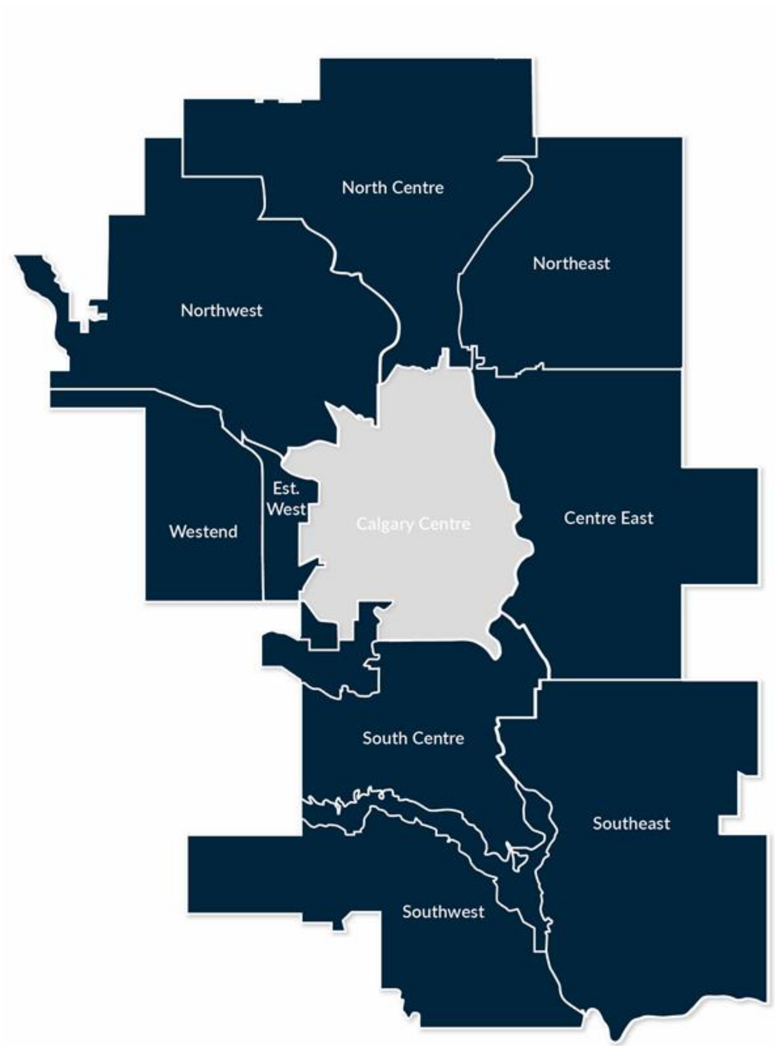
Calgary Market Area
Calgary Suburban

New Homes Sub Market Report
Data as of June 2020

Calgary Suburban

Submarket Report – June 2020



YTD Sales June 2020

Mid Rise Apartment	Low Rise Apartment	Townhomes	Total
56	335	548	939

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	2,255

Current Overview:

- There were 98 projects with 127 actively selling phases in the Calgary Suburban Submarket as of the end of Q2 2020. While there were 9 new phase launches in the North and West of the City during the quarter, the number of active phases fell from 135 in Q1 2020 due to the large amount of phases that sold out during Q2.

- The 127 active phases represent an estimated 12,000 new home units, of which 2,896 are available for sale and 3,262 have yet to be released to market. In total, 65% of the total released units have been sold. Based on 2019 sales activity, the current availability represents approximately 1.3 years of supply. The remaining inventory decreased by 11% compared to Q2 2019, this is attributed to a combination of numerous phases selling out during Q2 2020, coupled with new phase launches containing fewer total units than the launches recorded during the same time last year.

- There were 545 new home sales reported in Q2 2020, reflecting a decrease of 13% from Q2 2019, with Mid Rise apartment and townhomes build types reporting the largest decrease in sales volumes.

- Phases active in the quarter have an average absorption rate of 1.8 units per month; meanwhile the typical phase sold just over 1 unit per month during the Q2.

