ALBERTA MARKET UPDATE

HOUSING STARTS
Total housing starts in Alberta's urban centres of 10,000+ increased in October by 15% year-over-year to 2,374 units. On a seasonally adjusted basis, starts in urban areas increased in October to an annualized rate of 27,592 units (SAAR) from a revised rate of 27,174 units in September. For the year-to-date, total starts have increased by 24.1% from January to October 2016 to 23,107 units.

Single-detached: Single-detached starts in cities increased in October by 14% from a year prior to 1,057 units. So far this year, single-family starts have increased by 30.5% from the first 10 months of 2016 to 10,552 units. With two months remaining in 2017, builders have already exceeded last year's total of 10,010 urban area single-detached starts.

Source: CMHC

Source: CMHC (Oct. 2017)
* Cities of 10,000+ only
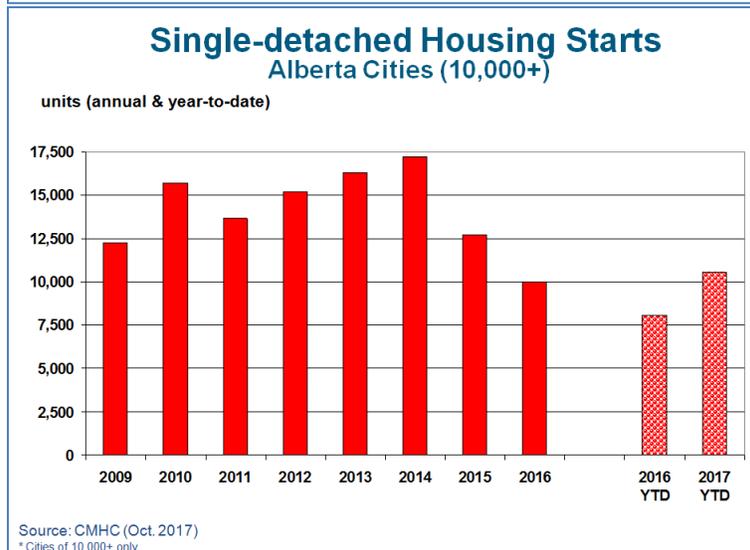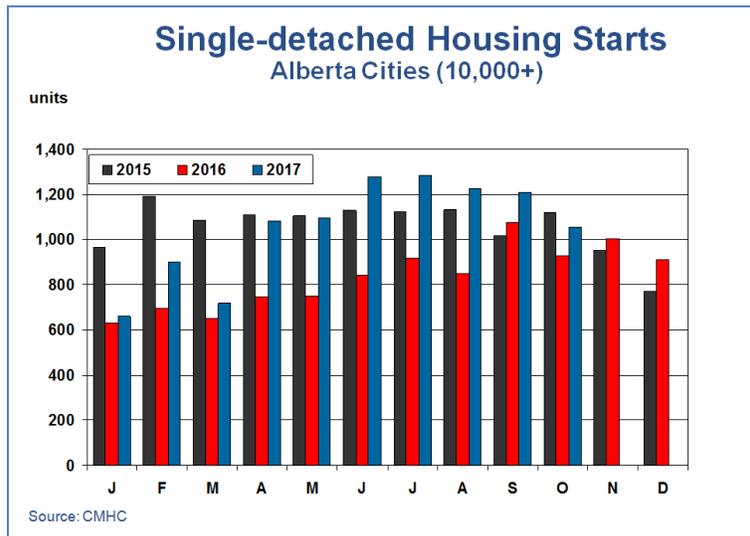
<u>Multi-family</u> (semi, row & apartment): Multiple unit starts in Alberta's urban centres increased in October by 15.8% from year-ago levels to 1,317 units. Edmonton region was the only major centre to report lower levels of multi unit activity. To the end of October this year, multi-family starts have increased by 19% from the same 10 month period in 2016 to 12,555 units.
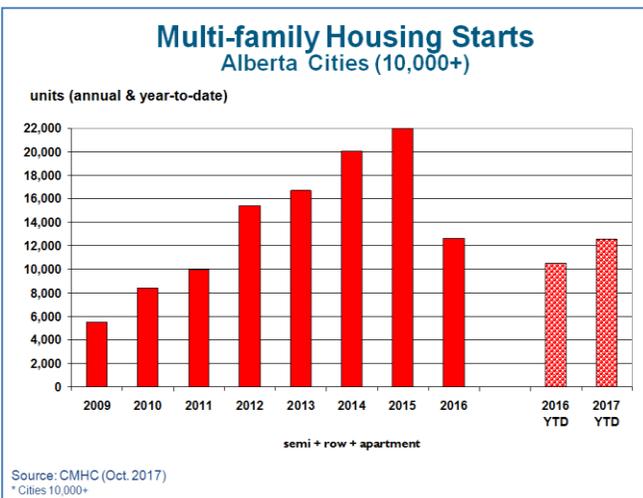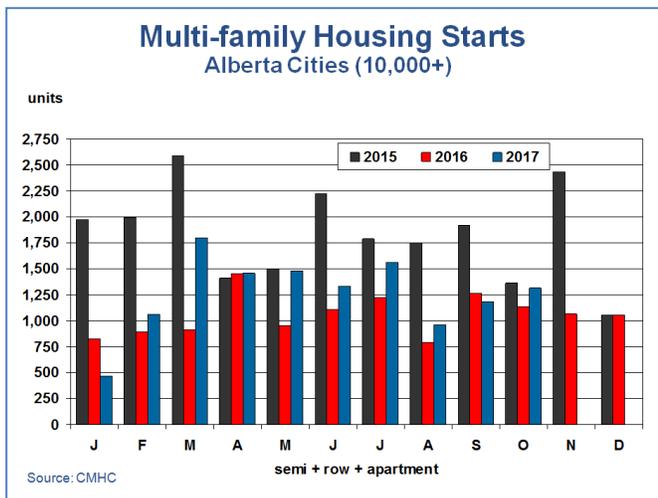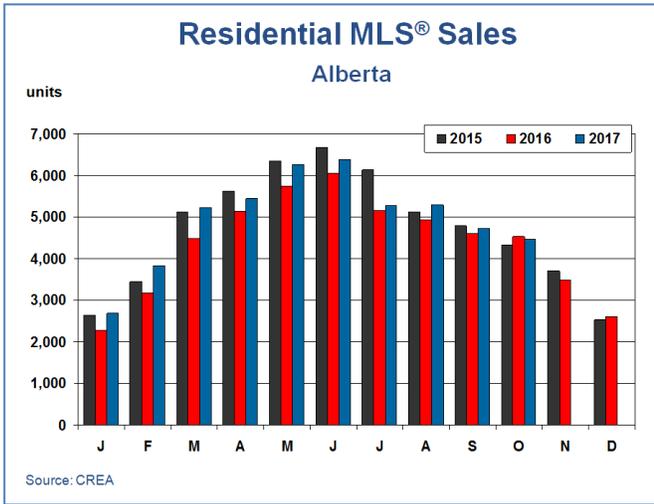

