



**economic analysis** *report*

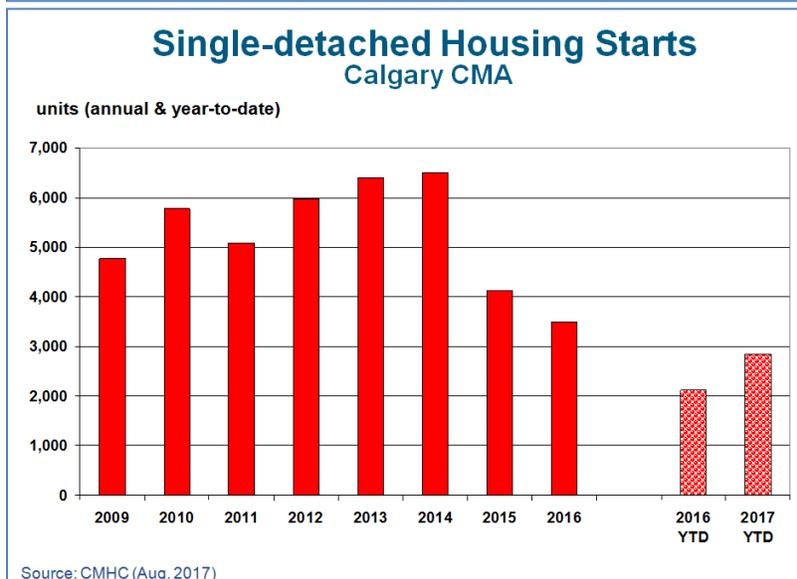
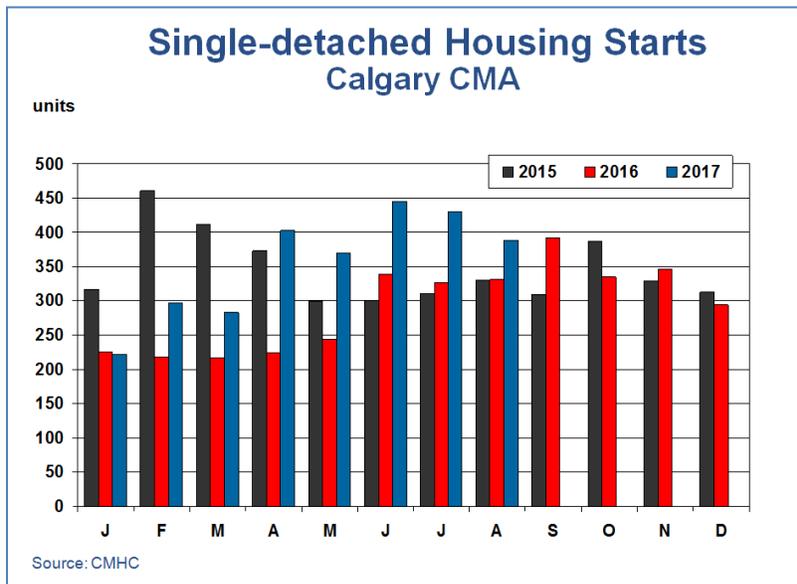
**SEPTEMBER 2017**