- Notable launches in Q2 2020 included Truman Homes' 87 unit Arcola Townhomes in Springbank Hill, Madison Avenue Group's 50 unit Belvedere Rise (Village Townhomes) in Belvedere, Cedarglen Living's 80 unit Low Rise Carrington Place (Building 1) in Carrington, Partners Development Group's 99 unit Central townhomes in Skyview Ranch, Streetside Development's 125 unit Redstone Park townhomes in Redstone, Truman Homes' 40 unit Street Towns in Timberline Estates in Springbank Hill, Avi Urban's 30 unit The Bungalows at Livingston and 74 unit Wildflower townhomes in Springbank Hill, and finally Avalon Master Builder's 76 unit ZEN Rockland Park townhomes in Rockland Park.

Current Supply

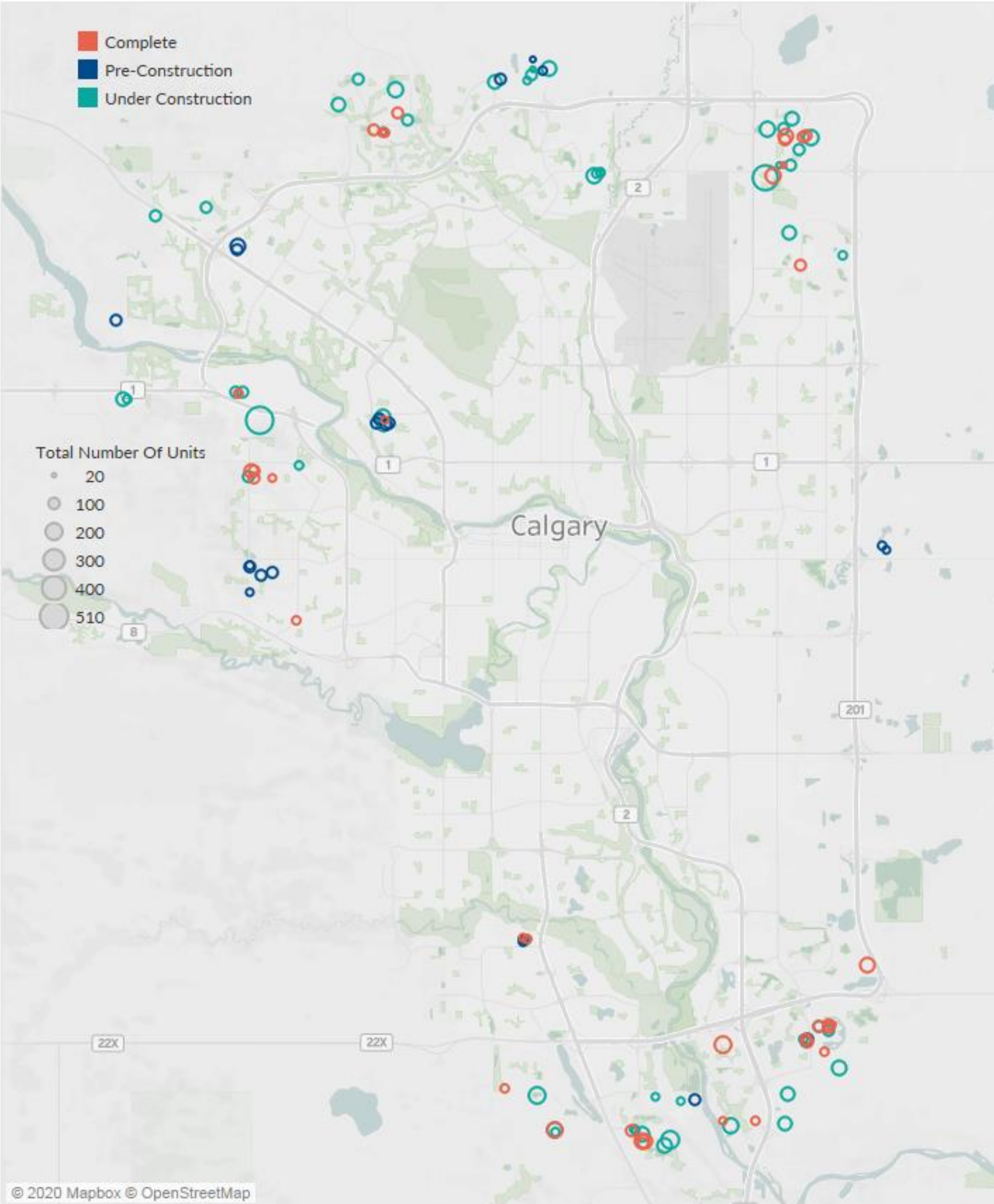
Property Type	Number of Active Phases*	Total Homes	Homes Sold	Homes Available	Unreleased Homes
Mid Rise Apartment	15	1,243	616	536	91
Low Rise Apartment	42	2,917	1,690	1,020	207
Townhomes	70	7,455	3,151	1,340	2,964
Grand Total	127	11,615	5,457	2,896	3,262

