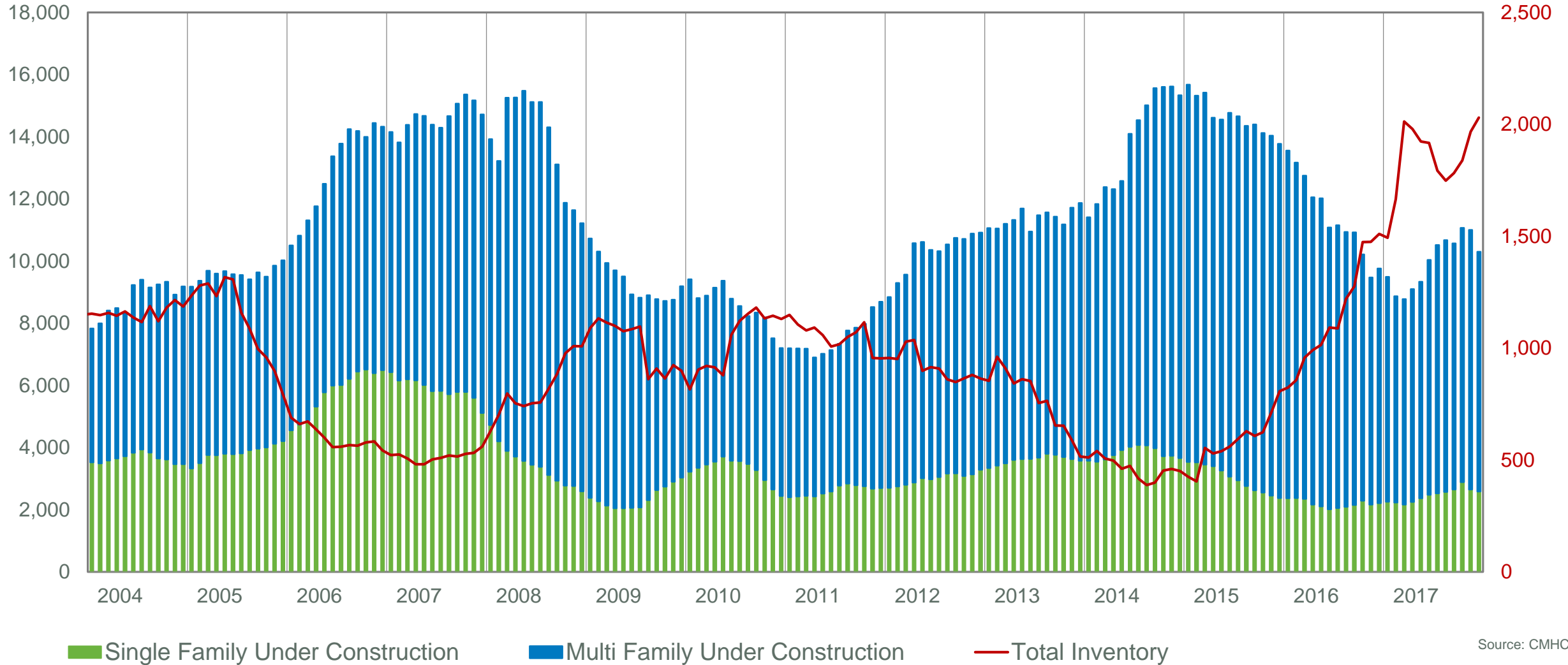
TOTAL RESIDENTIAL SALES AND NEW LISTINGS GROWTH



