



Media release: Modest gains in Calgary housing market expected in 2021

Calgary, Jan. 26, 2021 – In 2020, housing markets across the country surprised many with a stronger-than-expected rebound in the second half of the year despite record-high unemployment rates and significant job losses.

Calgary did not hit record-high sales or prices in the third or fourth quarters, but still posted some of the strongest sales relative to the past five years. This was nearly enough to offset the initial losses recorded during the first shutdown caused by the pandemic.

“It is expected some of the momentum recorded at the end of 2020 will continue into 2021, fueled by exceptionally low lending rates and pent-up demand,” said Ann-Marie Lurie, CREB® Chief Economist.

“While sales are expected to rise by nearly five per cent on an annual basis in 2021, persistent economic challenges are expected to prevent stronger growth in our housing market.”

Reduction in supply relative to sales is the primary reason the Calgary housing market returned to more balanced conditions by the end of 2020. The pullback in new listings relative to sales activity resulted in inventory levels falling to the lowest levels seen in the past several years.

As we move into 2021, we anticipate new listings will start to rise, as COVID-19 likely caused many homeowners to delay listing their homes. We could start to see some supply come back in 2021, as concerns regarding the spread of the virus ease. Persistently high unemployment rates could also weigh on some existing homeowners who may need to sell their homes.

Growth in supply is expected to offset some of the gains in sales, pushing our market to the upper bounds of balanced conditions and slowing price recovery. However, the price gains that occurred at the end of 2020 are not expected to be eroded and 2021 annual prices are forecasted to improve by over one per cent.

“This year has been filled with twists and turns all over the world. The Calgary housing market was no exception,” said Alan Tennant, CREB® President and CEO.

“However, our local REALTORS® continued to serve at a high level by connecting homebuyers and sellers through this difficult period in a safe and timely manner.”

Click here for the full [2021 Economic Outlook and Regional Housing Market Forecast report](#).

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For more information, please contact:

Economic Analysis

Email: stats@creb.ca

Phone: 403-263-0530

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CREB®
300 Manning Road NE
Calgary, AB T2E 8K4
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