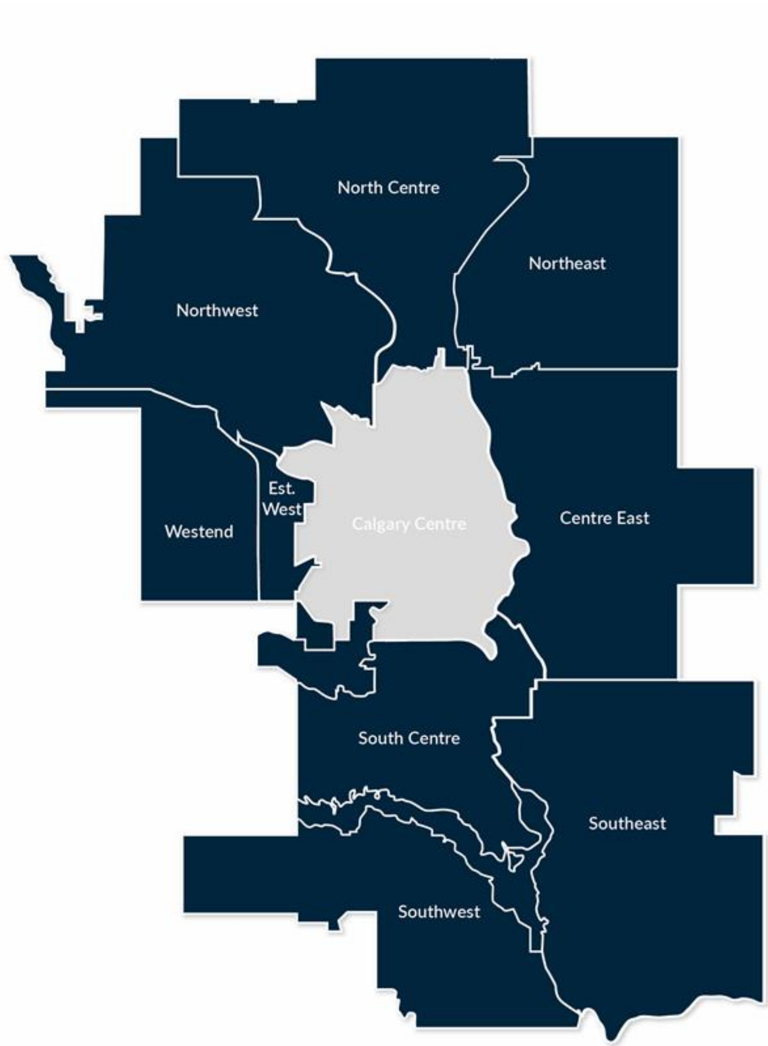
Calgary Market Area
Calgary Suburban

Altus Group

New Homes Sub Market Report
Data as of March 2020

Calgary Suburban
Submarket Report – March 2020



YTD Sales March 2020

Mid Rise Apartment	Low Rise Apartment	Townhomes	Total
19	156	220	395

Annual Sales

2011	2012	2013	2014	2015	2016	2017	2018	2019
2,395	2,361	3,632	2,901	2,065	1,869	2,395	2,586	2,258

Current Overview:

- There were 107 projects with 135 actively selling phases in the Calgary Suburban Submarket as of the end of Q1 2020. While there were two new phase launches during the quarter, the number of active phases fell from 138 in Q4 2019 as several phases sold out during the period.
- The 135 active phases represent an estimated 12,000 new home units, of which 3,034 are available for sale and 2,995 have yet to be released to market. In total, 67% of the total released units have been sold. Based on 2019 sales activity, the current availability represents approximately 1.4 years of supply. The remaining inventory decreased by 12% compared to Q1 2019.
- There were 395 new home sales reported in Q1 2020, reflecting a decrease of 21% from Q1 2019. Similar to the trend seen throughout 2019, townhouse sales continued to outpace the sales of apartment units, although both built forms saw a decline in sales during Q1.
- The phases active in the quarter have an average project absorption rate of 2.0 units per month, although the typical project sold less than 1 unit per month during the first quarter.
- Notable launches in Q1 2020 included Gracorp Properties' Mid Rise apartments Gramercy in the University District in the Northwest bringing 83 units to market, Slokker West's 66-unit Aspen Spring Townhomes and 48-unit Orion Low Rise apartments in the Westend, as well as Truman Homes' Legends of Cornerstone Building 2 bringing 77 Low Rise apartment units to market.