**CALGARY MARKET UPDATE**

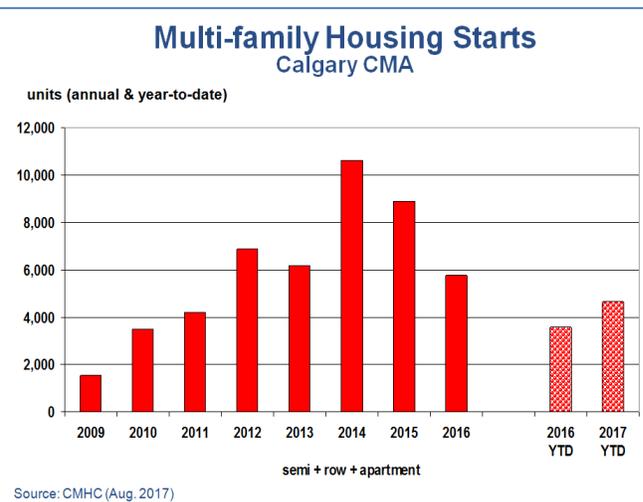
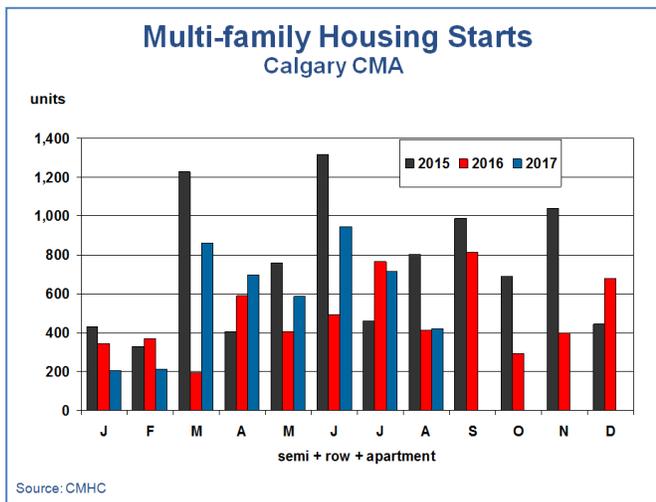
**HOUSING STARTS**

Total housing starts in the Calgary Census Metropolitan Area (CMA) increased in August by 9% from year-ago levels to 809 units. After eight months this year, housing starts in Greater Calgary have increased by 31.4% from January to August 2016 to 7,480 units.

Single-detached: Single-detached starts in the Calgary region increased in August by 17.2% year-over-year to 388 units. So far this year, single-family starts in Metro Calgary have increased by one-third over the first eight months of 2016 to 2,834 units.

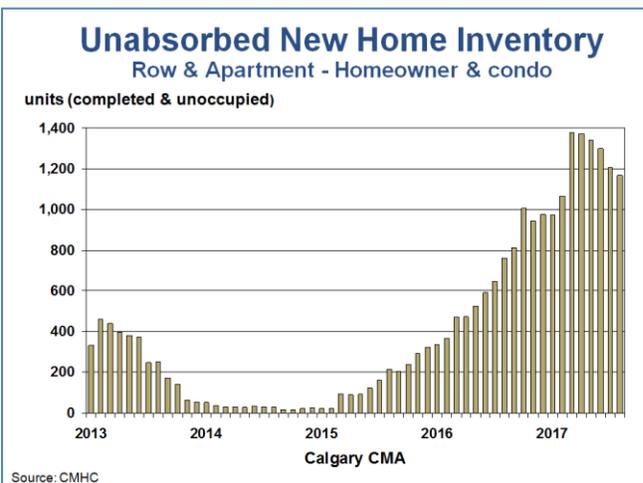
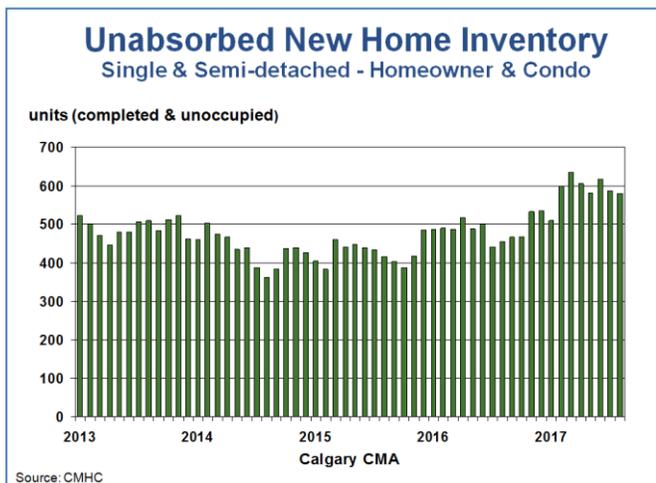


**Multi-family (semi, row & apartment):** Multi-family starts in the Calgary area increased in August by 2.4% from a year prior to 421 units. Increased semi-detached and row activity offset lower apartment numbers. For the year-to-date, multiple dwelling starts have increased 30.2% from the same time in 2016 to 4,646 units.



