Second Quarter 2026
Housing Review

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1 SUMMARY

HOUSING DEMAND

	Q2 2025	Q1 2026	Q2 2026	Change from Q2 2025
Mortgage Rate (5-year Conventional) Chartered Banks	6.22%	6.09%	**6.09%**	**-0.13** percentage points
Population Change (working age population) Calgary Economic Region	1,614,500	1,654,600	**1,664,500**	**+50,000** people
Job Growth Calgary Economic Region	1,059,100	1,075,100	**1,121,200**	**+62,100** jobs

Source: Bank of Canada, Statistics Canada

HOUSING SUPPLY

	Q2 2025	Q1 2026	Q2 2026	Change from Q2 2025
Residential Construction Investment City of Calgary	$1,671M	$1,357M	**$1,282M**	**-$389** million
Housing Starts City of Calgary	7,157	4,302	**5,686**	**-1,471** units
Housing Under Construction City of Calgary	23,117	22,274	**22,805**	**-312** units

Source: City of Calgary, CMHC

HOUSING MARKET

	Q2 2025	Q1 2026	Q2 2026	Change from Q2 2025
Housing Sales City of Calgary	7,073	4,633	**6,459**	**-614** units
Average Resale House Prices City of Calgary	$647,735	$629,321	**$658,965**	+$11,231

	Q1 2025	Q4 2025	Q1 2026	Change from Q1 2025
Housing Price to Income Ratio Composite	5.24	4.92	**5.01**	-0.23

Source: CREB, CREA, Statistics Canada

2 HOUSING DEMAND

Relatively strong job market as well as interprovincial migration is supporting housing demand amid slowing population growth.

Interest Rates

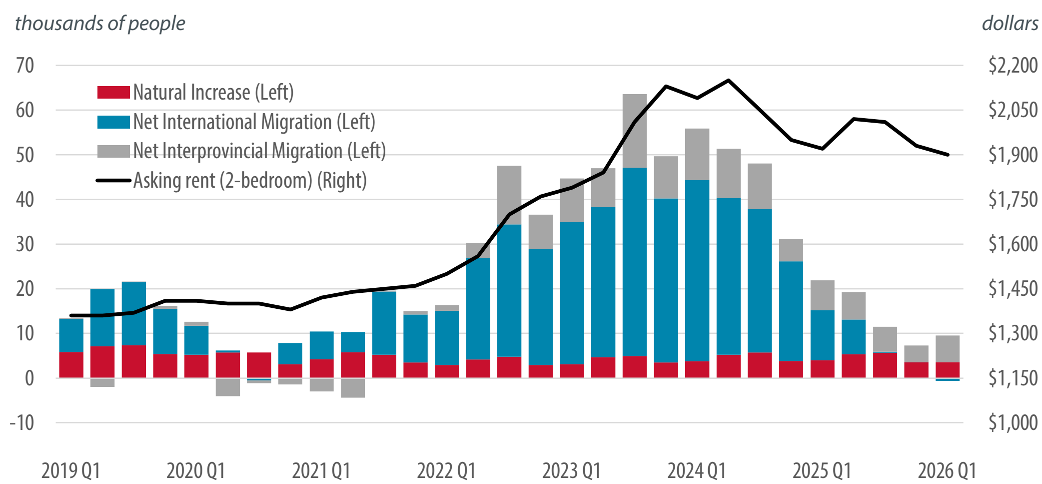
In Q2 2026, the average 5-year conventional mortgage rate stood at 6.1 per cent, down slightly from 6.2 per cent in Q2 2025. However, the conflict involving Iran pushed up bond yields—to which fixed mortgage rates are linked. While the situation remains fluid, a sustained increase could elevate borrowing costs and cool housing demand.

Population Change

In Q2 2026, the working-age population in the Calgary Economic Region (CER) grew by 3.1 per cent, slowing from 5.1 per cent in Q2 2025.

According to the latest data, Alberta recorded negative net international migration of 600 people in Q1 2026, a sharp swing from a net gain of 11,176 in Q1 2025. Meanwhile, Alberta continued to see strong interprovincial migration, with a gain of about 6,000 people, roughly in line with the same period last year. Combined with the recent influx of new rental supply, slower population growth has put downward pressure on rents in Calgary. The average asking rent for a 2-bedroom apartment declined from $2,090 in Q1 2024 to $1,900 in Q1 2026.

Chart 1. Asking Rent (2-bedroom, Calgary Census Metropolitan Area (CMA)) and Quarterly Population Change (Alberta)



Source: Statistics Canada Tables: 46-10-0092-01, 17-10-0009-01, 17-10-0020-01, 17-10-0040-01, and 17-10-0059-01.

Employment and Labour Income

In Q2 2026, despite zero job gains nationwide, employment in the CER grew by 5.9 per cent, or 62,000 jobs, from Q2 2025, with the most gains in full-time positions. Average weekly income also saw a 3.3 per cent increase compared to Q2 2025. While population growth drives housing demands, Calgary's strong employment and income gains are sustaining housing prices and reinforcing ownership preferences.

