



economic analysis *report*



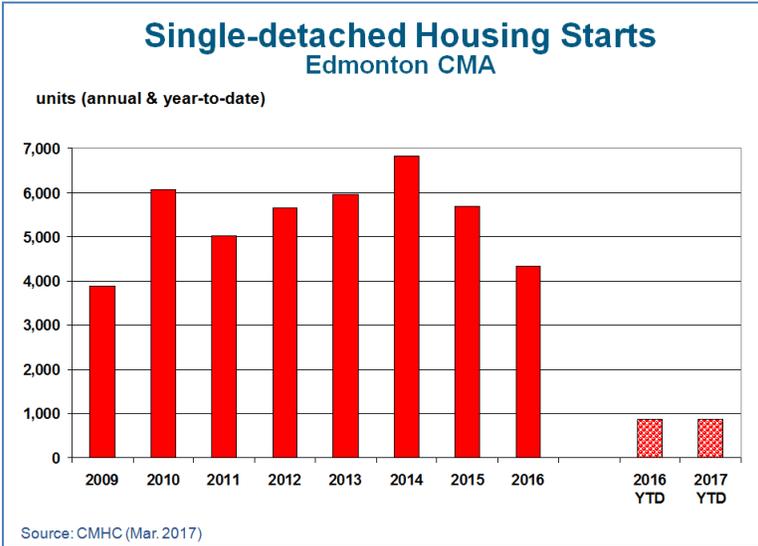
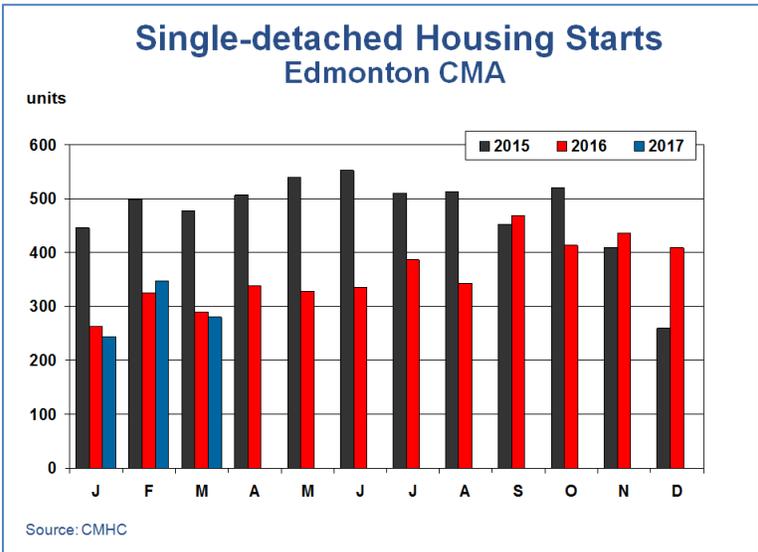
APRIL 2017

EDMONTON MARKET UPDATE

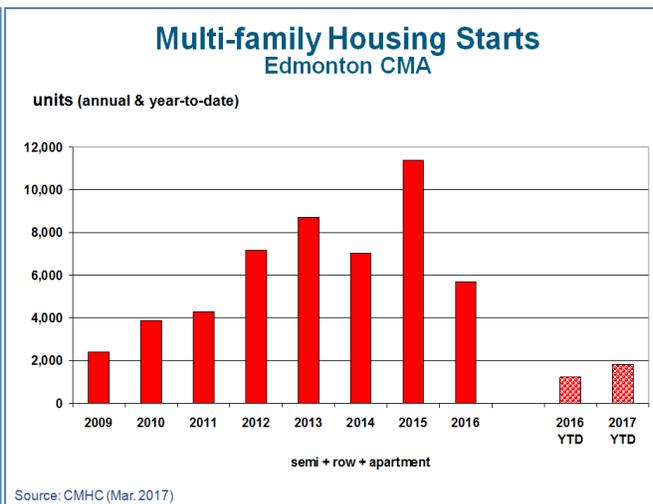
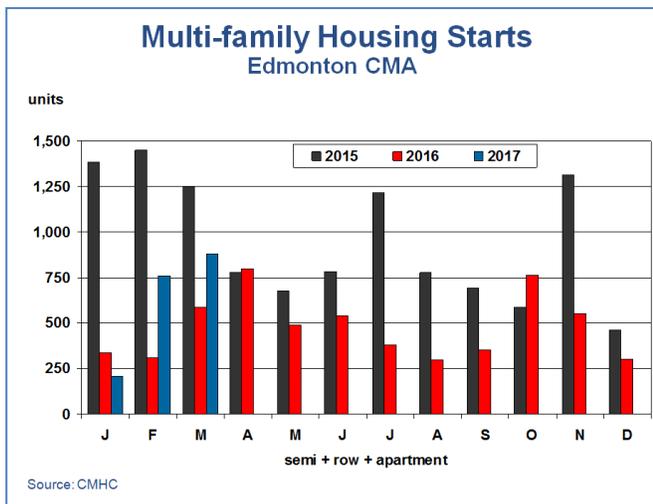
HOUSING STARTS

