



Current Market  
Conditions and Pg. 6  
Trends

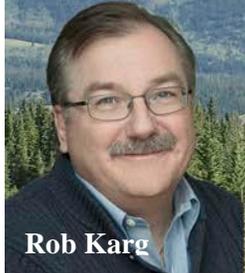
ISSUE  
May

VOLUME  
Six

YEAR  
2016



Featured Pg. 3  
Listings



Rob Karg

[www.OwnTheMountains.com](http://www.OwnTheMountains.com)

EXCELLENT SERVICE...WITH INTEGRITY, COMMITMENT, AND THOUGHTFUL ATTENTION TO YOUR DREAMS...

*Another strong month is adding to the momentum we have seen building locally since the start of the year. It certainly appears that Canmore and the Bow Valley is a bit of an oasis in an otherwise dry market in Alberta. With the hotels and resorts reporting very strong bookings into the summer I believe we will continue to see very positive numbers through the rest of 2016 - Rob*

## Sales Up 69% Versus 2015 In April

In this edition we look continue the comparison of the Canmore vs. Calgary markets begun in the April edition with a look at underlying factors pushing Canmore towards a "Seller's Market". Check out page 5 for details. Combine with the stats for the month on page 6 for a complete picture of the local market.

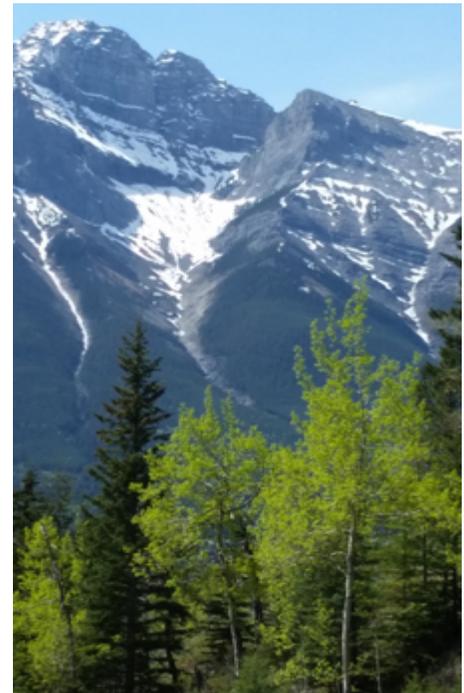
On page 2 I offer some thoughts from a macro economic perspective to try and stimulate some conversation on how to move our province forward into a better future. One of my favorite lines comes from the movie *Ben Hur* where the Tribune Messala tells Judah that the world is Rome. In many ways we are told the same about oil. What comes after "Rome"?

This month's featured listing offers you

a great value in a Single Family home with 3BR, 2 Baths, spacious yard, mountain views and close to school. Check out the details starting on page 3 and online.

This month we are doing an open house blitz in Silvertip please check out the map on page 4 for details of locations and dates/times. There is something for just about everyone's budget and GREAT values available. Also Century 21 is running a corporate promotion throughout the month of May. Contact me for details.

Enjoy the edition and please check the website [www.ownthemountains.com](http://www.ownthemountains.com) for updates through the month. As always your feedback and ideas are appreciated ☺



## Searching Made Easy With PCS

The Interface System with its PCS (Professional Client Service) is an exclusive Real Estate database for the Bow Valley (Canmore, Banff, Exshaw, Harvie Heights, Kananaskis, Lac Des Arcs, & Dead Man's Flats). Unlike MLS you don't have to do the work. Just give me a call or send me an email and I will set you up with a password to access the site so that you can keep an eye on the properties that interest you – see what they are listed for, how long they are on the market and what they sell for. Call me at (403) 678-7568 or email me: ([rob@ownthemountains.com](mailto:rob@ownthemountains.com)) and get started right away.

# Some Food For Thought...

With oil prices continuing to be depressed almost two years after the prices started to drop I thought it might be fun to speculate on some things that I think could be done to help turn Alberta's Energy Industry's fortunes around.

## 2. Pursue the idea of purchasing B.C. electricity in exchange for approval of a pipeline to a bluewater port

This idea made the news in late April. Essentially B.C. has excess hydro electricity capacity it needs a market for. Alberta wants to phase out coal fired electric generation decades earlier than originally planned to help meet carbon emission targets and fulfill NDP campaign promises. Bridging the two with a commitment by the B.C. government to support and approve expansion of the Kinder-Morgan TransMountain pipeline has the added spinoff of support an industry under stress while providing added construction jobs in the Lower Mainland as well as more minimal impact to pristine lands. Win-win for everyone except environmentalists. The optics politically would be overwhelmingly positive on both sides of the border while providing real emissions savings.