NEW HOME INVENTORY

CMHC reported 1,900 completed and unoccupied single and semi-detached dwellings (including show homes) in Alberta's urban areas in October, up from 1,856 units in the previous month and 1,802 units a year earlier. Unabsorbed new townhomes and apartments stood at 2,261 units in October, up from 2,183 units in September and 1,846 units in October 2016. Total inventory was up in October by 14% from the 3,648 units recorded a year ago.
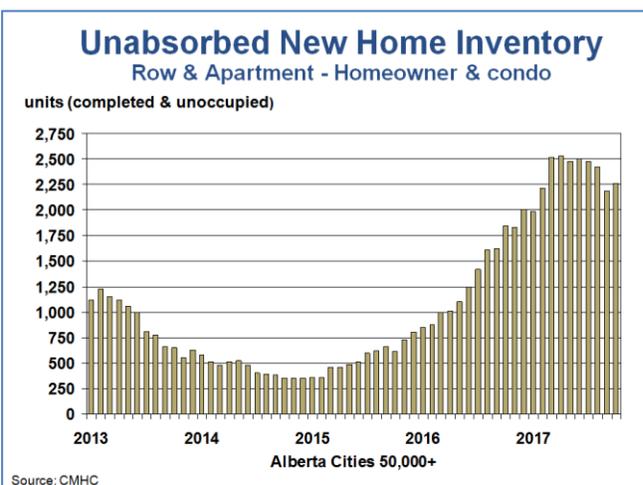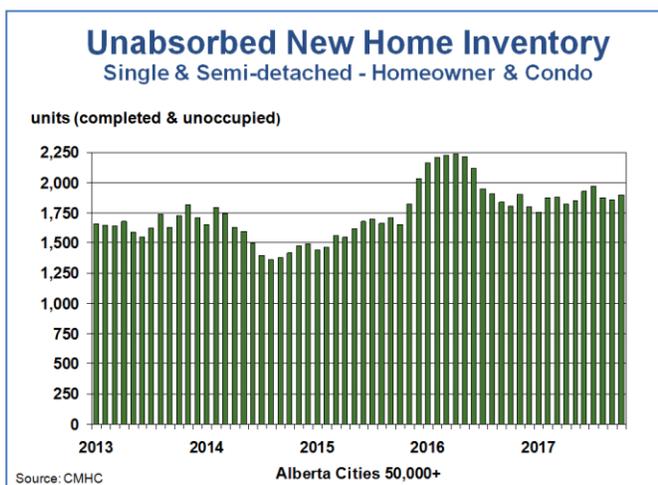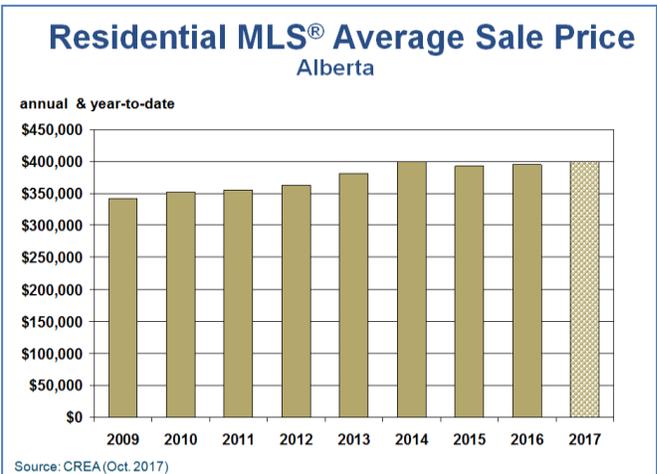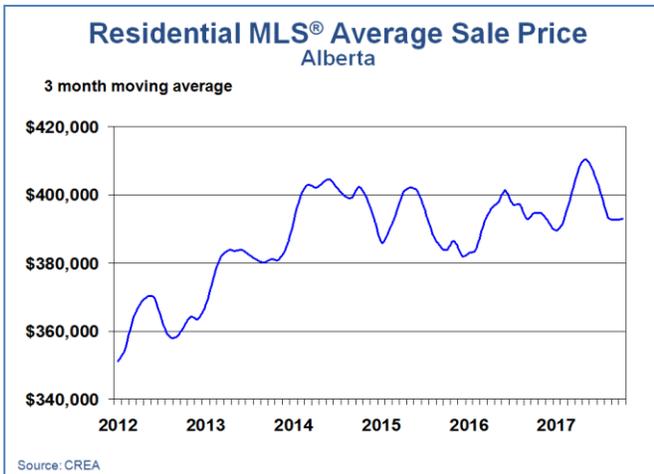

RESIDENTIAL (MLS) SALES

Residential sales reported by the Alberta Real Estate Association (AREA) decreased in October by 1.4% from the same month last year to 4,465 units. Nationally, MLS sales were down 4.3% from year-ago levels. For the year-to-date, homes sales by realtors in Alberta have increased by 8.5% from January to October 2016 to 50,004 units.

Residential MLS® Sales — Alberta (units)
Source: CREA

Residential MLS® Sales — Alberta (units annual & year-to-date)
Source: CREA (Oct. 2017)

RESIDENTIAL SALE PRICES

The provincial average MLS residential sale price edged upward in October by 1% year-over-year to $395,429. The national average price increased by 5% from October 2016 to $505,937. So far this year, the average price for homes sold on the MLS in Alberta has increased by 1.5% from the first 10 months of 2016 to $400,301.

Residential MLS® Average Sale Price — Alberta (3 month moving average)
Source: CREA

Residential MLS® Average Sale Price — Alberta (annual & year-to-date)
Source: CREA (Oct. 2017)

MARKET SUMMARY	Current Month: October			YTD: October		
Alberta Cities 10,000+	**2017**	**2016**	*% ch*	**2017**	**2016**	*% ch*
Single-family starts	1,057	927	*14.0%*	10,552	8,084	*30.5%*
Multi-family starts	1,317	1,137	*15.8%*	12,555	10,541	*19.1%*
Total housing starts	2,374	2,064	*15.0%*	23,107	18,625	*24.1%*
AREA REBs (MLS)						
Residential sales	4,465	4,527	*-1.4%*	50,004	46,073	*8.5%*
Residential avg. price	$395,429	$391,692	*1.0%*	$400,301	$394,431	*1.5%*
Source: CMHC/CREA						

Note to Readers
These market update reports are available monthly for the province of Alberta and its seven major cities. An expanded Alberta report is produced in January, April, July and October which examines economic trends in the previous quarter. 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.

The survey of unsold new home inventory from CMHC 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.

For more information please contact:
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