

Pictures paint 1,000 words for buyer's confidence.
Calgary real estate values are supported by the data.

Calgary continues to grow and the graphs show the expected employment growth forecasted by CMHC. A significant part of that growth is from In-Migration, or people from other parts of Canada relocating to Calgary to take part in that employment growth.

Toronto, Vancouver, and Calgary are the top 3 cities chosen by new immigrants when locating to Canada. Part of the housing boom in 2007 was due to high employment growth and new immigrants coming to Calgary in 2006 and 2007. This is expected to continue in 2010 due to relatively high wages compared to the rest of Canada.

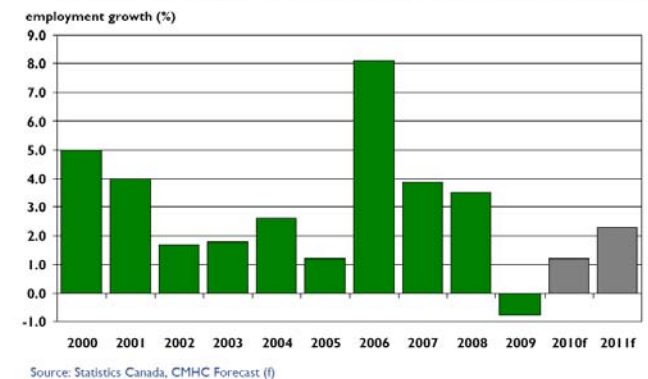
As the Canadian and world economies recover from the worst recession in 71 years, Calgary weekly earnings continue to grow. The growth is slower than in the boom but they are growing.

Employment in Calgary is stronger than in other parts of Canada; it is the #2 corporate head office location after Toronto due to favorable tax structure for high earning executives and management. It is also Western Canada's head office centre and Canada's most concentrated headquarter location. [\(Link to head office data sheet\)](#)
The above data supports Calgary's growth and sustainment in real estate pricing and continued demand as the emerging markets of China and India continue to demand more energy from Alberta.

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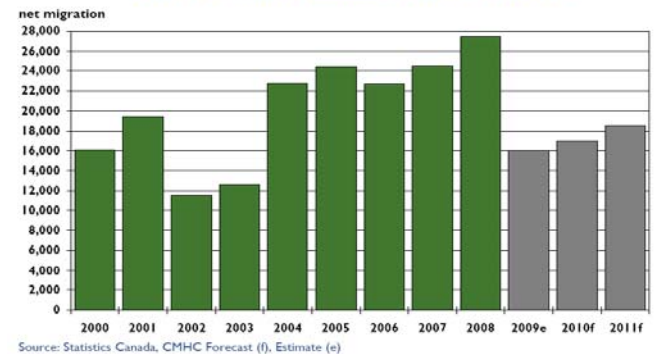
Calgary CMA - Employment Growth

Employment growth expected to rebound in 2010 and 2011



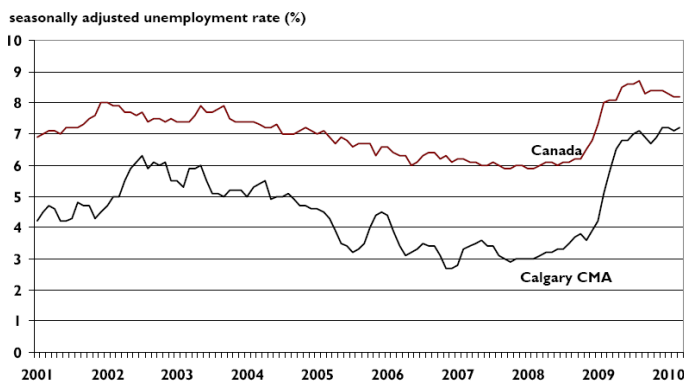
Calgary CMA - Migration

Net migration expected to improve in 2010



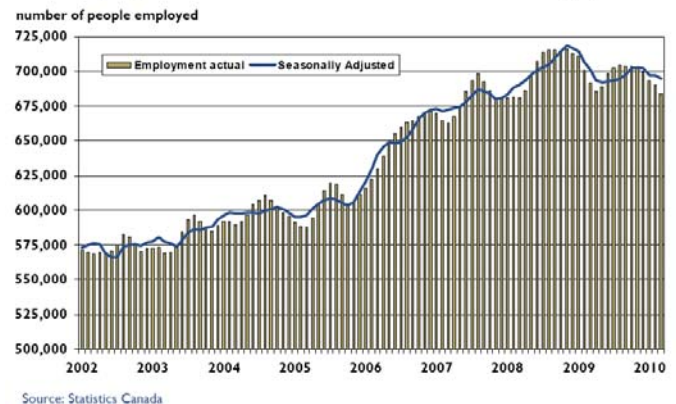
Unemployment Rates

Calgary labour market relatively stronger than most of Canada



Calgary CMA - Employment

Employment levels moderated in the second half of 2009



Call for advice, a pre-approval or rate hold.

