



economic analysis *report*



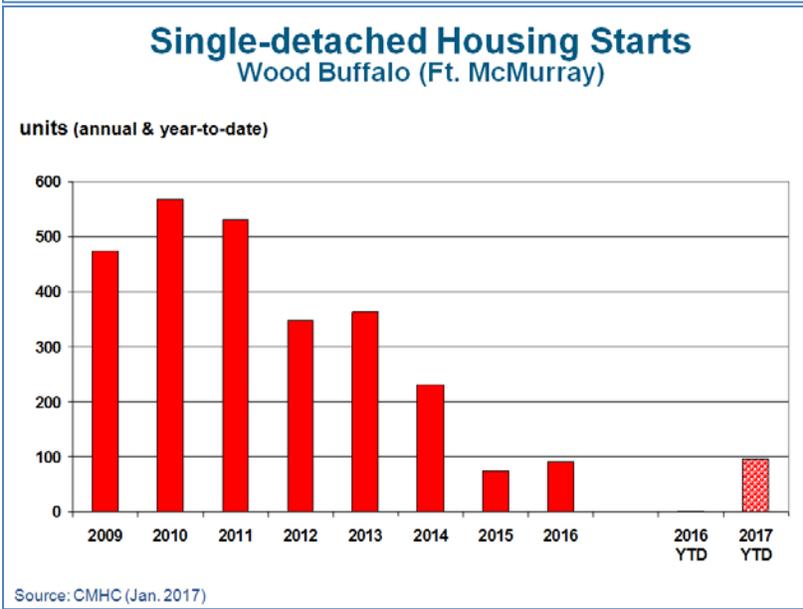
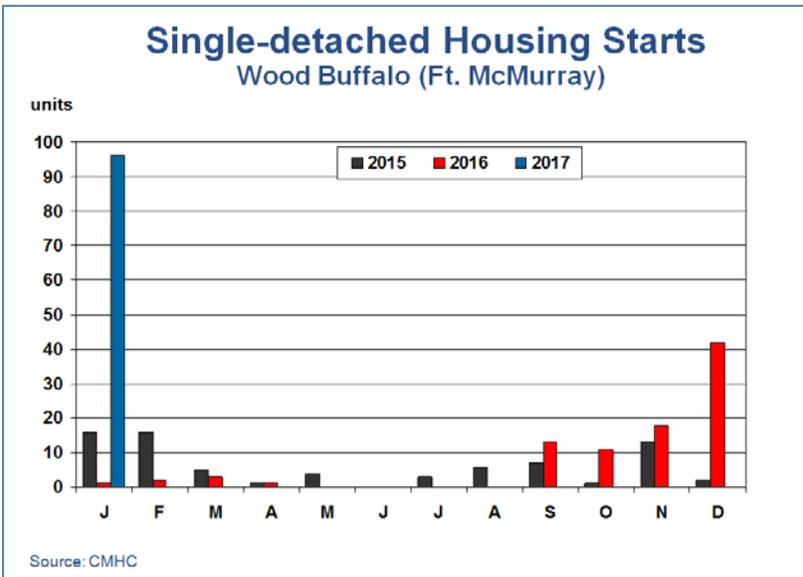
FEBRUARY 2017