3 HOUSING SUPPLY

In Q2 2026, Calgary maintained its position as Canada's housing engine, leading all Canadian municipalities in housing starts for the eighth consecutive quarter since Q3 2024

Building Permits

According to Open Data Calgary, the total value of residential building permits applied for in Q2 2026 was about $1.2 billion with about 5,600 residential units, both representing a year-over-year (YoY) decline of roughly 20 per cent compared to Q2 2025. This downturn was primarily driven by a drop in apartment applications, whereas ground-oriented housing types remained more stable. For the first half of 2026, the cumulative year-to-date (YTD) permit value reached $2.6 billion, down from $2.9 billion during the same period last year.

Housing Starts, Housing Under Construction, Housing Completions and Units granted Occupancy

According to the Canada Mortgage and Housing Corporation (CMHC), the city of Calgary saw 5,686 housing starts in Q2 2026, down by 20per cent from the 7,157 starts recorded in Q2 2025, Calgary's highest quarterly record. Despite the YoY drop, this is still the second highest level recorded for Q2. Given the high inventory of completed but unabsorbed units, builders are shifting their focus toward ongoing projects, leading to fewer new housing starts. CMHC also notes that skilled labor shortages may have constrained the launch of new projects[1].

Despite the decrease, Calgary maintained its position as Canada's housing engine, leading all Canadian municipalities in housing starts for the eighth consecutive quarter. Units under construction reached 22,805; purpose build rental apartment construction saw an increase, while other ground-oriented housing types declined. Housing completions for the quarter totaled 5,181 units.

The City of Calgary recorded about 6,000 units granted occupancy in Q2 2026, in line with the figures from the same period last year. However, the YTD total has decreased, dropping from 14,000 units in 2025 to 12,620 units in 2026.

1 CMHC 2026 Spring Housing Supply Report

The City's Strategy in Focus[2]

Two new building openings demonstrate how The City's housing strategy is translating policy, land, and capital investment into new homes for Calgarians. Liberty Housing Organization's Village Block in Parkdale added 57 affordable rental homes, while HomeSpace Society's Whitehorn Family Housing opened 52 two- and three-bedroom townhomes for families moving out of homelessness, with wraparound supports for Indigenous and newcomer families delivered through Inn from the Cold and Miskanawah. Together, these projects add 109 new affordable homes, showing the practical impact of partnerships with other orders of government and non-profit providers to expand affordable housing supply. These family-focused, deeply affordable housing projects are essential to improving housing stability for residents in greatest need.

2 The City of Calgary, Chief Housing Office

4 HOUSING MARKET

Calgary saw an overall decline in sales and benchmark prices, but market impacts differ by housing type and region.

Listing, Inventory and Sales

According to Calgary Real Estate Board (CREB), in Q2 2026, Calgary recorded 6,459 sales, up from 4,633 sales in Q1 2026, but down from 7,073 in Q2 2025 and below the 10-year Q2 average of 6,900. Q2 typically records the highest sales activity of the year. While detached and semi-detached sales were little changed, row house and apartment sales declined more significantly as market conditions for these product types continued to soften.

New listings also declined by 9 per cent compared with Q2 2025, led by a drop in apartment listings. As lower sales and fewer new listings offset each other, the sales-to-new-listings ratio was little changed from Q2 2025, and total inventory remained virtually unchanged. The months of supply, which measures inventory relative to sales, stood at 3.0 months, similar to last year.

House Prices (Benchmark Prices)

The composite benchmark price in the City of Calgary, which measures the value of a typical home, declined to $569,900, representing a 3 per cent YoY decrease. By product type, detached and semi-detached homes saw little change. These product types, particularly in the West and City Centre areas, continued to be supported by stronger demand and limited supply, which has helped sustain higher-end prices and sales activity.

On the other hand, apartment and row house benchmark prices declined by 16 per cent and 6 per cent, respectively, providing better affordability for low-income families These adjustments reflect weaker supply-demand balances. For example, apartment inventory in Q2 2026 stood at 2,022 units, almost 30 per cent above the 10-year Q2 average for this product type, while sales were broadly in line with the 10-year average.

Overall, Calgary's housing market continues to show a more segmented picture. The middle and higher-end segments remain relatively stable, while lower-priced segments, particularly apartments and row houses, are experiencing more pullbacks.

Housing Price to Income Ratio

The housing price to income ratio was 5.0 in Q1 2026, indicating the benchmark house price is 5 times the median household income. This continues the downward trend from 5.2 in Q1 2025 as housing prices ease. While affordability has improved in the short term, the ratio is significantly above the average of 3.8 between 2015-2020.

GST Rebate on New Builds and Affordability of New Builds in Calgary

The federal government has introduced a GST rebate for first-time homebuyers purchasing new builds after March 20, 2025. However, this rebate is unlikely to offset the significant increase in new-build prices observed since the pandemic in Calgary.

Between 2020 to 2025, in the city of Calgary, median prices for newly built single-detached homes have increased by 49 per cent, reaching $805,000. For semi-detached homes, median prices rose by 67 per cent to $660,000.

