



economic analysis *report*

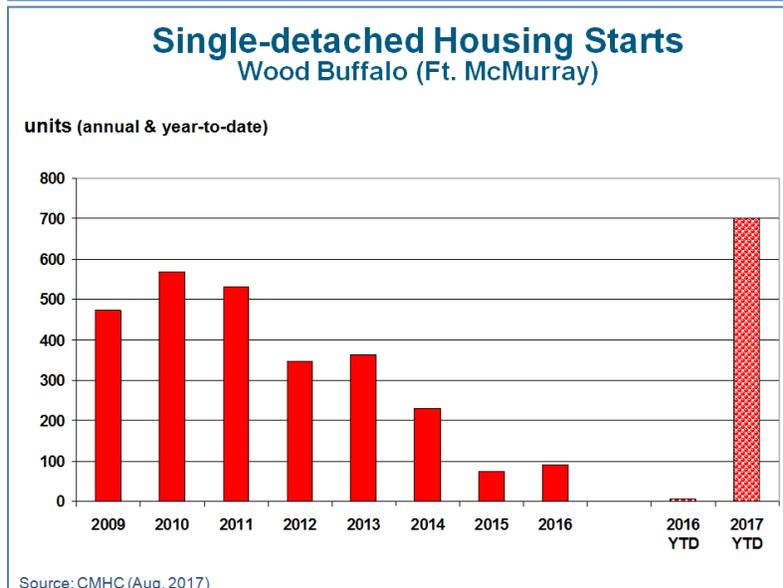
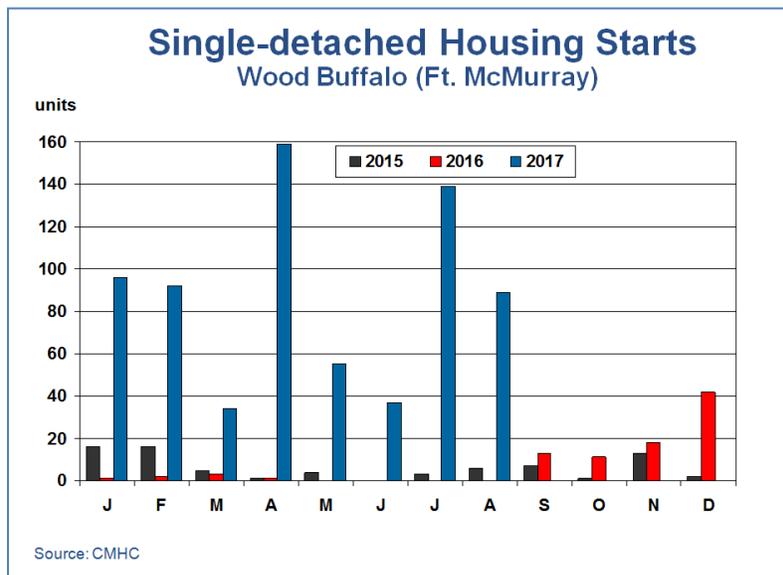
SEPTEMBER 2017

WOOD BUFFALO MARKET UPDATE

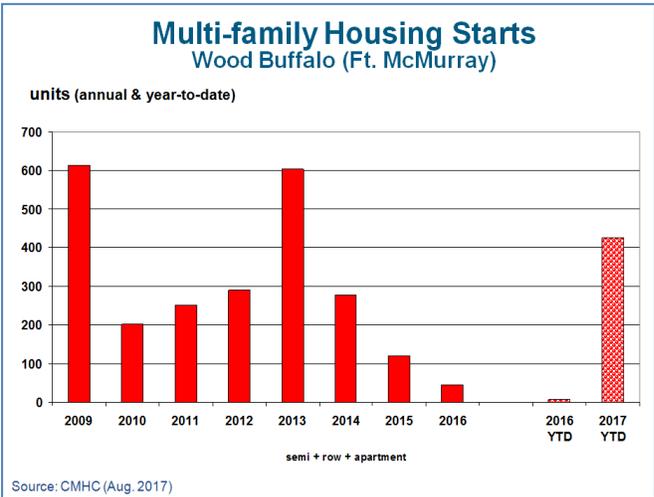
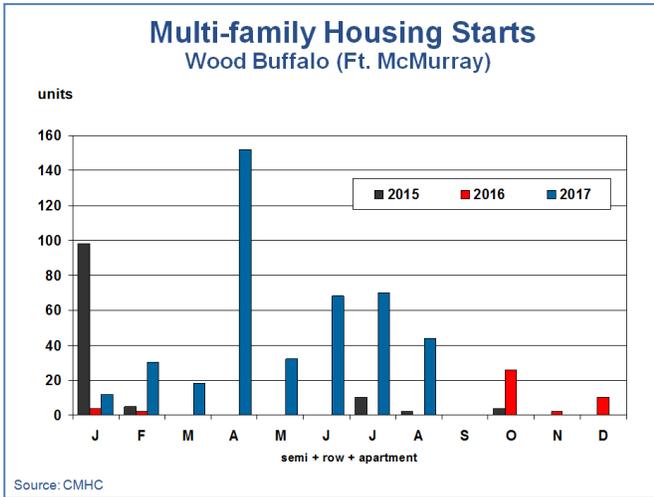
HOUSING STARTS