**NEW HOME INVENTORY**

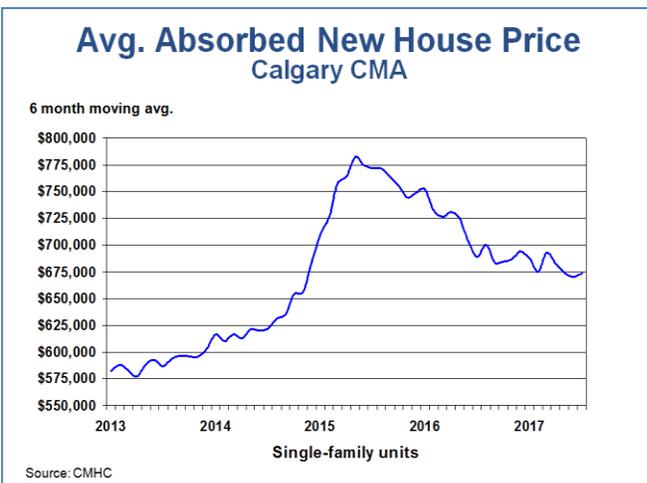
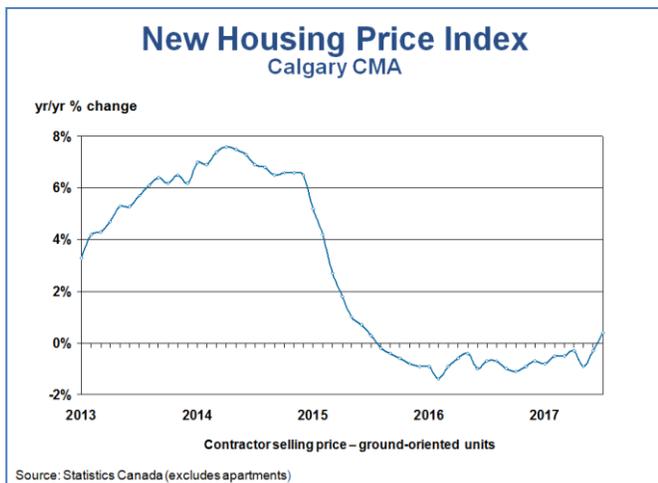
The CMHC reported 579 completed and unoccupied single and semi-detached dwellings (including show homes) within the Calgary CMA in August, down from 587 in the preceding month but up from 455 units a year ago. Unabsorbed new townhomes and apartments amounted to 1,169 units in August, down from 1,230 units in the previous month but above the 764 units tallied in August 2016.



**NEW HOUSE PRICES**

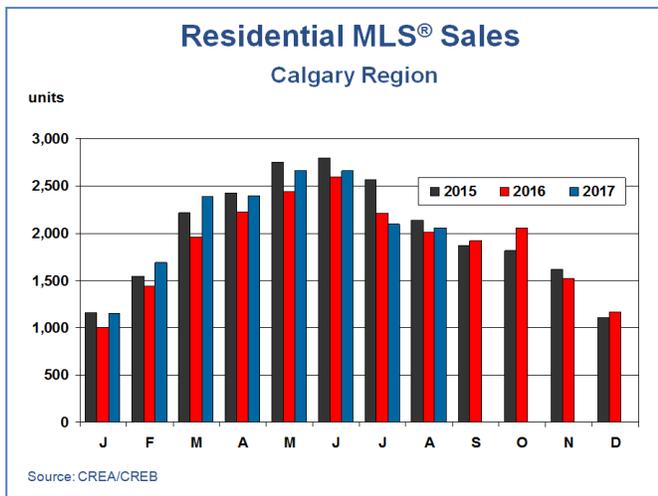
Statistics Canada's new housing price index (NHPI) for Calgary CMA increased in July by 0.4% from a year prior. This was the first year-over-year gain since July 2015. After seven months this year, the index of contractor selling prices for ground-oriented units was down on average by 0.4% from January to July 2016.