Source: CREB®

NEW HOME SUPPLY REMAINS ELEVATED

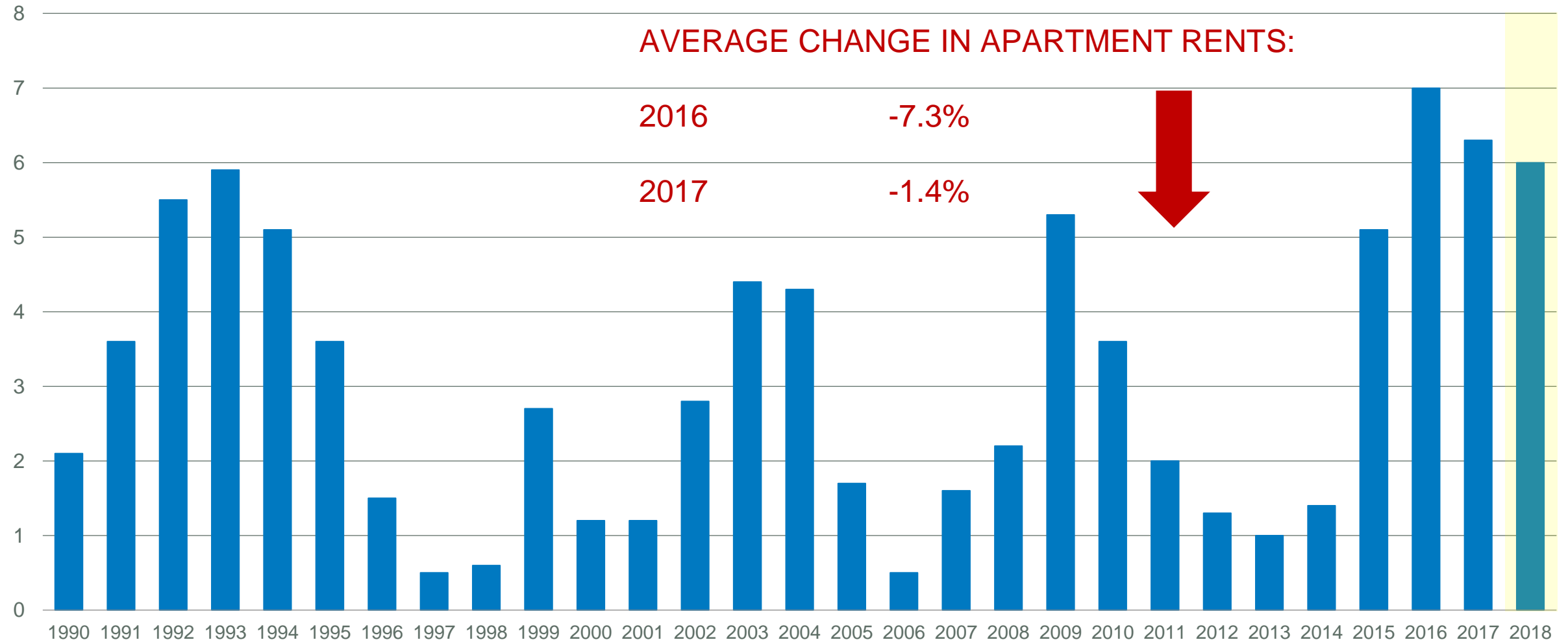
CALGARY CMA UNDER CONSTRUCTION AND NEW HOME INVENTORY



