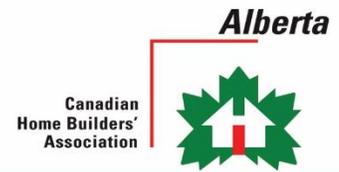




# economic analysis *report*



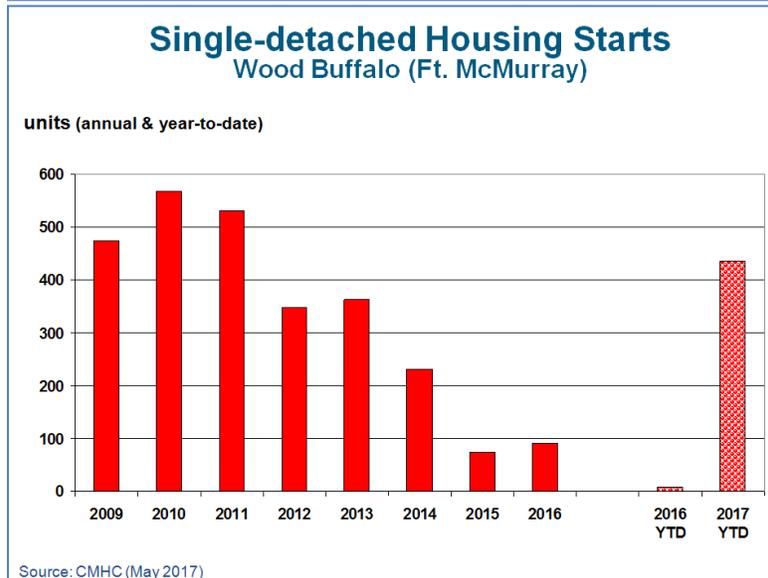
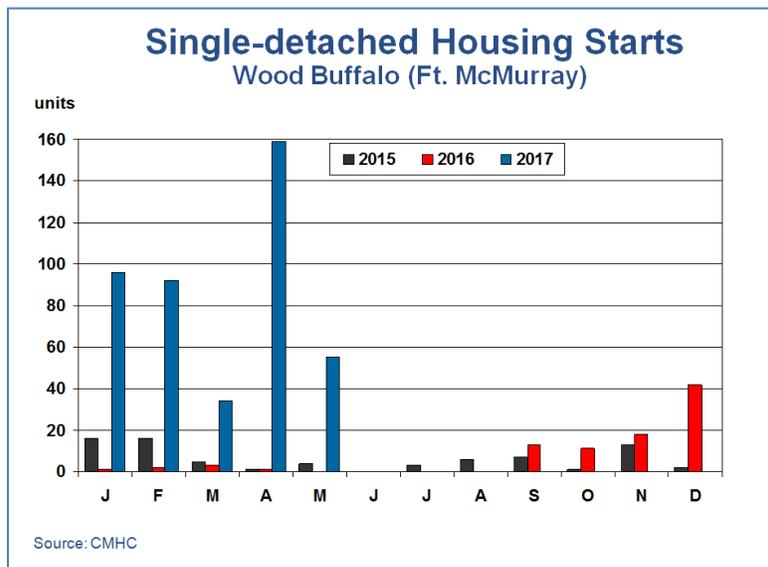
**JUNE 2017**