WOOD BUFFALO MARKET UPDATE

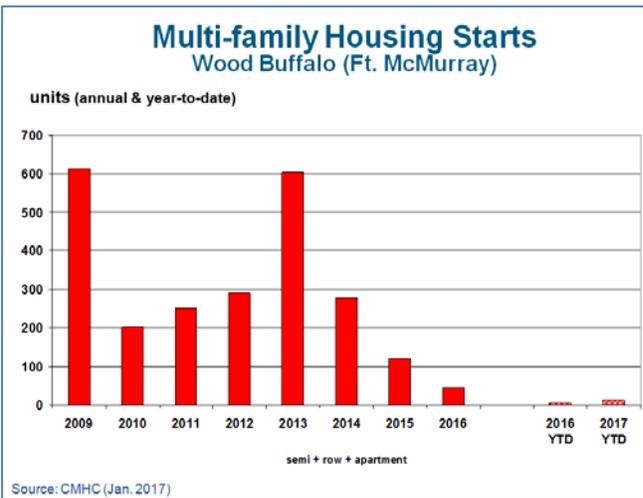
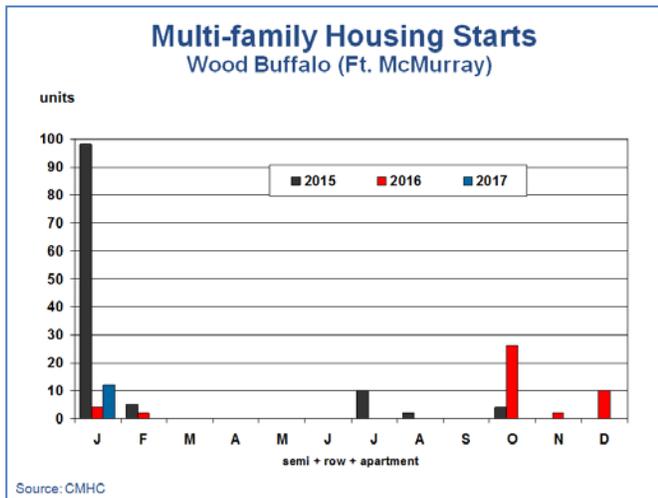
HOUSING STARTS

Total housing starts in the Wood Buffalo CA (Census Agglomeration) reached 108 units in January compared with 5 units started in the first month of 2016. Total starts in Wood Buffalo declined in 2016 by 30% from all of 2015 to 135 units.

Single-detached: Single-detached starts in the Wood Buffalo region surged in January to 96 units from 1 unit a year ago. Single-family starts in 2016 were up by 23% from the previous year to 91 units.

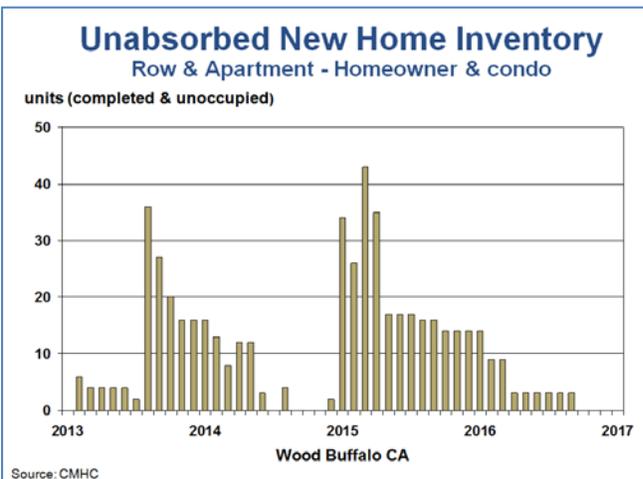
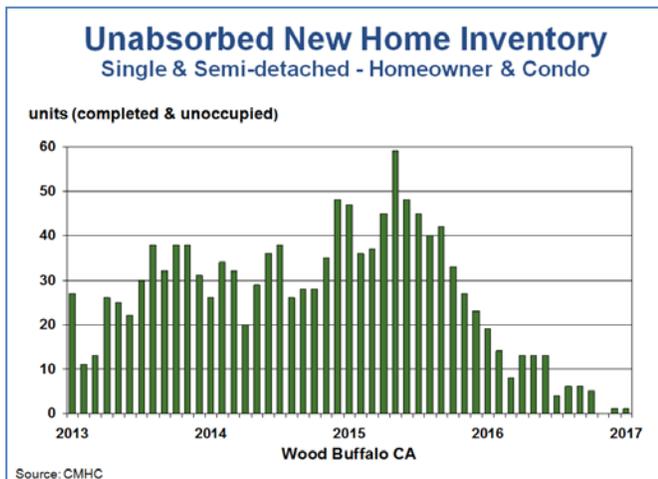


Multi-family (semi, row & apartment): There were 12 multi-family units started in the Wood Buffalo CA in January, up three-fold from 4 units a year prior. All of the January activity was in semi-detached units. Multiple unit starts last year decreased by 63% from all of 2015 to 44 units.