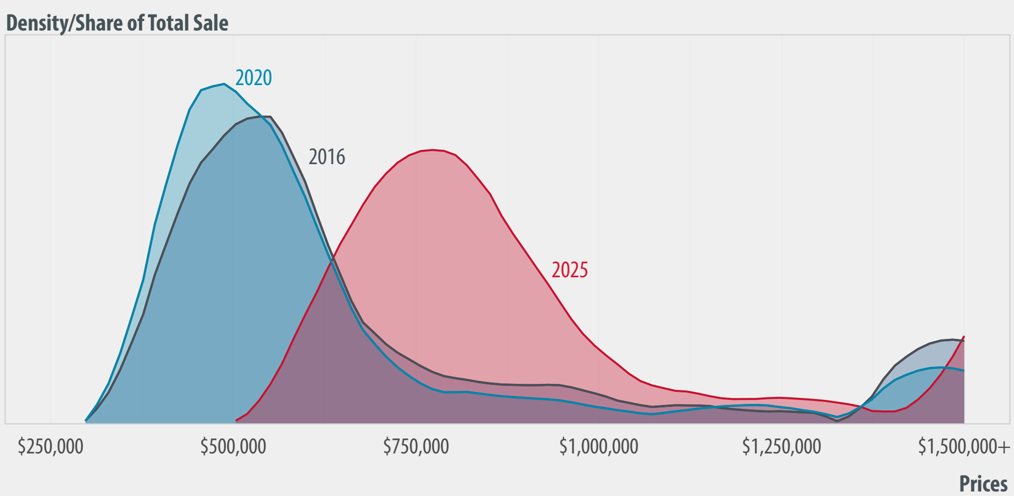
Higher-priced homes have become more prevalent, as reflected in an increasingly right-skewed price distribution. For single-detached homes, the share of units priced above $1 million almost doubled from 10 per cent in 2020 to 18 per cent in 2025. Conversely, more affordable options have become scarcer; while 82 per cent of single-detached homes sold were priced below $750,000 in 2020, this share dropped to just 34 per cent in 2025.

According to CMHC's latest survey[3], most first-time homebuyers nationally are aged 25-34, with 30 per cent purchasing new builds. In the Calgary CMA, the average income for this age group declined from $60,600 in 2020 to $54,000 in 2024[4]. As a result, the average price of a new single-detached home now exceeds 8 times a dual income at this level, up from approximately 5 times in 2020.

Growing demand for more attainable housing options has contributed to increased development of row houses and apartments. In 2025, 2,270 row house units were completed, up from the 1,327 units recorded in 2020.

Research have found that deteriorating housing affordability contributes to broader socioeconomic challenges, including delayed family formation[5], reduced productivity[6], and increased inequality[7].

Chart 2. The Prices of New Single Detached in Calgary Have Increased Significantly Since 2020



Note: This plots the distribution of sales (density/share of total sale) on y-axis and sold price on x-axis for selected years (2016, 2020, 2025) for absorbed Single Detached in City of Calgary.
Source: CMHC Market Absorption Survey.

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3 CMHC 2026 Mortgage Consumer Survey.
4 Statistics Canada Table: 11-10-0239-01.
5 Couillard, B. K. (2025). Build, Baby, Build: The Causal Effects of Rising Housing Costs on Fertility. University of Toronto.
6 Yang, Y., Lutz, F., & Liu, L. Q. (2025). Housing Booms and Productivity Growth. International Monetary Fund.
7 Pfeffer, F. T., & Killewald, A. (2018). Generations of advantage. Multigenerational correlations in family wealth. Social Forces, 96(4), 1411-1442.

5 GLOSSARY

CMA: The Calgary CMA includes Airdrie (City), Beiseker (Village), Calgary (City), Chestermere (City), Cochrane (Town), Crossfield (Town), Irricana (Town), Rocky View County (Municipal district), and Tsuu t'ina Nation.

CER: Calgary Economic Region (CER) is an Alberta economic region that covers the city of Calgary and its surrounding twenty cities, towns, villages, and First Nation reserves including: Airdrie (City), Beiseker (Village), Black Diamond (Town), Carstairs (Town), Chestermere (City), Cochrane (Town), Cremona (Village), Crossfield (Town), Didsbury (Town), Eden Valley Reserve; Bearspaw First Nation, Foothills No. 31 (Municipal district), High River (Town), Irricana (Town), Longview (Village), Mountain View County (Municipal district), Okotoks (Town), Olds (Town), Rocky View County (Municipal district), Sundre (Town), Tsuu t'ina Nation, Turner Valley (Town).

Benchmark prices: According to CREB, benchmark price refers to the price of a typical home in an area as calculated by the Calgary Real Estate Board (CREB).

Next Update: October 2026

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Corporate Economics provides services in four areas: forecasting, information provision, policy analysis and consulting. We also monitor the current economic trends which allows us to develop unique insights on how external events are impacting the local economy and the Municipal government. We are experienced at researching different economic topics and have developed reliable methods of forecasting and analysis.

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Sources:
Bank of Canada, CMHC, CREA, CREB, Statistics Canada, The City of Calgary.