## WOOD BUFFALO MARKET UPDATE

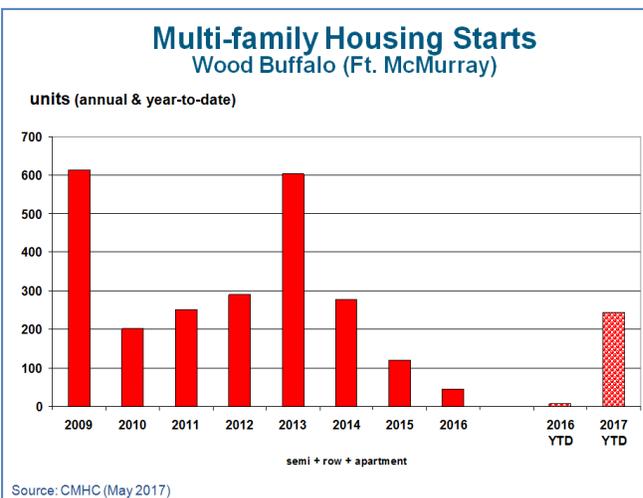
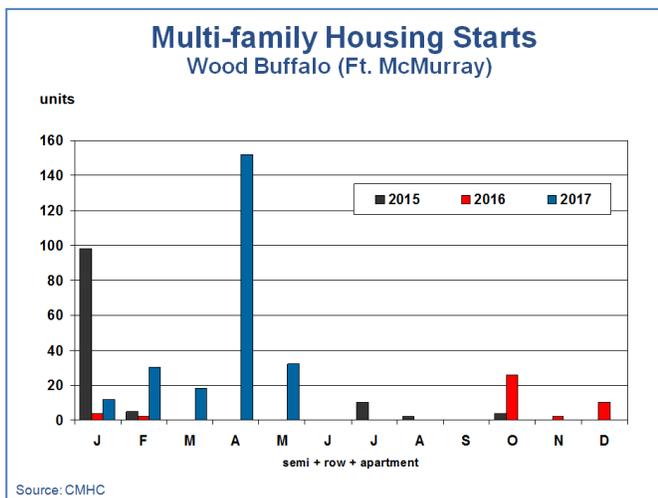
### HOUSING STARTS

Total housing starts in the Wood Buffalo CA (Census Agglomeration) amounted to 87 units in May, compared with zero units a year ago. For the year-to-date, total starts in Wood Buffalo have reached 680 units compared with 13 units reported in the first five months of 2016.

Single-detached: CMHC reported that 55 single-detached homes were started in the Wood Buffalo region in May, compared with none in the preceding year. So far this year, 436 single-family units have been started in the area compared with seven units recorded between January and May 2016.

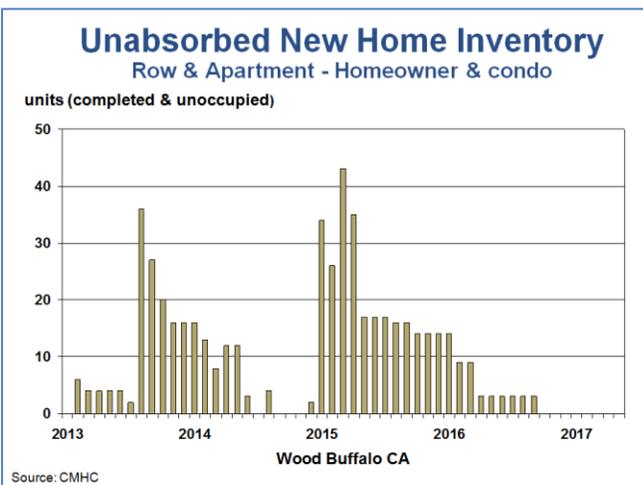
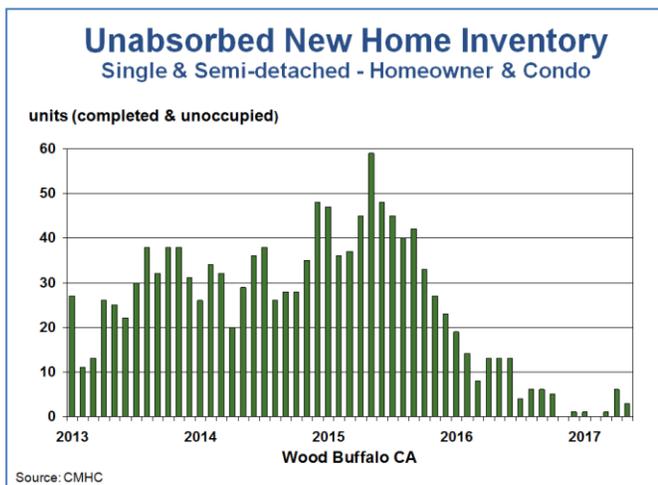


**Multi-family** (semi, row & apartment): Multi-family starts in the Wood Buffalo CA reached 32 units in May compared with zero units a year prior. May's tally included 18 semi-detached homes and 14 row (townhouse) units. To the end of May this year, multiple unit starts have amounted to 244 units compared with six units started during this time in 2016.