Total housing starts in the Wood Buffalo Census Agglomeration (CA) reached 133 units in August, compared with zero units a year earlier. For the year-to-date, CMHC has recorded 1,127 total starts in the Wood Buffalo region compared with 13 units in the first eight months of 2016.

Single-detached: There were 89 single-detached homes started in the Wood Buffalo area in August, compared with none in August of last year. So far this year, single-family starts have amounted to 701 units compared with seven started during January to August 2016.

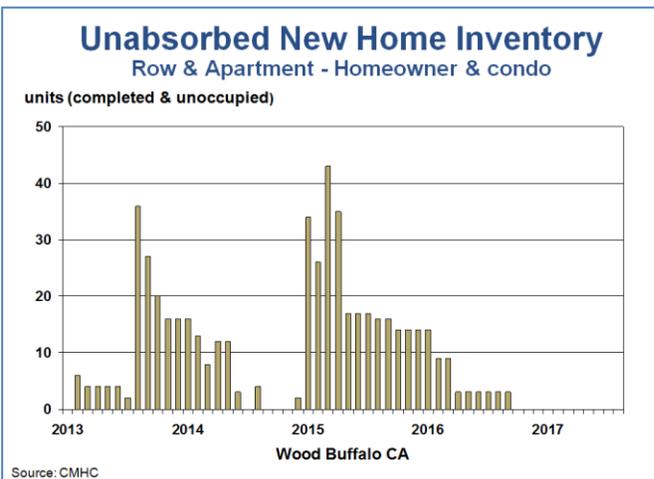
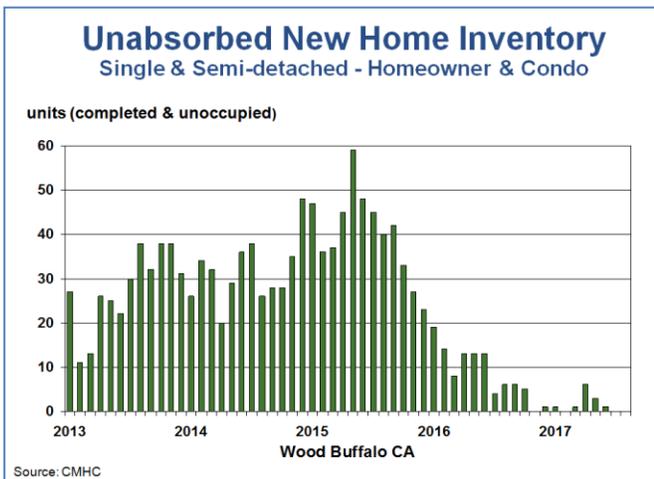


Multi-family (semi, row & apartment): Multi-family starts in the Wood Buffalo CA reached 44 units in August compared with zero units a year prior. The August count included eight semi-detached homes and 36 row (townhouse) units. After eight months, there have been 426 multiple dwelling starts tallied this year in contrast to six units started to the end of August 2016.



