

# May 2021: inventory rises, but sellers' market conditions persist

By **crebnow** - Jun 2, 2021



With 2,989 sales, housing market activity hit a new May record.

Despite strong levels of sales, they did trend down relative to last month. Additionally, there were 4,562 adjusted inventory levels to increase over last month.

"The recent gains in prices have encouraged more homeowners to list their homes and take advantage of CREB® chief economist Ann-Marie Lurie.

"However, the inventory gains are still not enough to offset the demand growth and the market continues to rise, but they are still recovering in our market from previous highs in 2014. Only detached and semi-

districts and communities have recovered to the level of previous monthly highs.”

*“THE RECENT GAINS IN PRICES HAVE ENCOURAGED HOMEOWNERS TO LIST THEIR HOMES AND TAKE ADVANTAGE OF THE CURRENT MARKET SITUATION.” – ANN-MARIE  
CHIEF ECONOMIST*

The months of supply did trend up slightly this month to just over two months, but it was not enough to offset the decline in sales. The unadjusted benchmark price in May reached \$455,200. This is one per cent higher than last month and 16 per cent higher than prices recorded last year.

Sales have been rising across all product types, but homes priced above \$600,000 represent a larger-than-expected share of the market. The upper end of the market only reflected 16 per cent of city sales last May, compared with this year where it reflected 22 per cent of all sales.

## **HOUSING MARKET FACTS**

### **Detached**

Seasonally adjusted figures show detached home sales trending down slightly from last month, but levels were still above May.

Due to relatively strong new listings, inventories are trending up relative to both the previous month and the previous year. Months of supply to increase to 1.7 months and reflects some easing of the extremely tight market conditions. However, the detached market continues to favour the seller and prices continue to rise.

Detached home prices rose across each district, with the largest year-over-year gains occurring in the North and West districts.

The gains in prices have been supporting price recovery for detached homes. As of May, only the City Centre and West End prices remain below previous highs.

### **Semi-Detached**

Year-to-date sales totalled 1,169 units, which is the strongest five-month total on record for this product type. With 1,169 new listings, the sales-to-new-listings ratio rose to nearly 75 per cent.

Overall, the months of supply remained below two months for semi-detached housing, supporting further price recovery on an over-year basis.

Benchmark prices have seen double-digit price gains compared to last year's levels in all districts except the City Centre.

The highest gains have occurred in the South East, South and North districts. While the city total is showing a 16 per cent increase, prices in the City Centre and West End are down.

monthly levels, there are several districts where prices continue to remain below their previous highs.

## **Row**

Inventory levels trended up compared to last month and levels seen last year. This is due to further gains and caused the months of supply to rise to 2.5 months.

However, conditions continue to favour the seller, which is causing further price gains this month. The unit totalled \$296,400. This is a one per cent increase over last month and nearly eight per cent higher than

Prices continue to improve across most districts, but they remain well below previous highs. Depending on location, prices are anywhere from five to 20 per cent below previous highs.

## **Apartment Condominium**

Year-to-date condominium sales totalled 1,659 units.

This is highest number of sales seen since 2014. Despite the improvements, seasonally adjusted sales di

Recent price increases are likely supporting some of the strength in new listings. While levels have been months ago, they do remain elevated based on what we typically see in May. As the sales-to-new-listings ratio and inventories trend up this month, pushing the months of supply to over five months.

Slightly higher supply levels compared to sales did impact the pace of monthly gains in the benchmark price, which is nearly five per cent higher than last year's levels. Price movements also varied depending on location, but remain below previous highs.

Currently, the citywide price remains nearly 16 per cent below 2014 levels.

## **REGIONAL MARKET FACTS**

### **Airdrie**

Sales activity in Airdrie continues to increase, trending up over last month and hitting a new May record. Inventory levels are not kept pace and trended down from last month.

This has caused the sales-to-new-listings ratio to rise to 95 per cent this month, the highest level seen since 2014. This has caused inventory levels to trend down to the lowest levels seen in May since 2014.

Unlike Calgary, there has been no lull in the Airdrie market and the months of supply fell to just over one

After 11 consecutive months of increasing prices, the May benchmark price totalled \$379,000, nearly 12 per cent higher than last year's levels. While prices have not recovered across all product types, detached home prices have hit a new hi

### **Cochrane**

Sales this month are at record levels for the month, but they did trend down compared to last month. However, low levels of new listings in contrast to high market demand. The sales-to-new-listings ratio dropped when it was 82 per cent it did little to change the inventory situation in the market. There were only 180 units in inventory for 1.5 months. This is well below levels typically seen this time of year.

Persistent sellers' market conditions are causing further price gains in the market. The unadjusted benchmark price rose to \$483,400 in May. This is nearly three per cent higher than last month and over nine per cent higher than last year's level. The recovery in prices, fueled by the detached and semi-detached property types.

### **Okotoks**

Year-to-date sales in Okotoks are at record levels. New listings have also been generally on the rise, but the market is still out of sellers' market conditions, which continue to push prices upwards.

The unadjusted benchmark price rose to \$483,400 in May. This is a significant gain over last month's price and is higher than last year's levels.

With 12 consecutive months of price increases month over month, prices in this market have recovered in part.

However, this is primarily driven by the detached properties in the market.

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