

5,000 Calgarians in \$1M home club Boom drives number up 500% from '04

Tony Seskus and Colette Derworiz

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Not long ago, owning a million-dollar home in Calgary made you part of the city's elite, and likely came with a Mercedes-Benz, country club membership and winters in Tuscany -- the one in northern Italy, not the northwest suburbs.

But as the city's petro-fuelled economy pumps up property values, thousands of Calgarians are crashing the seven-figure society, with homes ranging from tiny bungalows to inner-city estates.

Welcome to Calgary, home of the housing millionaires.

According to city figures released Tuesday, there are now 4,971 homes worth at least \$1 million in Calgary -- nearly five times as many as there were just two years ago.

In fact, there are now more million-dollar homes in Calgary than there are people in the bustling town of Blackfalds, in central Alberta.

"I remember when a million dollars used to mean something," said Christina Haggerty, a real estate agent who sells luxury homes and owns two residences carrying seven-figure values. "One million, maybe, buys you a lot now."

While such big bucks once meant a "dream" location in ritzy enclaves like Mount Royal or Elbow Park, there are now homes worth more than \$1 million in Calgary's booming suburbs and tony neighbourhoods like Marda Loop.

Take one bungalow in Crescent Heights. Built in 1933, the 1,037-square-foot home was average for the era, with two bedrooms and one bathroom. It's charming, but hardly spectacular. Blessed with an unobstructed view of the city's skyline, though, the home is listed for sale at a whopping \$1.2 million.

"The real value is the lot," says the Internet listing.

For civic officials, Calgary's growing village of million-dollar homes is good news. Compared to the 2007 figures, the new assessment reveals there were 829 homes worth more than a million in 2005 and 1,657 in 2006.

Calgary highest assessment? A staggering \$21 million.



CREDIT: Leah Hennel, Calgary Herald

Calgary realtor Christina Haggerty, at one of her two homes valued at seven figures, says \$1 million, "maybe, buys you a lot now."

The most expensive property found for sale on the Multiple Listing Service is a \$12-million bungalow on an acre of land in exclusive Bel-Aire.

"We have an extremely healthy economy," said Stuart Dalglish, deputy city assessor.

"That tells us they have a lot of faith in the future of Calgary and they have made that investment in the future."

Ald. Madeleine King, who represents homeowners in Elbow Park and Mount Royal, said it speaks to the city's economic success.

There are several factors feeding Calgary's rising property values, including population growth, housing demand and rising wages.

But it's not all good news, economists caution, with rising home values sometimes a deterrent to potential residents. As well, soaring real estate doesn't necessarily mean more Calgarians are living high on the hog.

"No -- unless we were all to pick up and move to Regina," said Todd Hirsch, chief economist for the Canada West Foundation think-tank.

In that respect, it's like a lottery ticket where the only way to cash in is to move out.

"The houses are worth more," Hirsch said. "But unless you are moving to a city where the real estate is lower value, you're not any better off."

The economist said he'll be watching to see whether rising property values generate a further wealth effect, with "another jump up in consumer spending, and maybe consumers borrowing against their biggest asset, which is their house."

tseskus@theherald.canwest.com

cderworiz@theherald.canwest.com

Alberta Boom Drives Home Values Skyward

2004 829 homes

2005 1,657 homes

2006 4,971 homes

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