The average absorbed new single-detached unit price for the Calgary CMA decreased in July by 5.7% year-over-year to \$624,662. The market share for units priced under \$650,000 was up from July 2016. After seven months this year, the average single-family house price according to CMHC was down by 6.4% from the same time in 2016 to \$670,283.



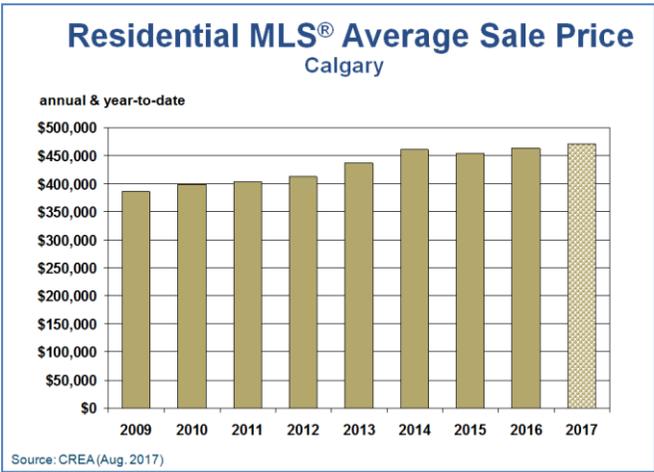
### RESIDENTIAL (MLS) SALES

Residential sales in the Calgary MLS region increased in August by 2.5% from a year earlier to 2,059 units. CREB noted that a rise in new listings kept inventory levels elevated in August. For the year-to-date, home sales by realtors have increased by over 7.7% from January to August 2016 to 17,083 units.



### RESIDENTIAL (MLS) SALE PRICES

The average residential MLS sale price in the Calgary area increased in August by 1% year-over-year to \$461,083. According to CREB, higher inventories relative to sales are holding back price growth. So far this year, the average sale price for homes sold on the MLS has increased 2% the first eight months of 2016 to \$471,305.



MARKET SUMMARY	Current Month: August			YTD: August		
Calgary CMA	2017	2016	% ch	2017	2016	% ch
Single-family starts	388	331	17.2%	2,834	2,124	33.4%
Multi-family starts	421	411	2.4%	4,646	3,569	30.2%
Total housing starts	809	742	9.0%	7,480	5,693	31.4%
Calgary REB (MLS)						
Residential sales	2,059	2,009	2.5%	17,083	15,856	7.7%
Residential avg. price	\$461,083	\$456,663	1.0%	\$471,305	\$462,083	2.0%
Source: CMHC/CREA						

### Notes to Readers

These monthly market updates are available for the province of Alberta and its seven major cities. The charts are also available in PowerPoint and Excel formats upon request.

CMHC's count of unsold new home inventory defines an unabsorbed unit as a new home that has finished construction and is available for sale. Show homes are typically counted as part of the unabsorbed inventory.

Statistics Canada's NHPI covers contractor selling prices for single/semi-detached and townhouse units combined whereas the CMHC's average absorbed new house price is for single-family units only. The CMHC value includes GST and the agreed selling price may have occurred prior to construction.

CREA cautions that average price information can be useful in establishing trends over time, but does not indicate actual prices in centres comprised of widely divergent neighborhoods or account for price differential between geographic areas. The monthly average price statistic can also be affected by changes in the mix of sales activity by dwelling type.

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