## 3. Build a refinery in Alberta

This is an idea many feel whose time came and went 20 years ago but I would make the argument from a strategic level perspective. Most of the refining capacity in North America is owned by the same multinational oil companies that are behind developing our oil reserves. End result capacity concentrated in Gulf States of the USA. In Canada there is excess capacity on the East Coast (hence the push for the Energy East Pipeline there) and a shortfall of capacity in Alberta. Building a refinery has a huge lead time but would allow for value – added production of chemicals that could be used to expand manufacturing within the province with added employment spinoffs. The problem is one of economies of scale. Would you support essentially writing off up to \$10 billion if it meant developing multiple growth industries? For example the capital cost of the refinery owned by the provincial government is not factored or only marginally factored into the cost of providing the end product. It would require a degree of non-partisan political fortitude I am not sure exists to run the facility at just slightly over operational break-even but why not dream BIG?? Adding value to one of our greatest resources allows the associated jobs to remain HERE, and provides a huge counterbalance to the ( in my opinion) short sighted political whims of the governments of Ontario and Quebec and especially the geo-political nonsense we saw south of the border in the Keystone XL debate. The US government stuck it to its closest friend and ally because Canada was not in a position to do anything about it. We negotiated from a position of real weakness because of the reliance

on using U.S. pipelines to sell our oil. We learn the lesson from that (remember the NEP anyone?) or suffer the same fate repeatedly. I vote we strike out boldly – this builds an infrastructure to support generations of Albertans.

## 1. Make Alberta the world class developer of alternative energy

Lest you read into #2 above that somehow I have sold myself to the cause of Big Oil let me explain ... when I was growing up in Waterloo, ON there was a little university there that hit on a great idea: the University of Waterloo decided it wanted to become world class in fields like engineering and computer science. To that end they started buying up as much of the surrounding farm land near the University (which in those days was literally on the outskirts of town) and they then approached tech companies like HP, IBM, Compaq, etc. and offered them fantastic deals on land and buildings for their operations under the stipulation that these companies had to provide work experience jobs to the students from the university in those fields. This led to the foundational Co-op degrees. Students got work terms offering relevant work experience at potential employers and employers got to see what the talent could do before having to make a long term hiring commitment. Over the course of twenty years this win-win scenario drew a lot of talent to the area and that development of a brain trust led directly to a little company called Blackberry, amongst others, and has made the area around UofW an M.I.T. North. I think Alberta should look at doing the same. We have fine universities and technical institutions in the province. Tweek #2 above and funnel a significant percentage of the profits into the research and development of non-carbon based sustainable energy. Have the Alberta government, through a arm's length third party, act as an incubator by taking an equity position in those start-ups. Yes the majority will fail BUT there will be successes that can change the world. Funnelling the profits and investments through a mechanism like the Heritage Trust Fund would allow future generations of Albertans to benefit. All of this comes with the caveat that the provincial government of the day should be forced by legislation to run it like a business and not like another department of bureaucratic inertia. There should be a timeline for getting out of the businesses built into the investments much like the Harper Government did in its investments into saving the Auto industry in Ontario and Quebec during the height of the Great Recession.

Martin Luther King famously said, " I have a dream..." I won't pretend that my words have any degree of power behind them but I will say it all starts with an idea! What do you think? Start a discussion and see where it goes ....



## Upcoming Events in the Bow Valley:

Every month brings new and exciting things to do and see in the mountains. To stay up to date on the latest happenings please browse and bookmark the following websites:

Spring in Banff-Lake Louise (April 1 – May 31):

[http://www.banfflakelouise.com/Area-Events/Festivals/Spring/Spring-in-Banff-Lake-Louise?gclid=CK6-iJ\\_u3ssCFQMHaQodO9QDow](http://www.banfflakelouise.com/Area-Events/Festivals/Spring/Spring-in-Banff-Lake-Louise?gclid=CK6-iJ_u3ssCFQMHaQodO9QDow)

Lake Louise Gondola (May 13 – October)

[http://www.lakelouisegondola.com/grizzly\\_and\\_animal\\_calendar.php](http://www.lakelouisegondola.com/grizzly_and_animal_calendar.php)

