



economic analysis *report*

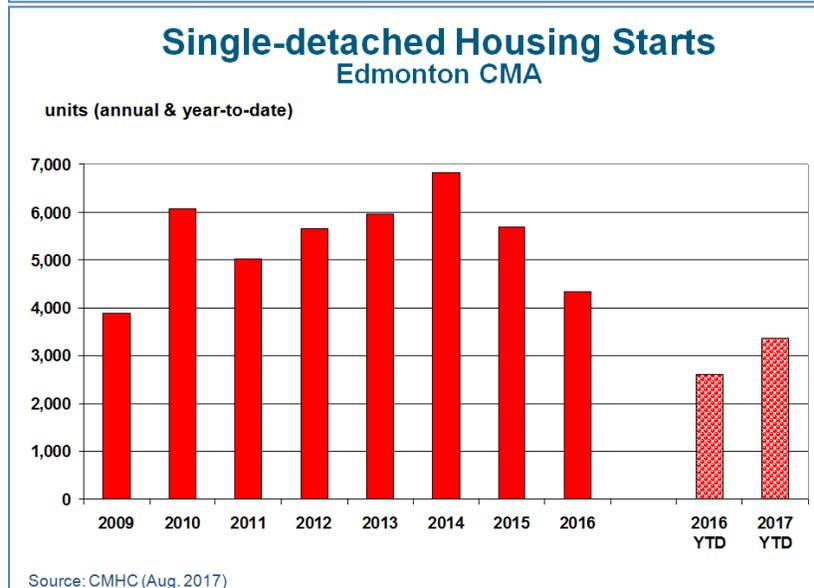
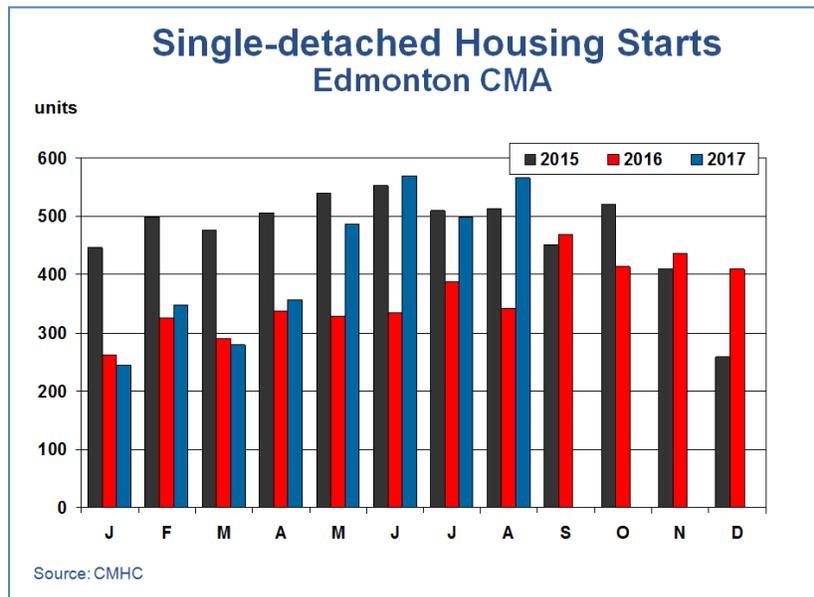
SEPTEMBER 2017

