SOPHISTICATED SOLUTIONS INC.

OWNER'S GUIDE
NO. 02

IS A CUSTOM HOME THE RIGHT MOVE RIGHT NOW?

A decision framework for Calgary, mid-2026: build custom, renovate what you have, or buy resale — with the current market numbers, not wishful ones.

APPLIES TO	PREPARED	SERIES	COMPANION
Calgary, Alberta	July 2026	Owner's Guides · 2 of 5	Guide No. 01 — Planning

01 THE MARKET YOU ARE ACTUALLY DECIDING IN

JUNE–JULY 2026 DATA

Calgary is moving out of three seller's-market years into balanced territory — but not evenly. The segment you would sell, and the segment you would build, are behaving differently, and that changes the math.

$750,500 DETACHED BENCHMARK, JUNE 2026 — ROUGHLY FLAT, 2.5 MONTHS OF SUPPLY[1]	**2.25%** BANK OF CANADA POLICY RATE — HELD SINCE OCTOBER 2025[2]	**~4.45%** INSTITUTIONAL CONSTRUCTION FINANCING STARTS NEAR THIS; PRIVATE LENDERS FAR HIGHER[3]	**12–24 mo** TOTAL CUSTOM-BUILD TIMELINE — THE CARRYING-COST WINDOW[4]

ONE CITY, FOUR MARKETS

Detached homes (what most custom-build owners are leaving or buying) remain tight at 2.5 months of supply. Apartments are a buyer's market, down ~9% year-over-year. If your plan involves selling one segment to fund another, price both sides with June 2026 data — not with what your neighbour got in 2024.[1,5]

ZONING CAUTION BEFORE BUYING A TEARDOWN LOT

Calgary's citywide rezoning is repealed effective August 4, 2026, and a July 21 hearing decides transition rules. A lot bought for its spring-2026 zoning may allow something different by fall. Verify the address on the City's rezoning map before waiving conditions.[6]

02 SIGNALS — READ BOTH COLUMNS

POINTS TOWARD A CUSTOM BUILD

- → The current home's structure or layout cannot be fixed by renovating — confirmed by a structural assessment, not a feeling
- → You hold (or can get) a site you intend to keep for 10+ years
- → Your budget survives the full stack: land + hard costs + soft costs + GST + contingency + carrying costs
- → You can absorb a 12–24 month process and the decision load that comes with it
- → You need something the resale market genuinely does not offer — e.g. multigenerational layout with a legal suite

POINTS TOWARD A SIMPLER PATH

- → The complaints are cosmetic — finishes, fixtures, paint — not structural or spatial
- → The lot itself limits what a rebuild could achieve (zoning, size, orientation)
- → The budget fits a renovation range, not a rebuild range (see page 3)
- → You need to move within ~a year — new builds take longer than almost everyone expects
- → Detached resale at $750K benchmark already covers your actual needs[1]

RENOVATE VS. REBUILD IS A FOUNDATION QUESTION FIRST, A MONEY QUESTION SECOND

Get the structural and foundation assessment **before** setting a renovation budget. When underpinning (structurally lowering or reinforcing the foundation) or other structural remediation enters a renovation, its cost can climb toward rebuild territory — discovering that mid-project is the expensive version of this paragraph. We have found no fixed "50% rule" in Alberta code; in practice upgrades are assessed case-by-case, so get a code-compliance read from your designer or a City safety codes officer instead of budgeting around a rumoured threshold.[7]

THE QUESTION ALMOST NOBODY ASKS EARLY ENOUGH

Who is the decision-maker during construction? A custom build generates hundreds of decisions on a clock. Couples who agree on this up front (and on what happens when they disagree) report the process very differently from those who don't. Write the name down on page 4 — seriously.