Total housing starts in the Edmonton Census Metropolitan Area (CMA) increased in March by 32.7% from a year prior to 1,160 units. For the year-to-date, total starts have increased by 28.6% from the first three months of 2016 to 2,714 units.

Single-detached: Single-detached starts in Metro Edmonton decreased in March by 3.4% year-over-year to 280 units. Gains in the outer municipalities were offset by a decline within Edmonton city. So far this year, single-family starts have inched downward by 0.7% from January to March 2016 to 872 units.

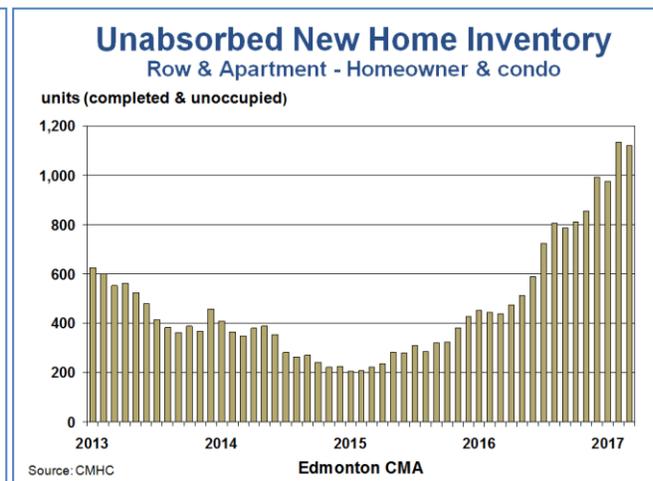
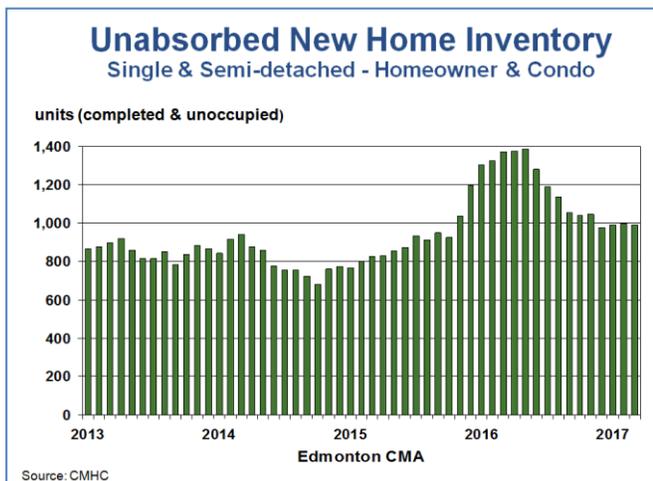


Multi-family (semi, row & apartment): Multiple dwelling starts in the Edmonton area increased in March by more than one-half from year-ago levels to 880 units. A 72% upswing in townhouse (row) and apartment starts made up for a 14% decrease in semi-detached activity. After three months this year, multi-family starts have increased by 49.4% from the first quarter of 2016 to 1,842 units.



