



economic analysis *report*

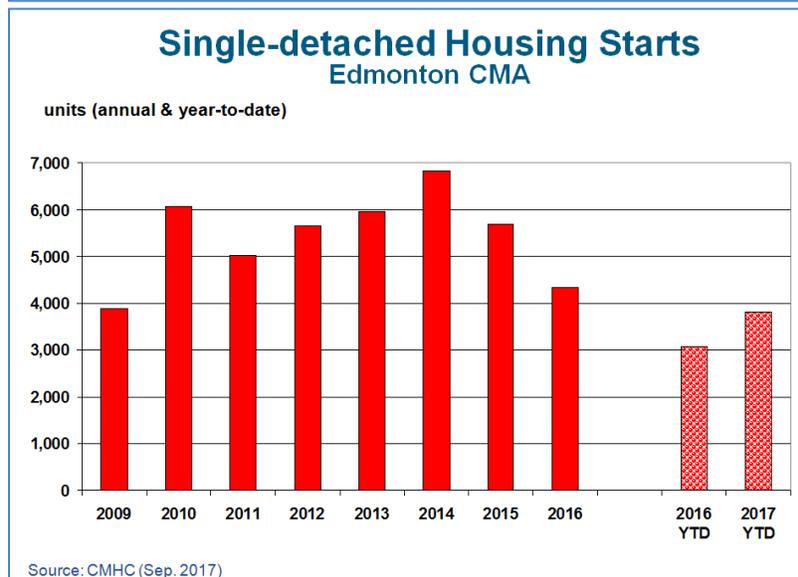
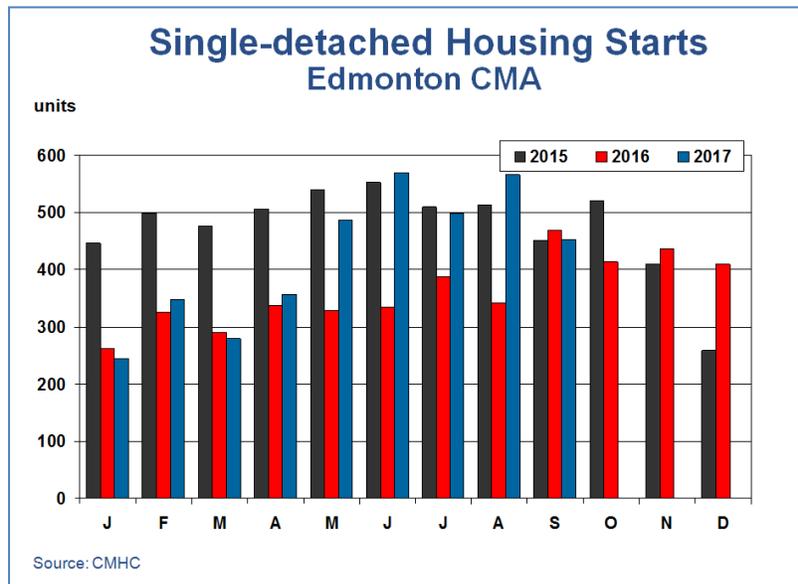
OCTOBER 2017