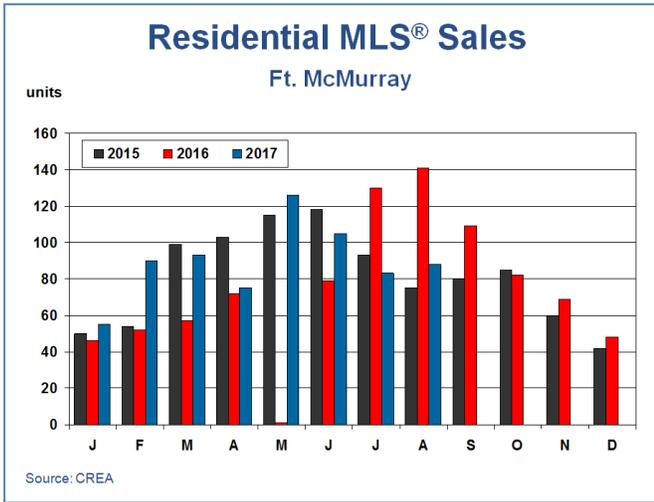
NEW HOME INVENTORY

CMHC reported zero completed and unoccupied single-detached or semi-detached dwellings in the Wood Buffalo area in August, unchanged from the previous month but down from six units (including show homes) in August 2016. There were no unabsorbed new townhomes and apartments recorded in August, unchanged in the past 11 months and down from three units in August 2016.



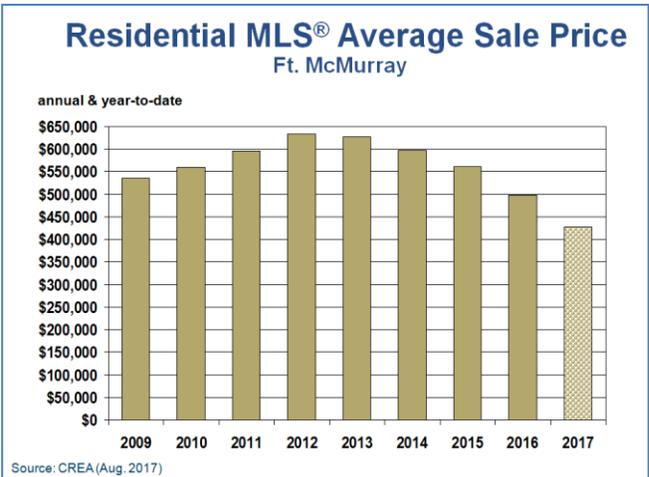
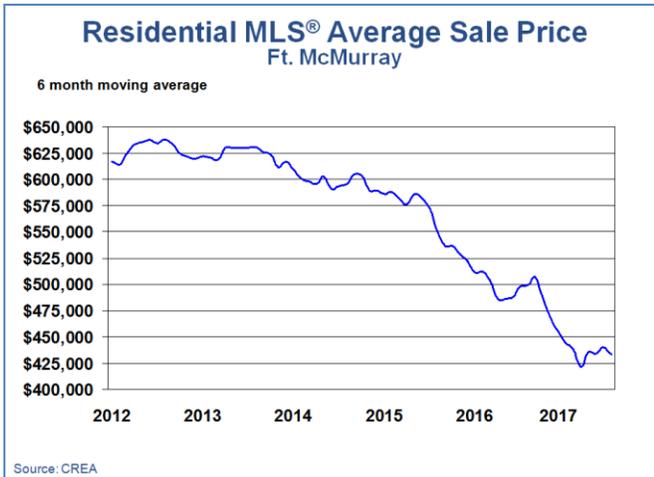
RESIDENTIAL (MLS) SALES

Residential MLS sales in the Fort McMurray area decreased in August by 37.6% from a year earlier to 88 units. Sales in August 2016 were rebounding in the aftermath of the forest fire evacuation in May. For the year-to-date, home sales by realtors have increased by 26% from January to August 2016 to 715 units.



RESIDENTIAL SALE PRICES

The average residential MLS sale price in the Fort McMurray region decreased in August by 21.3% year-over-year to \$408,956. CREA's comments in the notes below will provide some additional background on interpreting the average price statistics. So far this year, the average MLS sale price has declined by 14% from the first eight months of 2016 to \$427,804.



MARKET SUMMARY	Current Month: August			YTD: August		
	2017	2016	% ch	2017	2016	% ch
Wood Buffalo CA						
Single-family starts	89	0	##	701	7	##
Multi-family starts	44	0	##	426	6	##
Total housing starts	133	0	##	1,127	13	##
Ft. McMurray REB (MLS)						
Residential sales	88	141	-37.6%	715	567	26.1%
Residential avg. price	\$408,956	\$519,861	-21.3%	\$427,804	\$497,689	-14.0%
Source: CMHC/CREA	## indicates increase of >500%					

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 defines a housing “start” as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure. Construction has to be on a new foundation to be counted as a housing start. If a dwelling is built on an existing foundation, it is considered a renovation regardless of the extent of new construction.

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.

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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