03 THE THREE PATHS, PRICED WITH CURRENT NUMBERS

PATH	WHAT THE MONEY LOOKS LIKE (CALGARY, 2026)	WHAT PEOPLE FORGET
Major renovation	Full gut renovation benchmark: roughly **$200/sq ft ±$50** (one Calgary builder's published benchmark). Whole-home remodels commonly land **$200,000–350,000+**[8]	Living through it or renting during it; surprises behind walls — structural findings can push the total toward rebuild cost[7]
Custom build	Hard costs roughly **$300/sq ft ±$50** for comparable scope (same source), tiers up to $500+; plus land, soft costs ($30–80K), GST, contingency — see Guide No. 01's worksheet[8,9]	Carrying two residences for 12–24 months; GST relief is thin — the standard rebate ends at $450K home value, and the first-time-buyer rebate excludes most rebuilders[10]
Buy resale	Detached benchmark **$750,500** (June 2026). Alberta has no land transfer tax — title and mortgage registration are modest fees ($50 base + $5 per $5,000 each)[1,11]	You inherit someone else's compromises — and renovation of those compromises belongs in the comparison too

CARRYING COSTS ARE A REAL THIRD LINE, NOT A ROUNDING ERROR

Over a 12–24 month build you carry rent or a mortgage **plus** construction financing. Reference points: average two-bedroom rent in Calgary runs roughly **$1,850–2,200/month** depending on neighbourhood and source; construction loans charge interest only on funds actually drawn (typically 3–5 milestone draws, up to ~75% of completed value). Two years of double housing is commonly a five-figure line — write it into the worksheet, then decide.[3,12]

FINANCING NOTE, JULY 2026

Institutional construction money is near multi-year lows (policy rate 2.25%, held five consecutive announcements; next decision July 15, 2026). The gap to private construction lending is enormous — five figures of interest on a typical build. If your file only qualifies privately, that is usually a signal to strengthen the application, not to accept the rate.[2,3]

General information, not financial advice or a quote. Market figures change — verify current data. Current as of July 12, 2026.

04 THE FAMILY WORKSHEET

WRITE, DON'T DISCUSS FROM MEMORY

- [ ] What does this home need to do for us in 10 years — not just today?
- [ ] What can't we accept? (The non-negotiable, in one sentence.)
- [ ] Which do we trade first when forced: budget, timeline, or scope?
- [ ] Who is the decision-maker during construction — and what happens when we disagree?
- [ ] Our real budget range — the one we can sleep at, not the ideal number.
- [ ] Can we absorb 12–24 months of process, including double housing costs?

READING YOUR ANSWERS

If the 10-year answer describes space and structure your current home cannot become, and the budget line survives page 3 — a custom build is worth pricing seriously (Guide No. 01 is the next step). If the answers cluster around finishes, light, and tiredness of the old kitchen — price a renovation first. Either answer is a good outcome: the expensive mistake is not choosing wrong, it is committing before answering.

WANT A SECOND OPINION ON THE DECISION ITSELF?

Bring this worksheet. We'll walk your specific numbers — the house you have, the lot you're eyeing, what each path realistically costs in today's Calgary — and tell you plainly which one we'd choose in your position. Including when the answer is "don't build, renovate" or "just buy."

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SOURCES — CURRENT AS OF JULY 12, 2026

1 CREB — June 2026 statistics (detached benchmark $750,500; 2.5 months supply)

2 Bank of Canada — policy rate 2.25%, held since Oct 2025; next announcement July 15, 2026

3 Alberta construction-mortgage market guidance (institutional vs private; draw mechanics)

4 Western Canada custom-build timeline guides (12–24 months total)

5 CREB — 2026 forecast (transition to balanced market); apartment segment data

6 calgary.ca — repeal of citywide rezoning; July 21, 2026 hearing

7 Alberta existing-buildings practice — alterations assessed case-by-case; structural assessment guidance

8 Calgary builder published benchmarks — gut renovation ~$200/sq ft ±50 vs new ~$300/sq ft ±50; remodel ranges

9 Calgary/Alberta builder cost guides 2025–2026 (tiers to $500+/sq ft)

10 CRA — GST/HST new housing rebate ($450K threshold); FTHB GST rebate (Mar 20, 2025+, Bill C-4)

11 Alberta Land Titles — registration fee formula ($50 + $5 per $5,000)

12 CMHC / market rent surveys — Calgary 2-bedroom range, 2026