Cheaper to Buy than Rent a Condo

Average rents have stabilized at about \$1,100 / month and are expected to stay constant as the steady demand from migration to Calgary for better jobs fills the supply of existing rentals.

Rental vacancy is expected to decline due to migration and continued demand from the energy sector keeping rents constant.

The Numbers: A condo purchase of \$265,000 with 5% down gives a mortgage payment of about \$1,160 a month + \$125 property tax and \$250 condo fees = \$1,530/month total. You will have ownership, build equity and can stop paying your landlords mortgage.

Carrying costs have decreased about 25% for both condos and homes because home prices have declined from their peak and mortgage rates remain low.

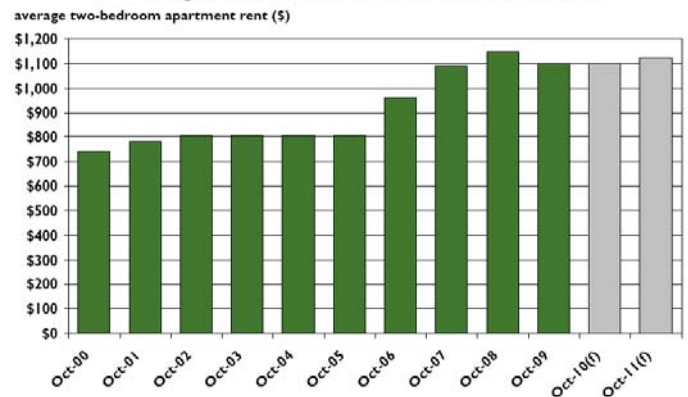
Single detached pricing in Calgary is still down and Calgary is the only Canadian major metropolitan area where house prices remain below their peak level, according to Teranet-National Bank. The report measures prices of all dwellings sold at least twice and said Calgary is still 10 % down from its peak in August 2007. Nationally, the index, which measures prices in Calgary, Halifax, Montreal, Ottawa, Toronto and Vancouver, noted prices were up 9.9 per cent from a year earlier.

Today's mortgage rates are the at the tail end of emergency rates required to recover from the recession and should slowly increase from 4.5% today, back to the long term average of 6% as the economy recovers; new buyers have not "missed the boat."

Overall ... the Calgary economy is strong with in-migration for jobs which fuels demand for rentals and new homes. Calgary is the last major Canadian city with home prices still below their peak, mortgage rates are still low – only 0.75% higher than their all time, 71-year lows. This leads to a forecast of continuing, steady housing demand causing increasing rents and home prices.

Calgary CMA - Average Apartment Rent

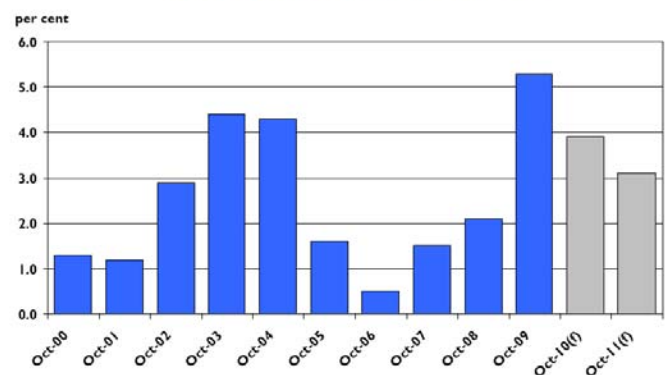
Heightened vacancies inhibit rent increases



Source: CMHC, CMHC Forecast (f)

Calgary CMA - Apartment Vacancy Rate

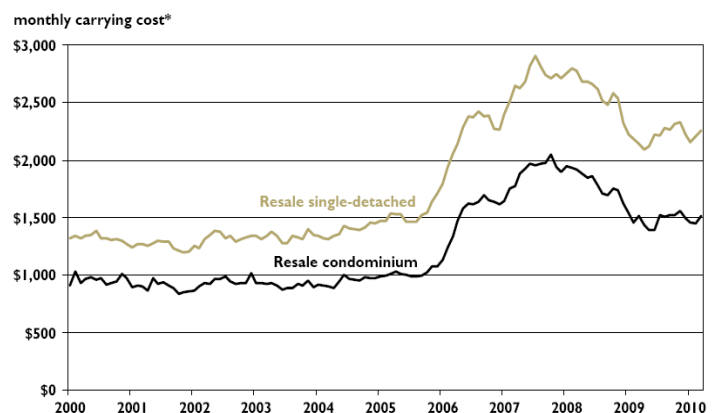
Vacancy rate to move lower in 2010



Source: CMHC, CMHC Forecast (f)