EDMONTON MARKET UPDATE

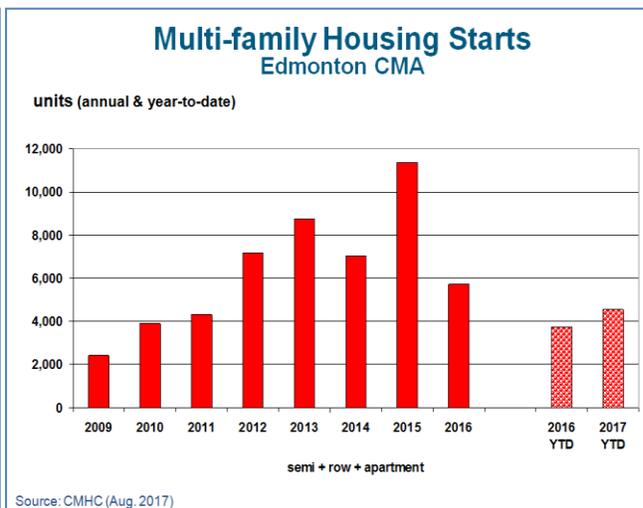
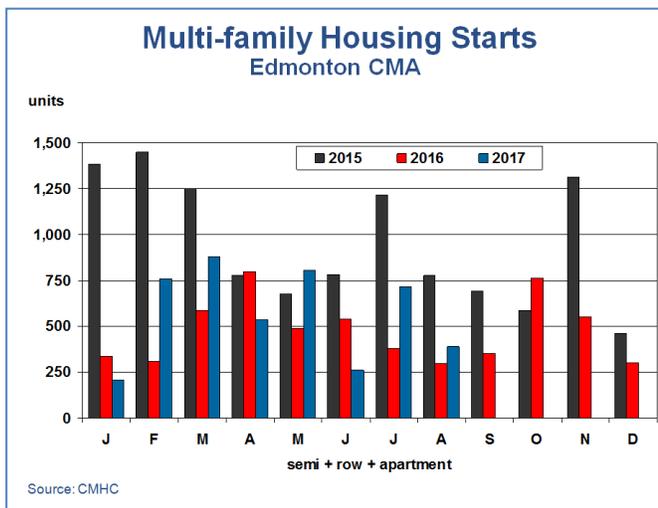
HOUSING STARTS

Total housing starts in the Edmonton Census Metropolitan Area (CMA) increased in August by one-half from a year earlier to 955 units. So far this year, total starts have increased by 24.6% from the first eight months of 2016 to 7,898 units.

Single-detached: Single-detached starts in Greater Edmonton increased in August by 65.5% year-over-year to 566 units. For the year-to-date, single-family starts have increased by 28.5% from January to August 2016 to 3,350 units.

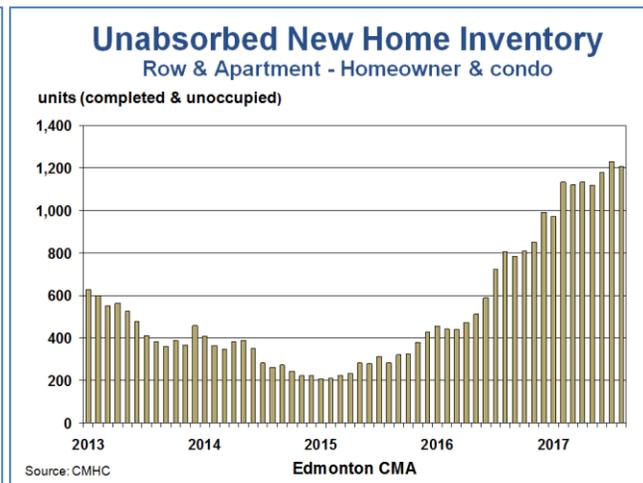
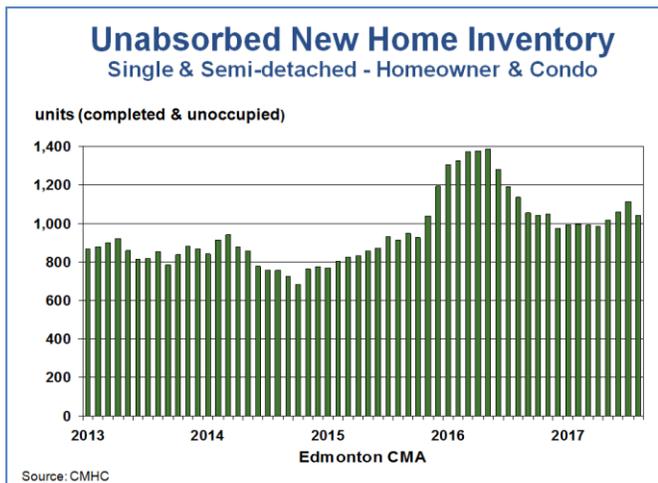


Multi-family (semi, row & apartment): Multi-family starts in the Edmonton region increased in August by 31.4% from year-ago levels to 389 units. Both semi-detached and row (townhouse) starts were above the levels reported in August 2016 while apartment activity was largely unchanged. After eight months this year, multi-family starts have increased by almost 22% from the same time last year to 4,548 units.