EDMONTON MARKET UPDATE

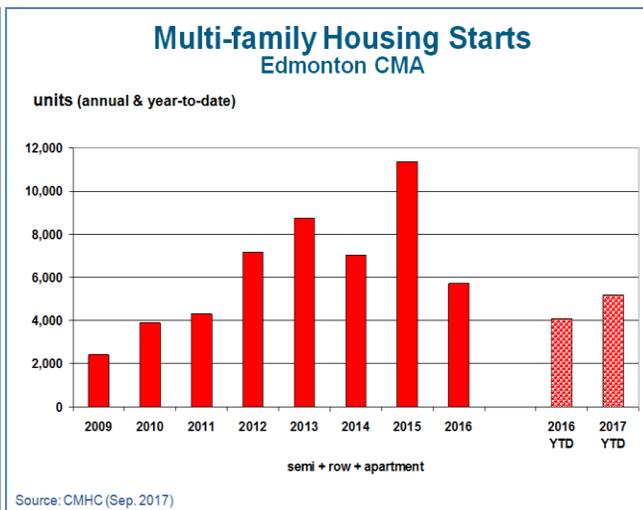
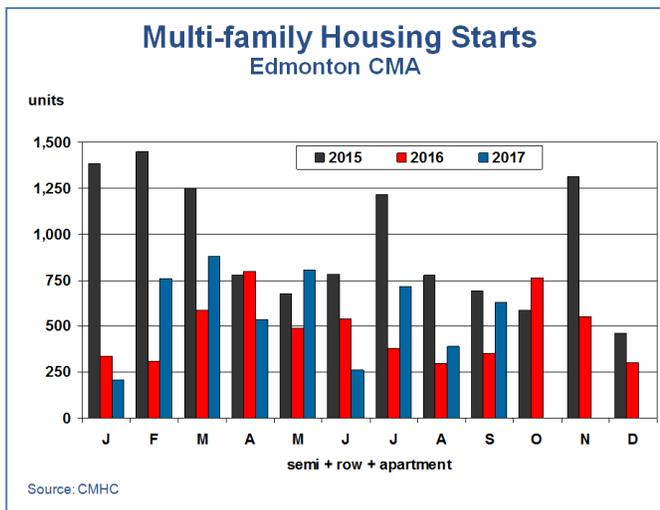
HOUSING STARTS

Total housing starts in the Edmonton Census Metropolitan Area (CMA) increased in September by almost 32% year-over-year to 1,084 units. After three quarters in 2017, total starts have increased by 25.4% from January to September 2016 to 8,982 units.

Single-detached: Single-detached starts in the Edmonton region decreased in September by 3.4% from year-ago levels to 453 units. So far this year, single-family starts have increased by 23.6% from the first nine months of 2016 to 3,803 units.

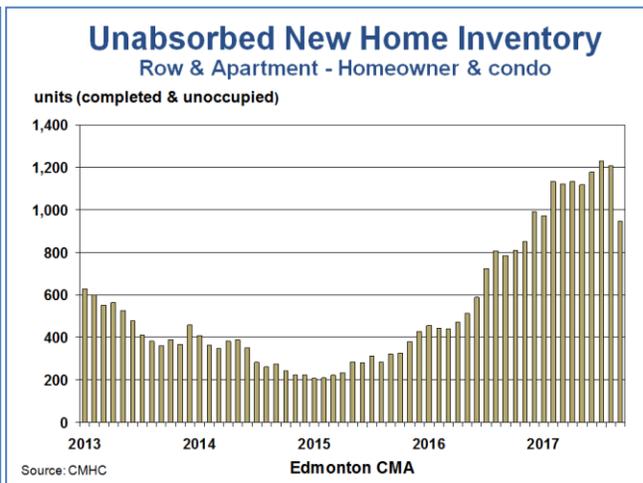
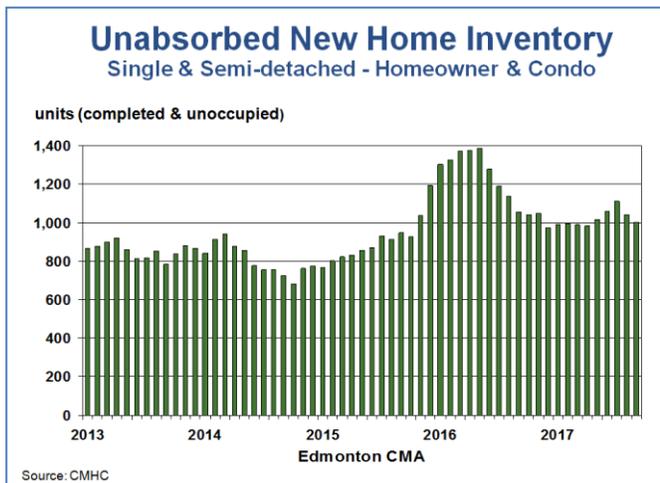


Multi-family (semi, row & apartment): Multi-family starts in Greater Edmonton increased in September by 78.8% from a year earlier to 631 units. Compared with September 2016, stronger apartment activity made up for a reduction in semi and townhouse starts. For the year-to-date, multi-family starts have increased by 26.8% from this time in 2016 to 5,179 units.