Calgary CMA - Monthly Carrying Costs

Affordability improvements supporting sales



* assumption: 10% down payment, average 5-year fixed mortgage rates, average resale price

Source: CREB, Bank of Canada, CMHC

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Canada's economy grew at an annualized rate of 6.1% in the first quarter, the largest quarterly increase in more than a decade. The strong numbers for Canada's GDP surpassed even the most rosy of estimates from economists. Canada's economy grew at a rate that doubled the United States' first quarter rate of 3.0 per cent.

All that said and done, the Bank of Canada increased Prime on June 1 from 2.25% to 2.50% and Canada is the first of any G8 country to increase rates due to our strong recovery and most stable banking sector. Fixed rates were 3.69% at their all time lows in March and are now 4.39% - only a 0.75% increase.

Scotiabank economists wrote that, "this is the strongest growth pace witnessed since 1999 and it is the latest evidence of how the Canadian economy and Canadian markets are outperforming much of the rest of the industrialized world."

Raw Alberta Data

Unemployment rate for Alberta forecasted 7.7%

Edmonton 2009, is 6.6% & Calgary is 6.5%

Alberta population growth is forecasted at 1.9% in 2010

More moderate growth pace due to interprovincial in-migration and lower birth rates

Increase in GDP for Alberta of 3%

Nearly a 34% increase from 2004 to 2009 (\$130B to \$174B)

Calgary's GDP forecast growth at 3% and Edmonton at 3.2%

Canadian Dollar

Recovering economy and a rise in commodity prices, expect the dollar to stay at parity

Rising Mortgage Rates

Mortgage rates were at historic lows and are now rising

May 2008 5 yr = 7.25%, April 2009 5 yr = 5.25%, June 2010 5 yr = 4.39%

Expectation fixed mortgage rates will continue to rise to just over 6% by end of 2010.

The Mortgages are Marvellous Advantage

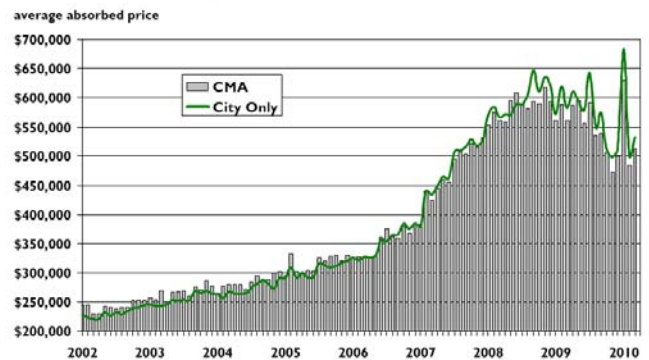
- We love 1st time home buyers and have the expert skills needed for divorces & investors with portfolios.
- 2 ex-bank loan officers with \$20 Billion in mortgages underwritten are on staff – unique to the industry!
- Opened in 1997 and our core team has more than 65 years residential mortgage experience.
- 0-down payment options are still here! And the banks pay us, so there are usually no fees to you to use us.

Call for advice, a pre-approval or rate hold.

Mark Herman; AMP, B. Comm., CAM, MBA ♦ Accredited Mortgage Professional ♦
One of the Top-10 Brokers at Canada's Largest Independent Mortgage Brokerage for '07 and '08
Mortgage Alliance ♦ Mobile: 403-681-4376 ♦ Secure e-Fax: 1-866-823-1279

Calgary CMA - Single-detached Price

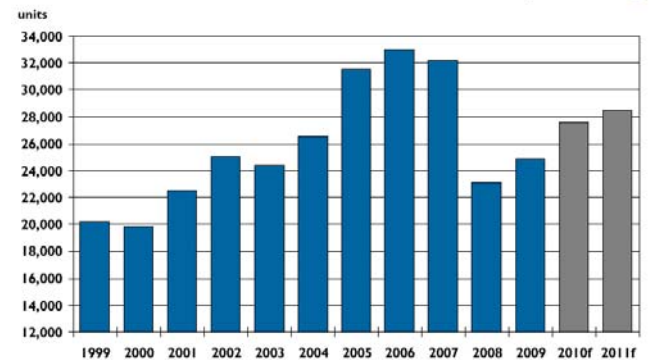
Absorbed price reached \$512,373 in March 2010



Source: CMHC

Calgary CMA - MLS® Sales

Annual sales to increase in 2010, in line with 10-year average



Source: CREB, CMHC Forecast (f)