NEW HOME INVENTORY

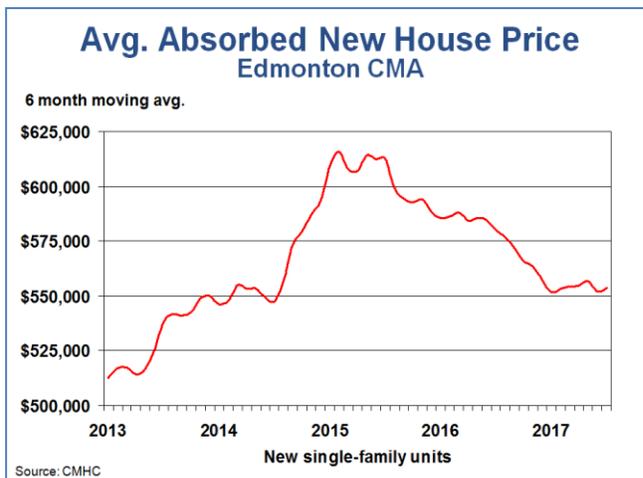
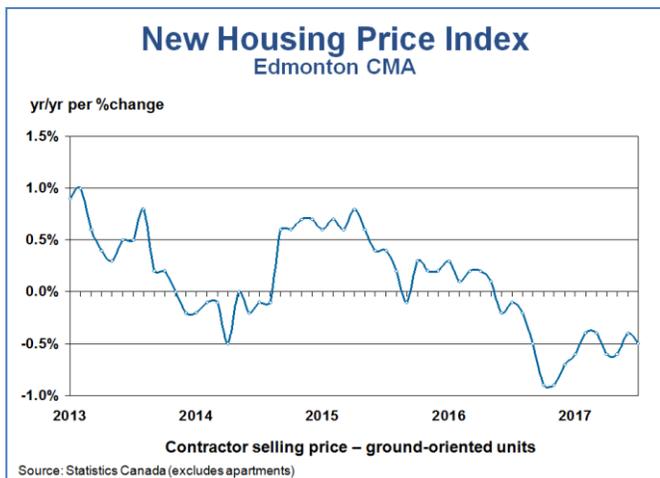
CMHC recorded 1,043 completed and unoccupied single and semi-detached dwellings (including show homes) in the Edmonton region in August, down from 1,110 units in July and 1,135 units a year prior. Unabsorbed new townhomes and apartments stood at 1,208 units in August, down from 1,230 in the previous month but up from 805 units in August 2016. While down month-over-month, total new home inventories in August were nonetheless 16% higher than a year ago.



NEW HOUSE PRICES

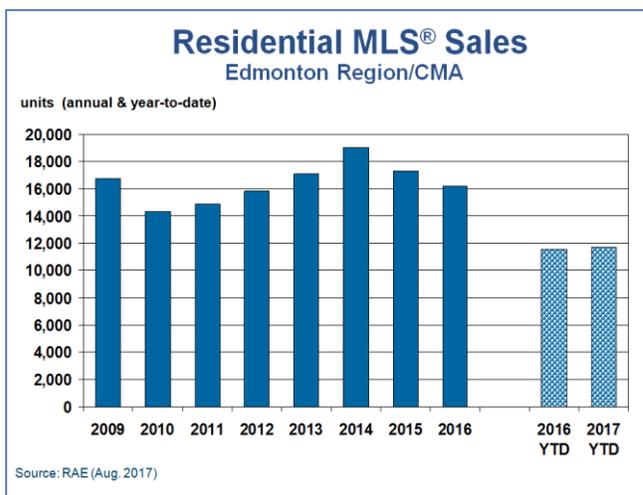
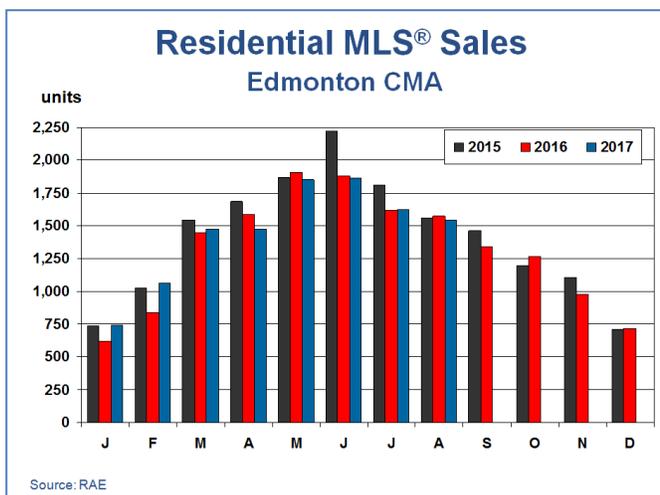
Statistics Canada's New Housing Price Index (NHPI) for Edmonton decreased in July by 0.5% from a year earlier. To the end of July this year, the index of contractor selling prices for ground-oriented units was down on average by 0.5% from January to July 2016.