NEW HOME INVENTORY

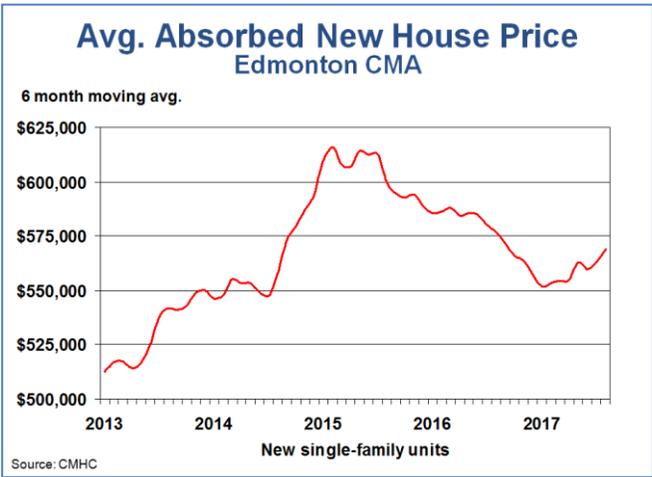
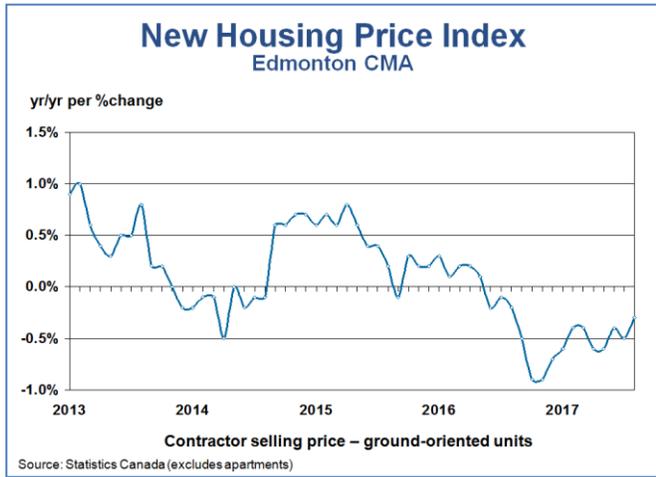
There were 1,001 completed and unoccupied single and semi-detached dwellings (including show homes) reported by CMHC in Greater Edmonton in September, down from 1,043 units in the preceding month and 1,055 units a year ago. Unabsorbed new townhomes and apartments amounted to 944 units in September, down from 1,208 in August but up from 785 units in September 2016.



NEW HOUSE PRICES

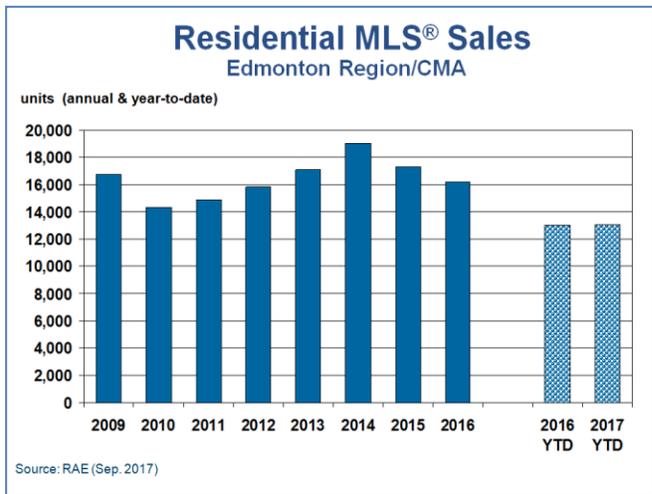
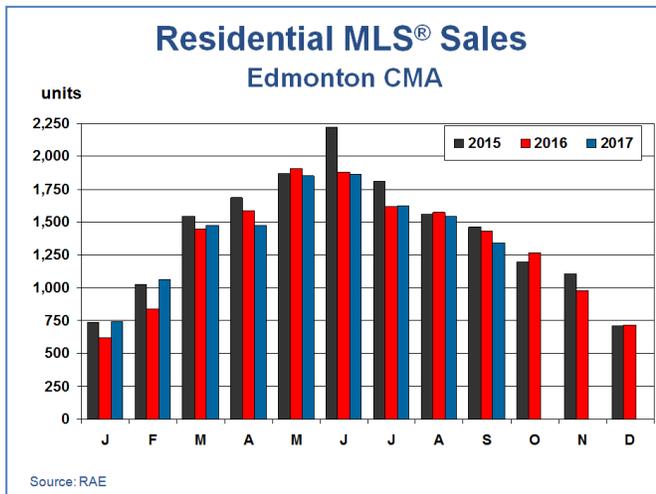
Statistics Canada's New Housing Price Index (NHPI) for Edmonton decreased in August by 0.3% year-over-year. So far in 2017, the index of contractor selling prices for ground-oriented units has declined on average by 0.5% from January to August 2016.