Source: CMHC,

MODEST IMPROVEMENTS IN RENTAL MARKET

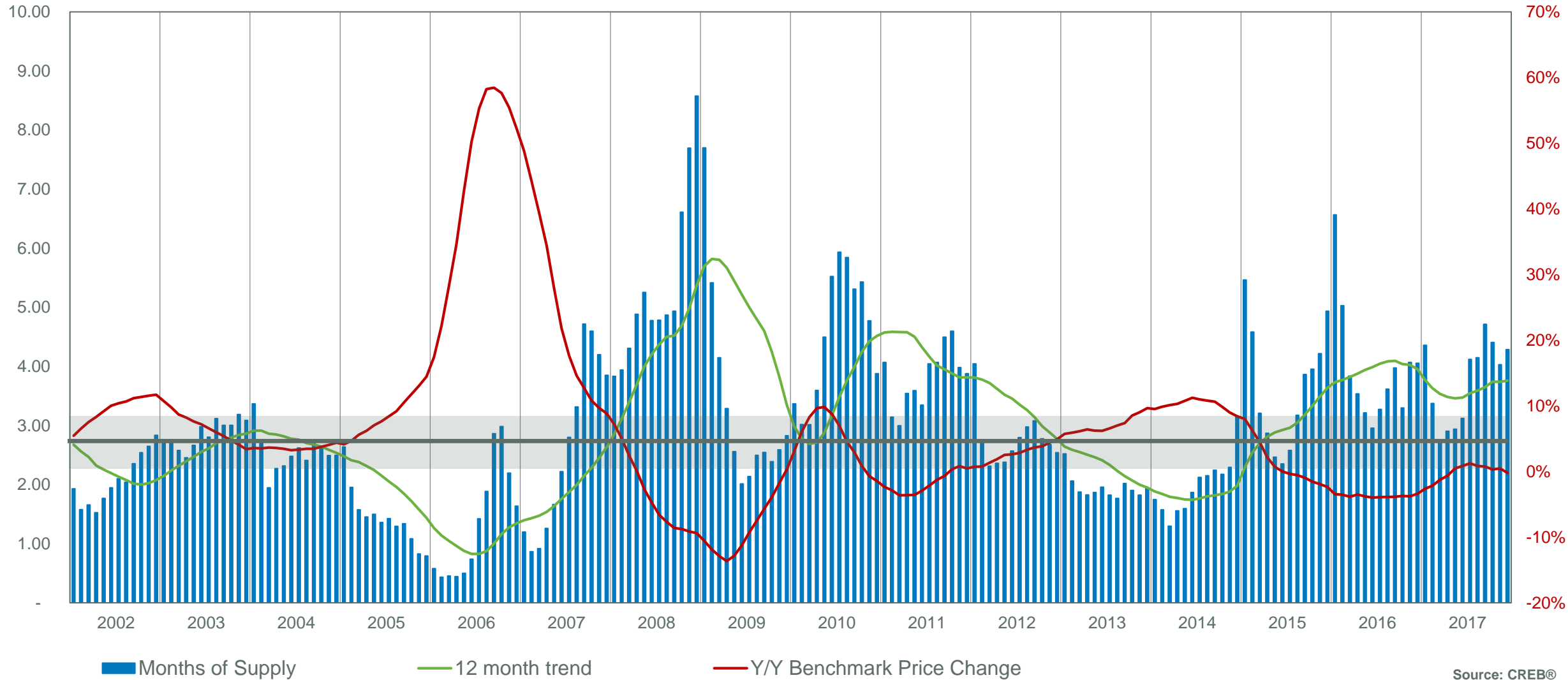
CALGARY CMA TOTAL PURPOSE BUILT ROW AND APARTMENT VACANCY RATE



Source: CMHC, 2017 vacancy based on October CMHC survey, CMHC Forecast

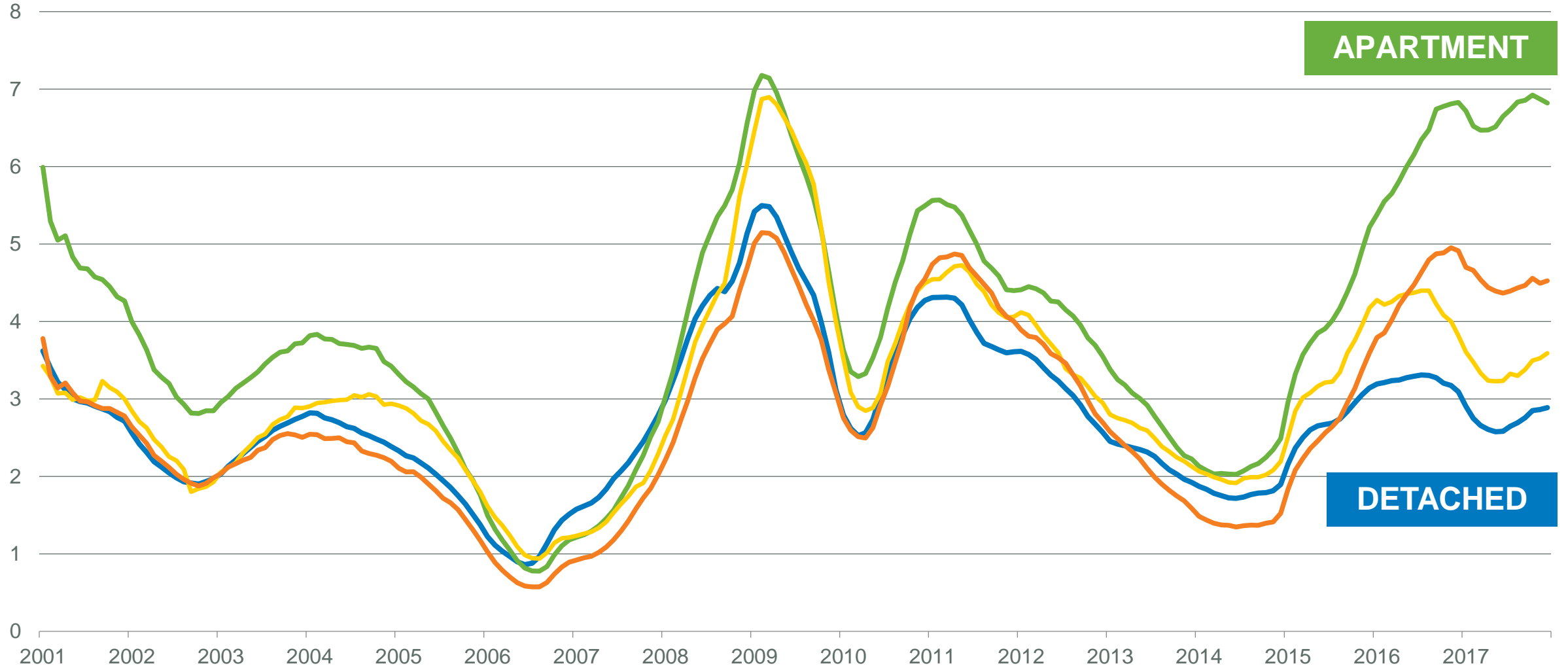