## This Month's Featured Listing



### 165 Coyote Way, Canmore

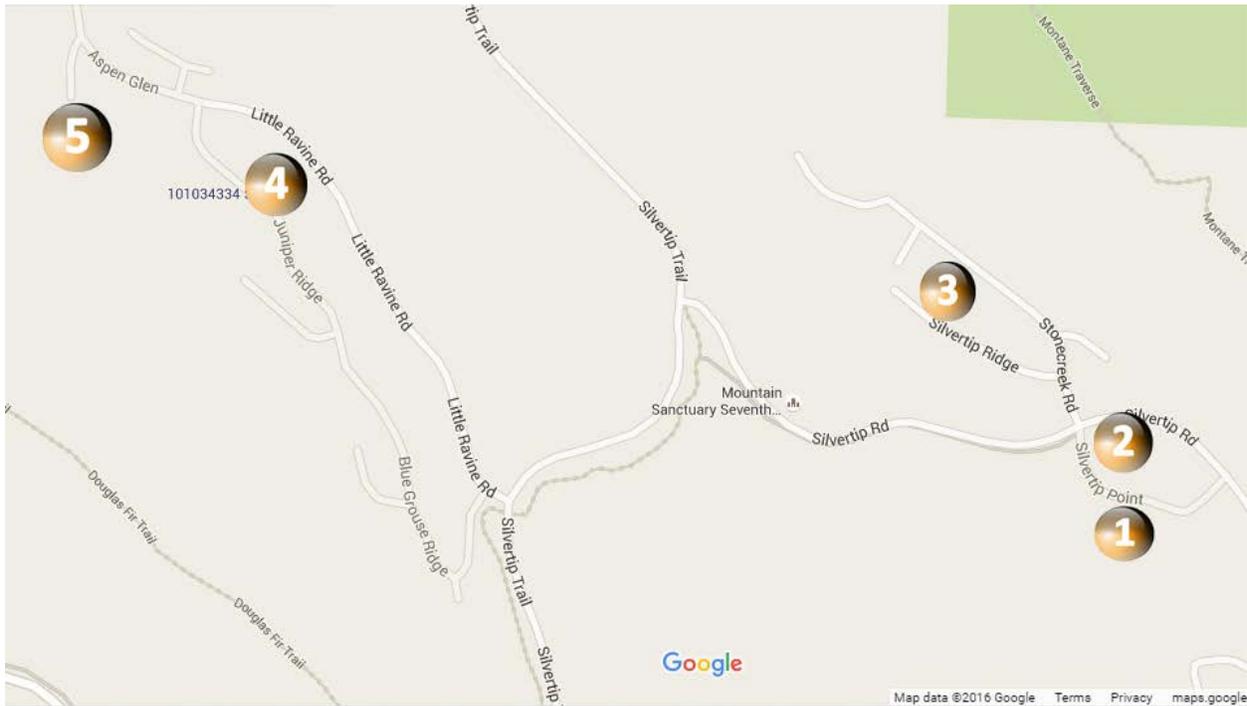
Beautiful mountain views await in this 3 Bedroom, 2 Bath Single Family home is ideally situated near a school in the highly desired community of Cougar Creek. Large windows ensure you'll enjoy lots of light throughout the home. A spacious lower level Family Room could be easily redeveloped to include a fourth bedroom and an oversized single car garage offers extra room for storage. New roof and updated kitchen appliances are just a few of the extras that will make owning this home worry-free. This GREAT value in a Single Family home deserves to be on your short list to view. Contact me today to arrange your private showing.

[Please click here for additional images of this lovely home.](#)