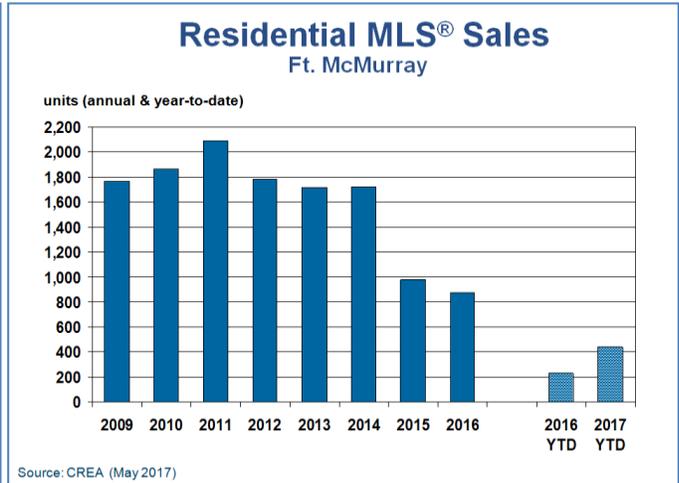
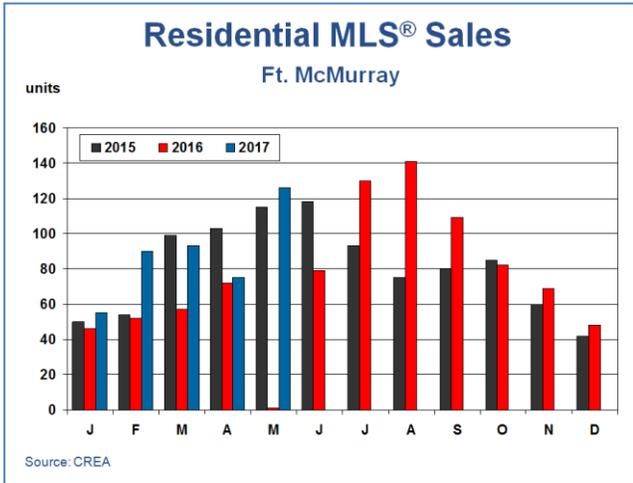
**NEW HOME INVENTORY**

There were three completed and unoccupied single-detached dwellings reported by CMHC in the Wood Buffalo area in May, compared with six in the preceding month and 13 single or semi-detached units (including show homes) in May 2016. There were zero unabsorbed new townhomes and apartments recorded in May, unchanged from the preceding seven months but down from three units a year ago.



**RESIDENTIAL (MLS) SALES**

Realtors in the Fort McMurray area reported 126 home sales in May compared with only one unit sold a year ago. AREA (FMREB) temporarily suspended MLS activity in May 2016 due to the major forest fires and evacuations. For the year-to-date, residential MLS sales have increased by 92.5% from January to May 2016 to 439 units.



## RESIDENTIAL SALE PRICES

The average residential sale price for homes sold on the MLS in the Fort McMurray region in May amounted to \$450,895. The one sale reported in May 2016 was priced at \$473,924. So far this year, the average MLS sale price has declined by almost 13% from the first five months of 2016 to \$429,624.



MARKET SUMMARY	Current Month: May			YTD: May		
	2017	2016	% ch	2017	2016	% ch
<b>Wood Buffalo CA</b>						
Single-family starts	55	0	##	436	7	##
Multi-family starts	32	0	##	244	6	##
Total housing starts	87	0	##	680	13	##
<b>Ft. McMurray REB (MLS)</b>						
Residential sales	126	1	##	439	228	92.5%
Residential avg. price	\$450,895	\$473,924	-4.9%	\$429,624	\$493,117	-12.9%
Source: CMHC/CREA		<b>2016 fire</b>		<b>## indicates increase of &gt;500%</b>		

**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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