TRENDING TOWARD BALANCE

CITY OF CALGARY TOTAL MONTHS OF SUPPLY AND PRICE CHANGES



DIFFERING ACTIVITY IN EACH SECTOR

MONTHS OF SUPPLY

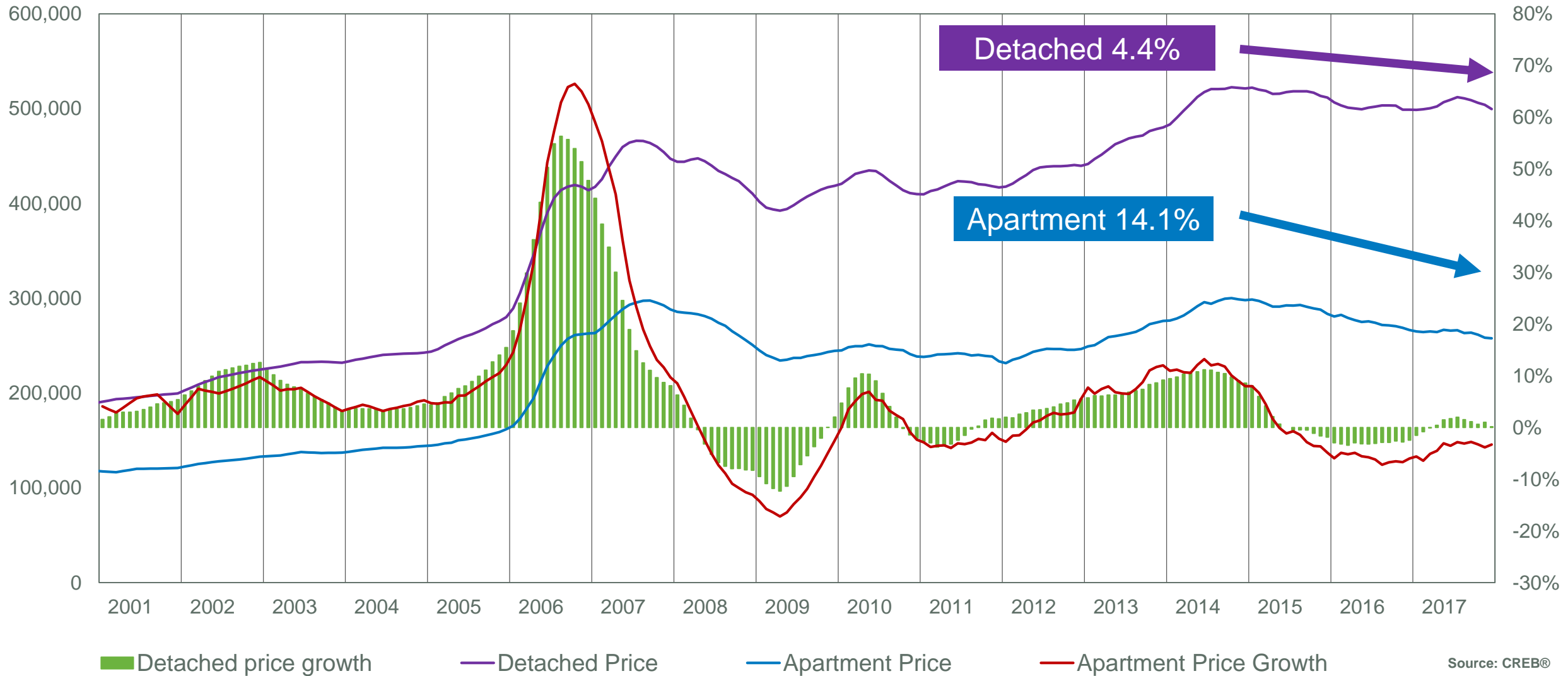


— Trended Detached — Trended Apartment — Trended Semi-detached — Trended Row