**Priced at \$715,000**



## This Month's Featured Open Houses



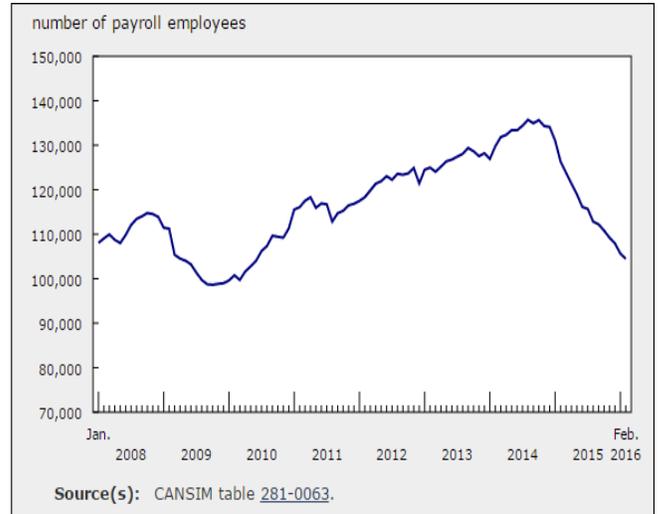
For the month of May I will, in association with Ted Sauermann, Regan Tewnton, Scott Stein and other Realtors from the Century 21 Nordic Realty, be conducting Open Houses in a number of our joint listings in the community of Silvertip. There truly is a wonderful home for anyone's budget with apartment style condos beginning in the mid-\$600K ranging up to 5000+ sq ft Single Family homes in the \$2.89M range. Come explore the quality of lifestyle this exclusive and prestigious neighbourhood offers. Whether you are looking for full-time residency or a mountain retreat there is world class golf just outside your door as well as restaurants, trails and close proximity to the Canmore townsite ensuring you the best of both urban and mountain living.

Open Houses will be done Friday, Saturday and Sunday as well as the Victoria Day Monday. For specific times and dates for each location please refer to my Blog (<http://www.ownthemountains.com/#!/blog/c1zve>) weekly for updates .

- |          |                       |          |                    |
|----------|-----------------------|----------|--------------------|
| <b>1</b> | 521 Silvertip Pointe  | <b>4</b> | 12 Juniper Ridge   |
| <b>2</b> | 500 Silvertip Pointe  | <b>5</b> | 203 – 3 Aspen Glen |
| <b>3</b> | 3-136 Silvertip Ridge |          |                    |

# Comparing Calgary & Canmore Markets (Part 2)

An interesting article appeared on the *Real Estate Professional* website last week that highlighted how much the Calgary market has fallen off. The article (<http://www.repmag.ca/news/sobering-stats-for-agents-in-one-flagging-market-206521.aspx>) is more of an industry member item than something for the general public but why I share it is that it gave some numbers from Statistic Canada which put meat on the bones as-it-were of how much the oil & gas industry has been affected by the lower prices not just in numbers of jobs lost but also in the compensation that those remaining have had to accept. The payroll numbers reflect the average wages for the sector on an annualized basis. Easy to see where the downward pressure on the market is coming from – drop off in demand due to lower affordability. Add in developments coming on-stream that were begun before the price drop and you have a classic case of Supply > Demand -> lower prices. The good news is that that the rest of the province continues to be fine.

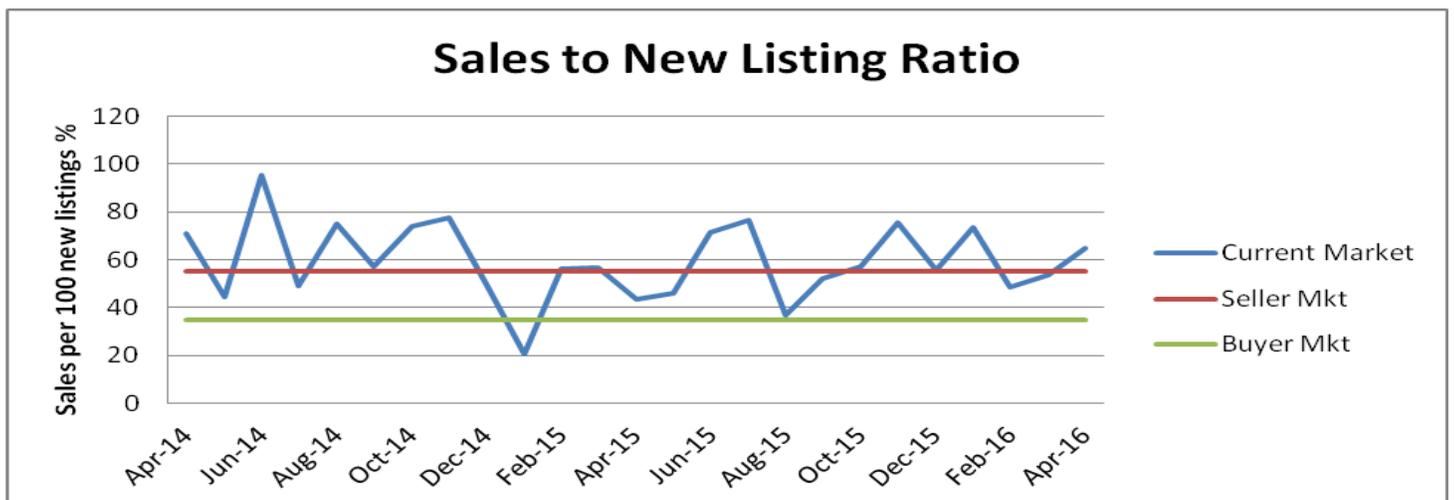


Payroll, Employment in Mining, Quarrying, and Oil & Gas Extraction – Alberta :