Current Supply

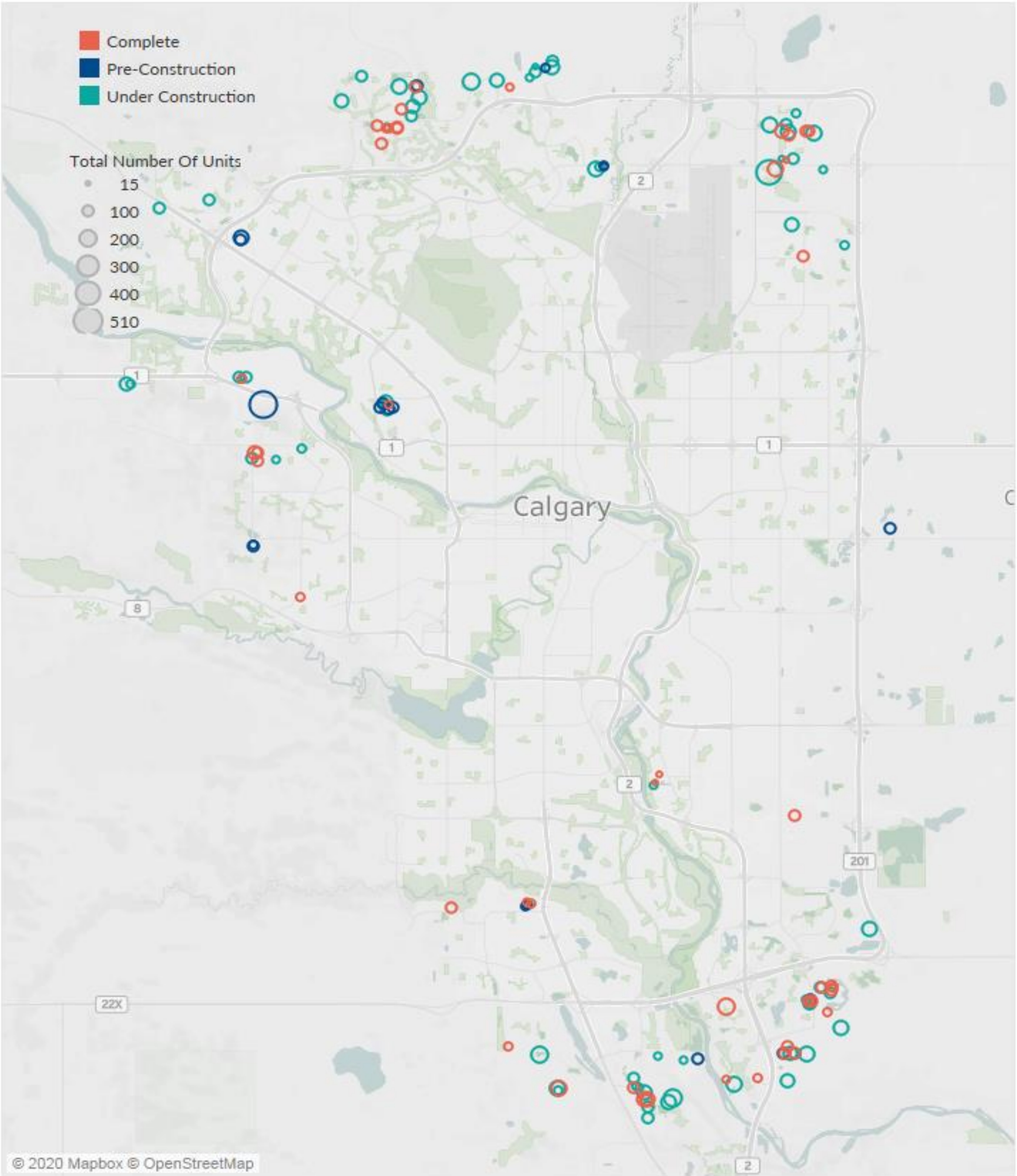
Property Type	Number of Active Phases*	Total Homes	Homes Sold	Homes Available	Unreleased Homes
Mid Rise Apartment	18	1,542	877	657	8
Low Rise Apartment	48	3,375	2,042	1,121	212
Townhomes	69	7,262	3,231	1,256	2,775
Grand Total	135	12,179	6,150	3,034	2,995

** A phase is defined as a component within a project (E.G. A project consisting of three buildings would be counted as having three phases)*

Current Pricing & Size

Property Type	Avg. $/SF Min	Avg. $/SF Max	Current Avg. $/SF	Avg. Min Size	Avg. Max Size
Mid Rise Apartment	$382	$546	$423	598	1,326
Low Rise Apartment	$313	$389	$333	642	1,231
Townhomes	$261	$290	$271	1,195	1,578

Current Active Phases



Active Phases – Top 5 by Quarterly Sales

Phase Name*	Developer	Type	Open Date	Current Avg. $/SF	Homes Sold	Quarterly Sales
Aspen Spring (Townhomes)	Slokker West	Townhouse	Mar-2020	$297	30	30
Carrington	Mattamy Homes	Townhouse	Apr-2018	$248	96	15
Octave	Brookfield Residential	Townhouse	Oct-2017	$265	54	13
Rise (Building 17)	Cedarglen Living	Low-Rise Apartment	Oct-2019	$298	20	13
Essential Savanna	Rohit Communities	Townhouse	Mar-2017	$216	69	11

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Market Insights

- In response to the current and on-going health concerns regarding the COVID-19 virus, most sales centres in the Calgary Suburban submarket transitioned their operations to be compliant with social distancing requirements, including many shifting to by-appointment or virtual sales. While some sales centres remained open to walk-in traffic, traffic was noted to have declined sharply during the last two weeks of March after restrictions were put in place.

- With COVID-19 only directly impacting the market for the last two weeks of the quarter, the Q2 period will better reflect the impact on sales and activity. According to information shared by sales staff from various phases, several deals did not proceed during the quarter due to buyer hesitation and job losses, but activity is expected to partially recover as the economy begins to open up.

- Uncertainty created by the COVID-19 crisis is not expected to result in short term changes to pricing, but incentives will continue to be used to increase traffic and support sales. Notable incentives being offered in Q1 2020 included a mortgage buy-down program in which the developer will help the purchaser make payments towards their mortgage, a $2,000 discount off the purchase price for AHS employee, offers to pay mortgage and condo fees for three months, and the ability to extend the possession date for up to six months if the buyer's primary source of income is lost.

Future Phase Supply**

	Coming Soon (Next 12 Months)	
Property Type	**Number of Phases**	**Total Homes**
High Rise Apartment	--	--
Mid Rise Apartment	--	--
Low Rise Apartment	2	170
Townhomes	9	565
Grand Total	11	735

***Based on new openings/releases projected to launch within the next 12 months as confirmed at the time of this report*