The average single-family house price reported by CMHC for units absorbed in the Edmonton CMA decreased in July by 6% year-over-year to \$562,254. Units priced under \$600,000 captured a larger share of the sales compared with a year ago. After seven months, the average new single-family house price this year was down by 5% from January to July 2016 to \$554,989.



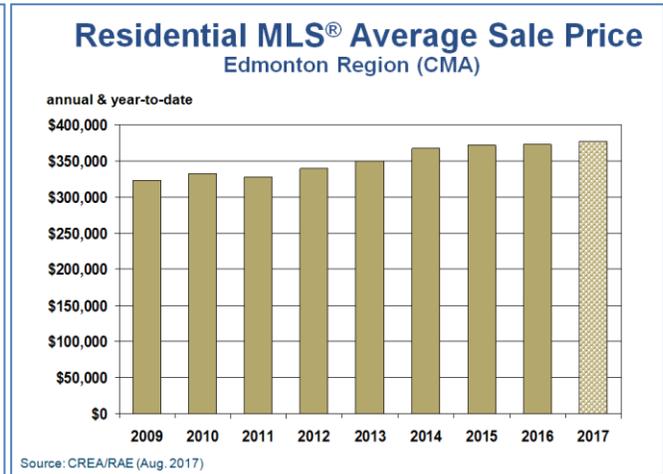
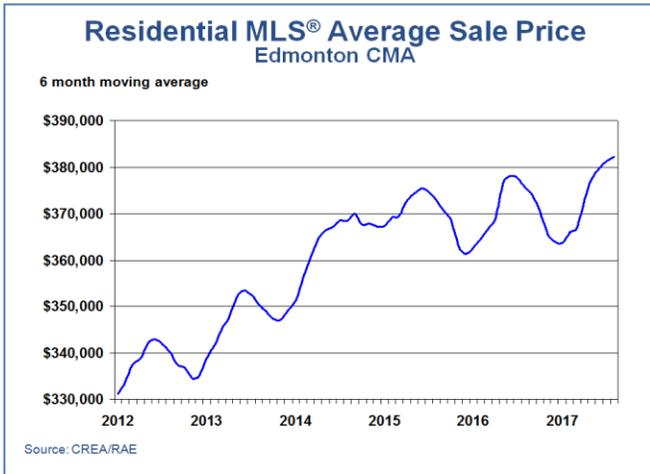
RESIDENTIAL (MLS) SALES

Residential sales in the Edmonton CMA, according to the Realtors Association of Edmonton (RAE), decreased in August by 2% year-over-year to 1,542 units. For the year-to-date, the number of homes sold by realtors (CMA) has increased by 1% from January to August 2016 to 11,701 units.



RESIDENTIAL SALE PRICES

The average residential MLS sale price in the Edmonton CMA edged upward in August by 0.8% from year-ago levels to \$373,438. Lower average prices for condominiums were offset by increases in other property types. So far this year, the average price (CMA) was slightly higher by 0.7% from the first eight months of 2016 to \$376,950.



MARKET SUMMARY	Current Month: August			YTD: August		
Edmonton CMA	2017	2016	% ch	2017	2016	% ch
Single-family starts	566	342	65.5%	3,350	2,608	28.5%
Multi-family starts	389	296	31.4%	4,548	3,732	21.9%
Total housing starts	955	638	49.7%	7,898	6,340	24.6%
Edmonton REB (MLS)*						
Residential sales	1,542	1,574	-2.0%	11,701	11,586	1.0%
Residential avg. price	\$373,438	\$370,562	0.8%	\$376,950	\$374,308	0.7%
Source: CMHC/CREA/RAE	* CMA only					

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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