February 2008 :	\$109,057
February 2009 :	\$111,245
February 2010 :	\$100,755
February 2011 :	\$116,077
February 2012 :	\$118,323
February 2013 :	\$124,980
February 2014 :	\$129,776
February 2015 :	\$126,336
February 2016 :	\$104,472

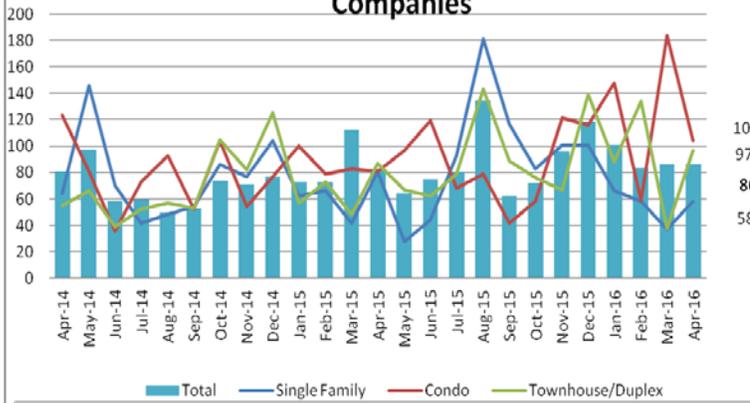
In Canmore the contrast is that there is a relative LACK of Supply with relatively little new construction coupled with increasing demand which is leading to a Seller’s Market. From the graph below you can see that the Sales to New Listing Ratio shows a trend into a Seller’s Market. Last month’s ratio number was 65 up from 54 and 49 the previous two months.

This ratio is used to depict the relative health of a given market. A ratio below 35% indicates a “Buyer’s Market”. Between 35 % and 55% is considered a “Balanced Market” while above 55% is considered the “Seller’s Market”. Characteristics of a Seller’s Market include high demand relative to supply of inventory, prices trending upwards, Days on Market trending downwards and an increase in number of multiple and competing Offers on a property. If you look at the Statistics on page 6 you will see that DOM is trending downward, prices generally stable but slight uptick, but the NUMBER of sales has jumped dramatically with 44 sales last month vs. 26 in April 2015. The rise in total active listings over the last few months was due largely to increase in the Condo segment with the other segments showing slight decline in the number of listings available.