The average single-family house price for units absorbed in the Edmonton CMA increased in August by 2.2% from a year prior to \$599,740. Homes priced under \$500,000 garnered a smaller share of the market compared with August 2016. To the end of August this year, the average new single-family house price in 2017 reported by CMHC was down by 4.1% from the first eight months of 2016 to \$560,851.



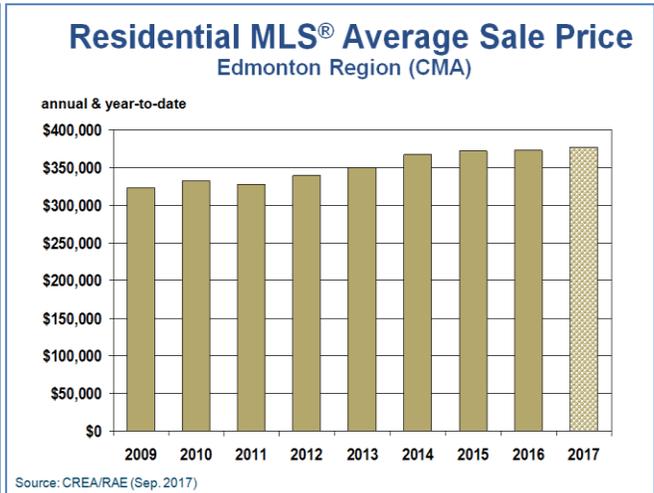
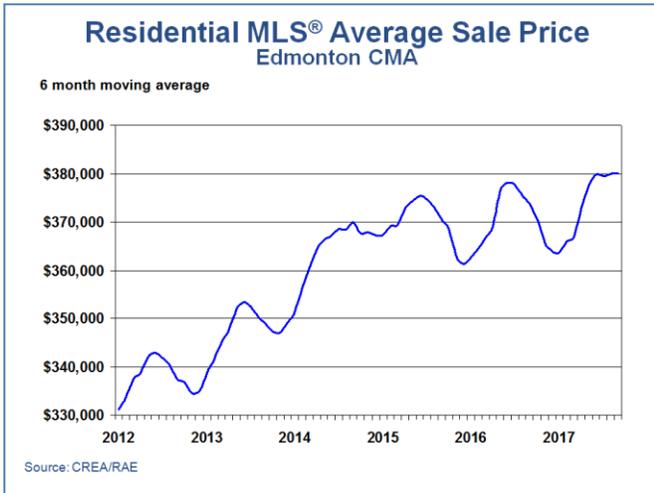
RESIDENTIAL (MLS) SALES

According to the Realtors Association of Edmonton (RAE), residential sales in the Edmonton CMA decreased in September by 6.4% from a year ago to 1,341 units. So far this year, homes sales on the MLS (CMA) have increased by a modest 0.2% from the first nine months of 2016 to 13,039 units.



RESIDENTIAL SALE PRICES

The average residential MLS sale price in the Edmonton CMA decreased in September by 1.1% year-over-year to \$370,252. Compared with a year ago, there were fewer detached homes in the sales mix in September and this restrained the overall average price. For the year-to-date, the average price (CMA) for homes sold by realtors was up from January to September 2016 by 0.5% to \$376,252.



MARKET SUMMARY	Current Month: September			YTD: September		
	2017	2016	% ch	2017	2016	% ch
Edmonton CMA						
Single-family starts	453	469	-3.4%	3,803	3,077	23.6%
Multi-family starts	631	353	78.8%	5,179	4,085	26.8%
Total housing starts	1,084	822	31.9%	8,982	7,162	25.4%
Edmonton REB (MLS)*						
Residential sales	1,341	1,432	-6.4%	13,039	13,018	0.2%
Residential avg. price	\$370,252	\$374,226	-1.1%	\$376,252	\$374,299	0.5%
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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