NEW HOME INVENTORY

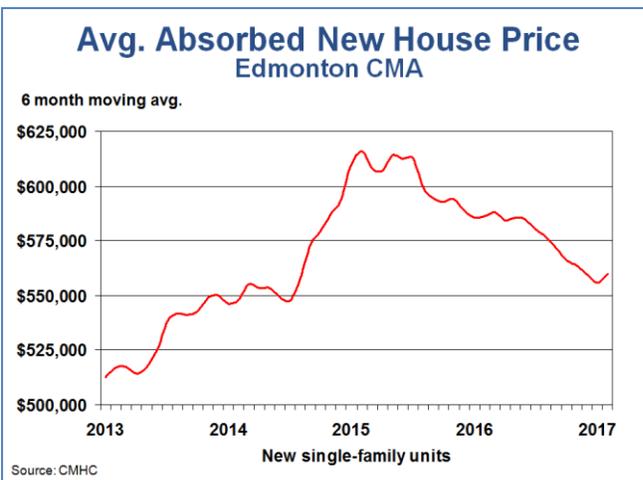
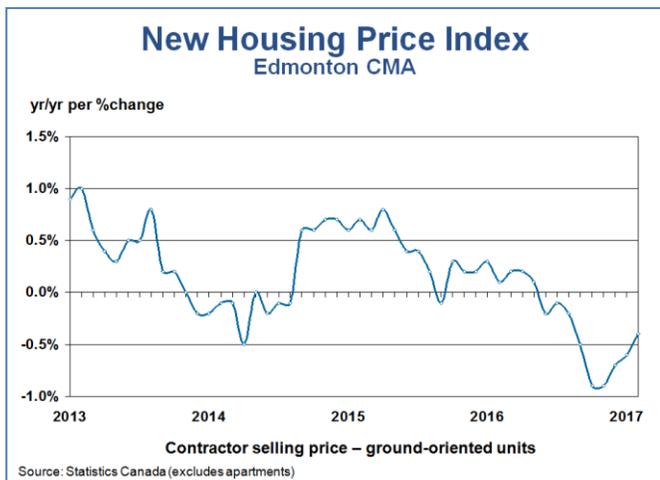
CMHC reported 991 completed and unoccupied single and semi-detached dwellings (including show homes) in the Edmonton region in March, down from 997 units in the preceding month and 1,372 units in March 2016. Unabsorbed new townhomes and apartments stood at 1,120 units in March, down from 1,132 in the previous month but up from 438 units a year prior.



NEW HOUSE PRICES

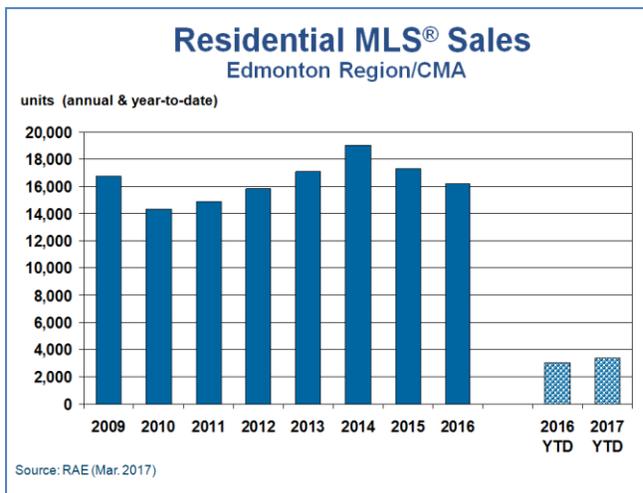
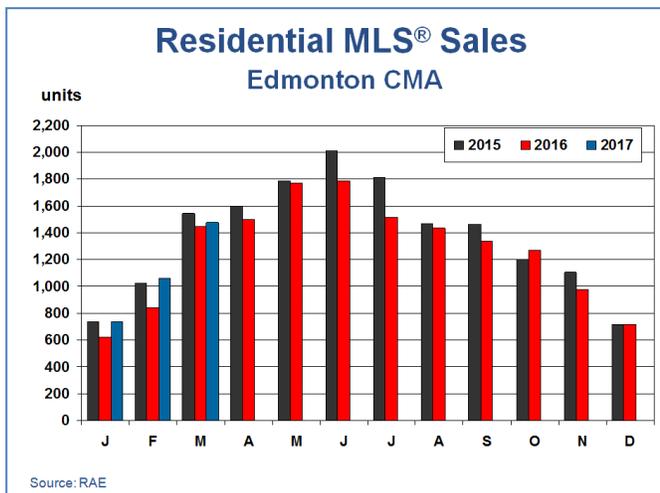
Statistics Canada's New Housing Price Index (NHPI) for Edmonton decreased in February by 0.4% from the same month last year. During the first two months of this year, the average value for this index of contractor selling prices was down by 0.5% from January and February 2016.