** 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	$410	$604	$452	599	1,402
Low Rise Apartment	$306	$392	$333	646	1,254
Townhomes	$261	$290	$272	1,179	1,584

Current Active Phases



Active Phases – Top 5 by Quarterly Sales

Phase Name*	Developer	Type	Open Date	Current Avg. $/SF	Homes Sold	Quarterly Sales
Rise (Townhomes)	Cedarglen Living	Townhouse	Feb-2018	$235	112	22
Copperstone	Vesta Properties Ltd	Townhouse	Apr-2019	$207	31	19
Legacy Park (Building 6000 at Legacy Park II)	Brad Remington Homes	Low-Rise Apartment	Nov-2018	$240	66	19
Aurora at Sky Pointe	Armour Developments	Townhouse	Aug-2018	$237	59	16
Mark 101 (Building 2000 at Mark 101)	Nuovo by Shane Homes	Low-Rise Apartment	Aug-2017	$302	62	16

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Market Insights

- While a small number of developers continue to offer virtual or appointment only client interactions, most sales centres in the Calgary Suburban submarket re-opened to walk-in clients whilst maintaining social distancing measures during the second half Q2 2020. Sales staff reported steady to busy traffic throughout most developments, and most staff shared renewed optimism regarding current market conditions.

- Sales volumes in the Calgary Suburban submarket were impacted by the social distancing restrictions placed due to COVID-19 during the first half of the quarter, as Q2 2020 recorded the lowest second quarter sales of the last four years. Although year-over-year sales figures were down across all build types - for the exception of Low Rise apartment -, there was a significant increase in sales volume (38%) compared to Q1 2020, especially in Mid Rise product.

- Developers offered a variety of virtual events and webinars to engage with clients and realtors while adhering to distancing restrictions during the first half of Q2. Examples of these were: Streetside Developments hosting a realtor specific webinar during the first week of May where it offered bonuses for attendees; while Landmark Homes offered buyer webinars in collaboration with third party mortgage specialists.

- Purchase-assurance type incentives continued to be heavily featured in the Calgary Suburban Submarket in Q2. Some notable examples include; a developer offering a cancellation of the purchase without cost if the buyer unexpectedly became unemployed directly due to the current health crisis and a guarantee that if the base price of the purchased home decreased from the time of contract to the time of possession the buyer would be reimbursed the price difference, as well as an up to $20,000 purchase rebate if the buyer used the developer's preferred mortgage lender, an offer in which the developer offered to cancel the purchase with a full deposit refund if the buyer was no longer employed due to lay-off by the time they received their 30-day possession letter, and an offer where the developer would pay for the buyer's mortgage and condo fees for up to three consecutive months if after taking possession the primary purchaser lost their main source of income due to lay-off related to the current economic and health crisis.

Future Phase Supply**

	Coming Soon (Next 12 Months)	
Property Type	Number of Phases	Total Homes
High Rise Apartment	--	--
Mid Rise Apartment	1	64
Low Rise Apartment	4	302
Townhomes	5	422
Grand Total	10	788

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