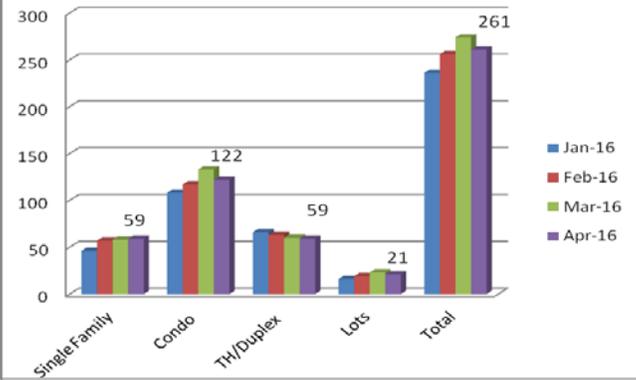


# Current Market Conditions

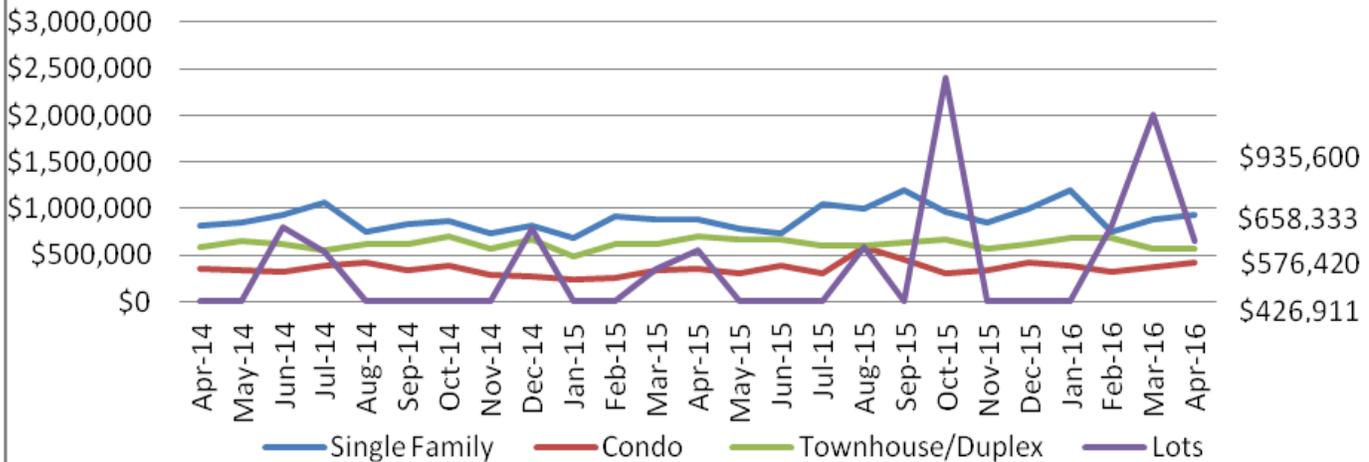
## Average Days On Market Units Sold By All Companies



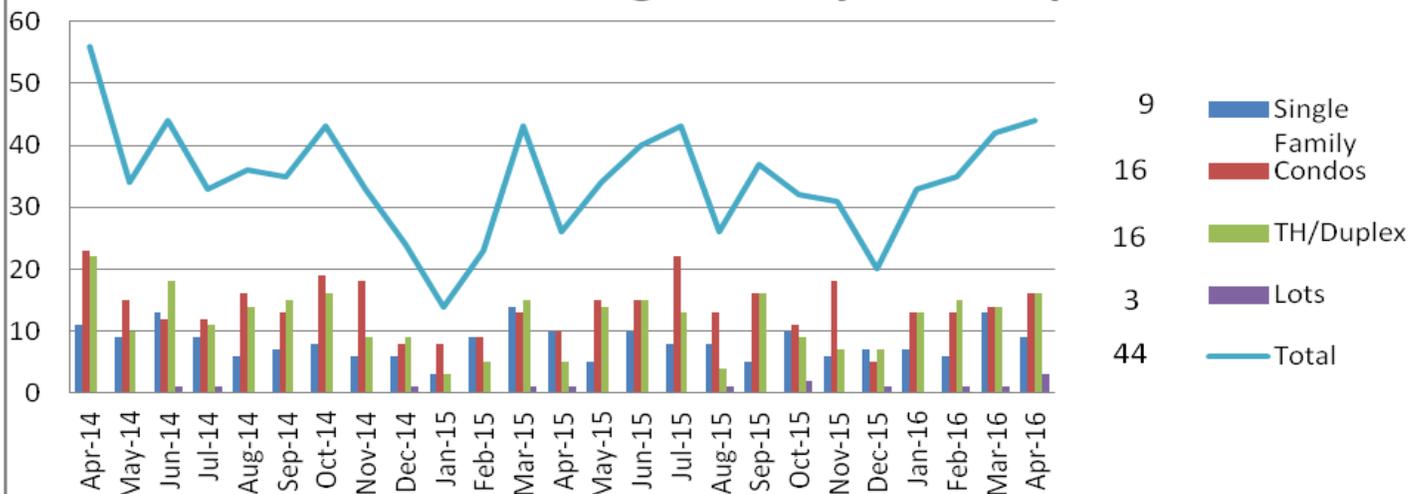
## Number of Active Listings by All Companies



## Average Selling Price of Listings Sold by All Companies



## Number of Listings Sold By All Companies



[rob@ownthemountains.com](mailto:rob@ownthemountains.com)

(403) 678-7568 - Cell  
 (403) 678-4202 - Office  
 (866) 265-2908 - Fax

Century 21 Nordic Realty  
 Suite 3, 702 Main (8<sup>th</sup>) St.  
 Canmore, AB T1W 2B6

Personal Office:  
 104-512 Bow Valley Trail  
 Canmore, AB T1W 1N9