CMHC's average absorbed new house price for the Edmonton area decreased in February by 1.1% year-over-year to \$580,840. After two months in 2017, the average absorbed single-family house price was down by 3.4% from the same time last year to \$562,672. Compared with the first two months of 2016, the proportion of homes selling in price categories above \$400,000 has decreased this year.



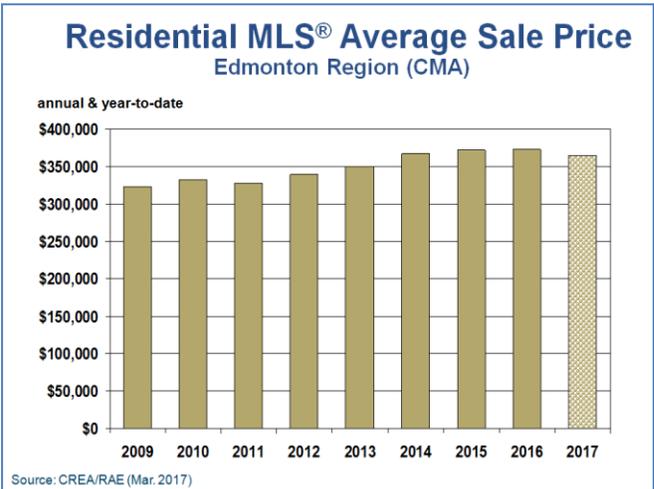
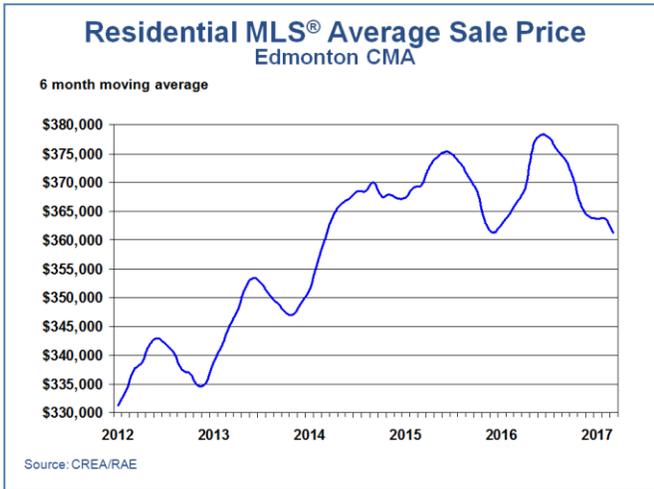
RESIDENTIAL (MLS) SALES

Residential sales reported by the Realtors Association of Edmonton (RAE) increased in the Edmonton CMA by 1.8% year-over-year in March to 1,474 units. For the year-to-date, MLS sales in Metro Edmonton have increased by 11.6% from January to March 2016 to 3,370 units.



RESIDENTIAL SALE PRICES

The average residential MLS sale price in the Edmonton CMA decreased in March by 1.4% from a year earlier at \$371,680. A year-over-year decrease in the average condominium sale price offset gains in other unit types. There were also more condos in the sales mix in March compared with last year and they typically sell at a lower price than the overall average. So far this year, the average price (CMA) for homes sold by realtors has edged upward by 0.2% from the first quarter of 2016 to \$364,473.



MARKET SUMMARY	Current Month: March			YTD: March		
Edmonton CMA	2017	2016	% ch	2017	2016	% ch
Single-family starts	280	290	-3.4%	872	878	-0.7%
Multi-family starts	880	584	50.7%	1,842	1,233	49.4%
Total housing starts	1,160	874	32.7%	2,714	2,111	28.6%
Edmonton REB (MLS)*						
Residential sales	1,474	1,448	1.8%	3,370	3,020	11.6%
Residential avg. price	\$371,680	\$376,787	-1.4%	\$364,473	\$363,728	0.2%
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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