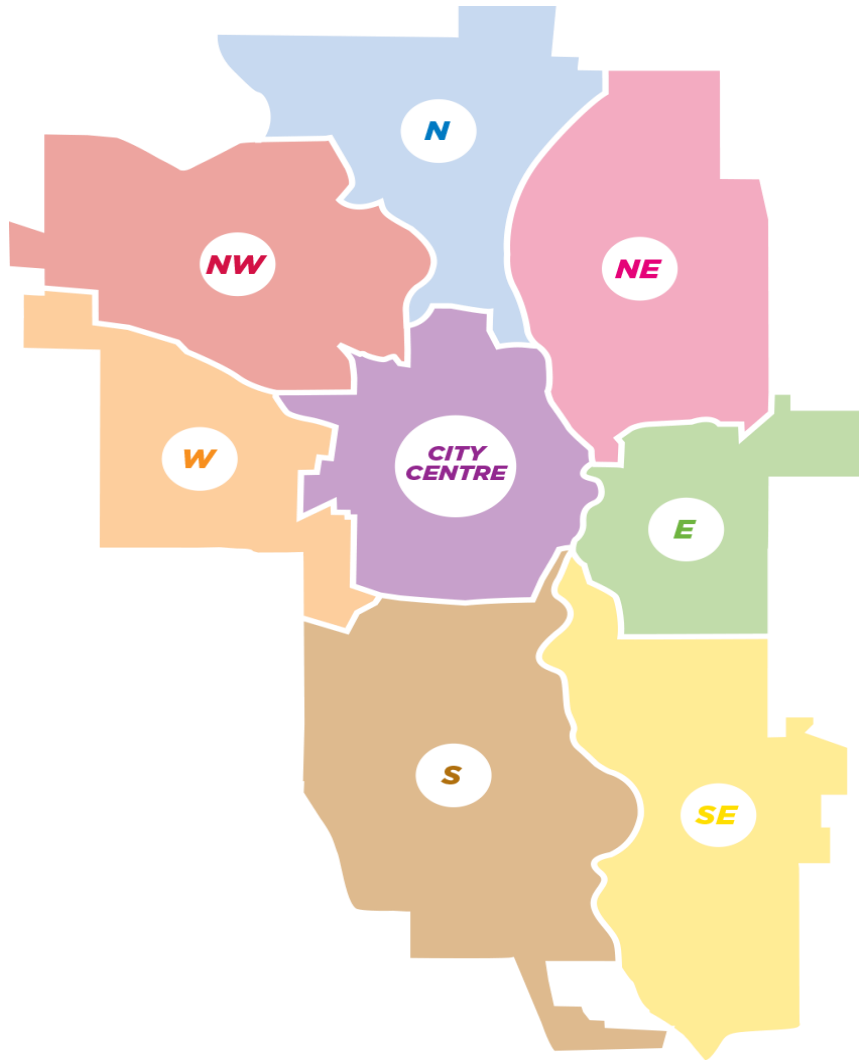
Source: CREB®

APARTMENT PRICES STILL FALLING

PRICE GROWTH COMPARISON

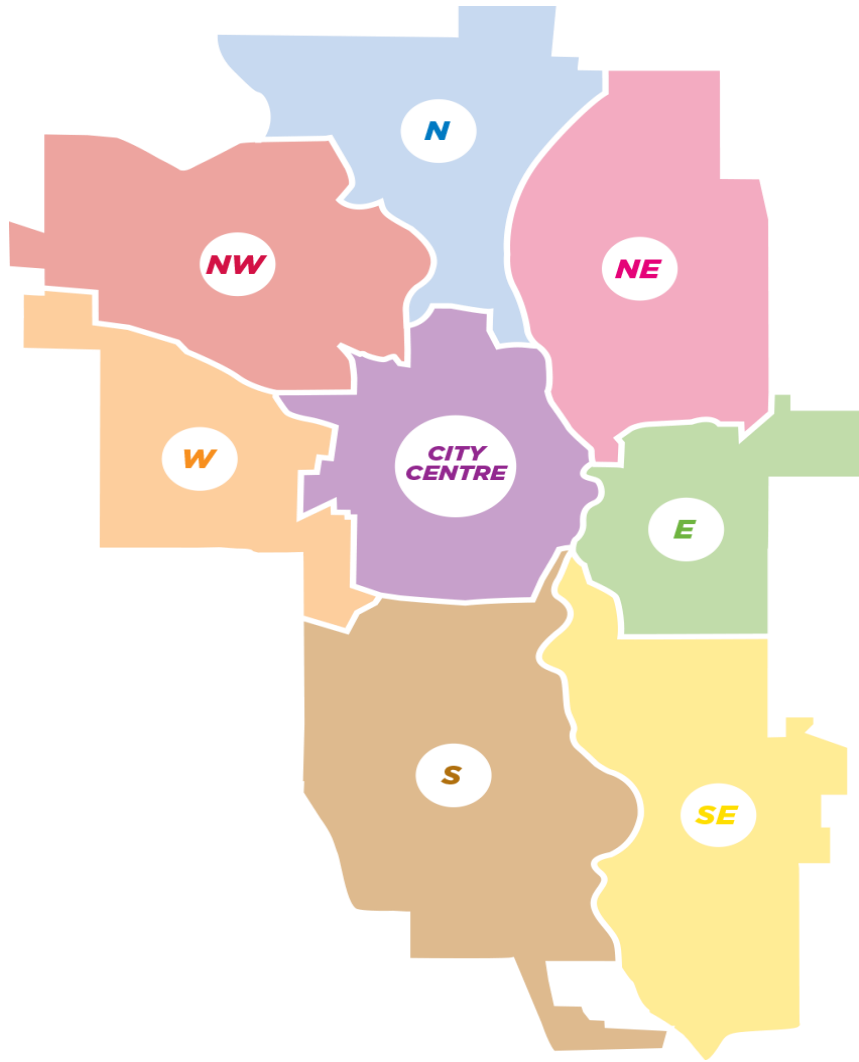


DETACHED PRICE ADJUSTMENT BY AREA



2017	Average Detached Benchmark Price	Percent Change (Y/Y)	Price Change from Annual Peak
CITY CENTRE	\$682,892	2.45%	-4.33%
NORTH EAST	\$383,533	-0.89%	-2.55%
NORTH	\$439,350	-0.13%	-3.18%
NORTH WEST	\$544,725	0.03%	-4.93%
WEST	\$726,267	4.32%	0.00%
SOUTH	\$476,592	-0.33%	-4.94%
SOUTH EAST	\$449,350	0.44%	-3.92%
EAST	\$354,250	-0.50%	-3.33%
TOTAL CITY	\$504,867	0.63%	-3.30%