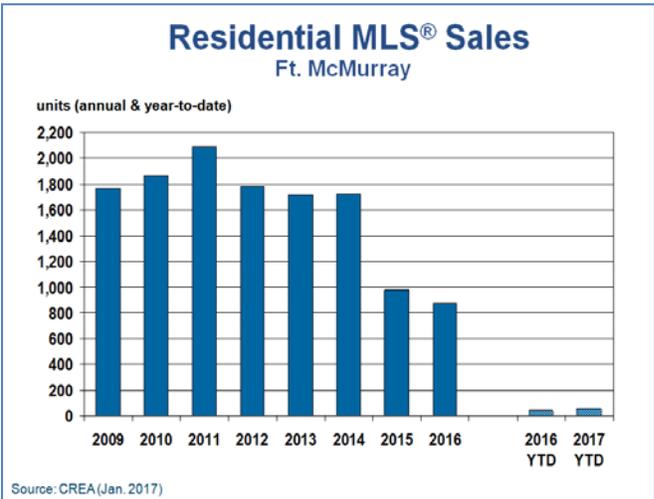
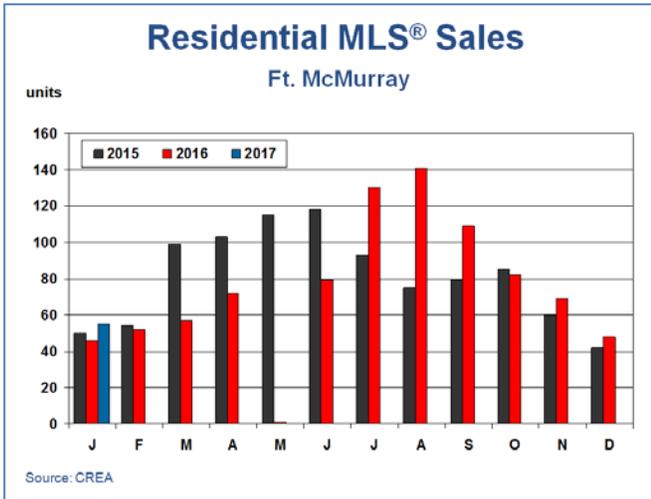
NEW HOME INVENTORY

There was 1 completed and unoccupied single-detached dwelling (including show homes) reported by CMHC in the Wood Buffalo area in January, compared with one single in the previous month and 19 single or semi-detached units at the beginning of 2016. There were zero unabsorbed new townhomes and apartments recorded in January, unchanged from the previous three months but down from 14 units in January 2016.



RESIDENTIAL (MLS) SALES

Residential MLS sales increased in January by 19.6% from a year earlier to 55 units. MLS home sales declined in 2016 by 10.2% from the previous year to 875 units.



RESIDENTIAL SALE PRICES

The average MLS residential sale price in Fort McMurray decreased in January by 24.4% year-over-year to \$396,617. See commentary from CREA in the notes to readers (below) on monthly average price movement. The annual average price of homes sold by realtors declined in 2016 by 11.3% to \$497,396.



MARKET SUMMARY	Current Month/YTD: January		
Wood Buffalo CA	2017	2016	% ch
Single-family starts	96	1	##
Multi-family starts	12	4	200.0%
Total housing starts	108	5	##
Ft. McMurray REB (MLS)			
Residential sales	55	46	19.6%
Residential avg. price	\$396,617	\$524,738	-24.4%
Source: CMHC/CREA	## indicates increase of >500%		

Notes to Readers

These monthly market updates are available for the province of Alberta and its 7 major cities. The charts are also available in PowerPoint and in 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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