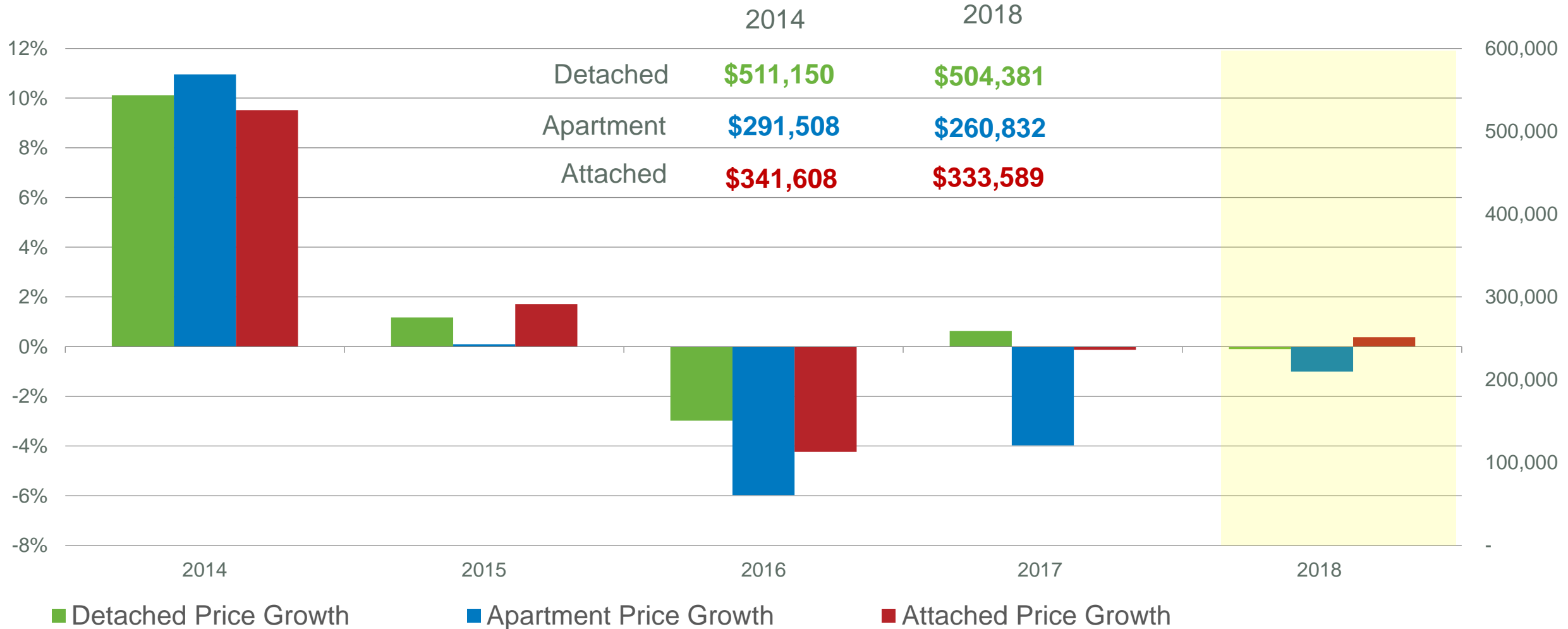
APARTMENT PRICE ADJUSTMENT BY AREA



2017	Average Apartment Benchmark Price	Percent Change (Y/Y)	Price Change from Annual Peak
CITY CENTRE	\$289,650	-3.51%	-11.72%
NORTH EAST	\$233,592	-4.18%	-12.81%
NORTH	\$219,100	-5.60%	-16.00%
NORTH WEST	\$243,492	-3.64%	-8.98%
WEST	\$252,000	-2.44%	-10.67%
SOUTH	\$234,608	-5.71%	-12.51%
SOUTH EAST	\$247,608	-4.08%	-11.91%
EAST	\$196,525	-6.15%	-20.49%
TOTAL CITY	\$263,475	-3.97%	-11.76%

PRICE RECOVERY NOT EXPECTED IN 2018

FORECAST PRICE COMPARISON



Source: CREB®