



economic analysis *report*

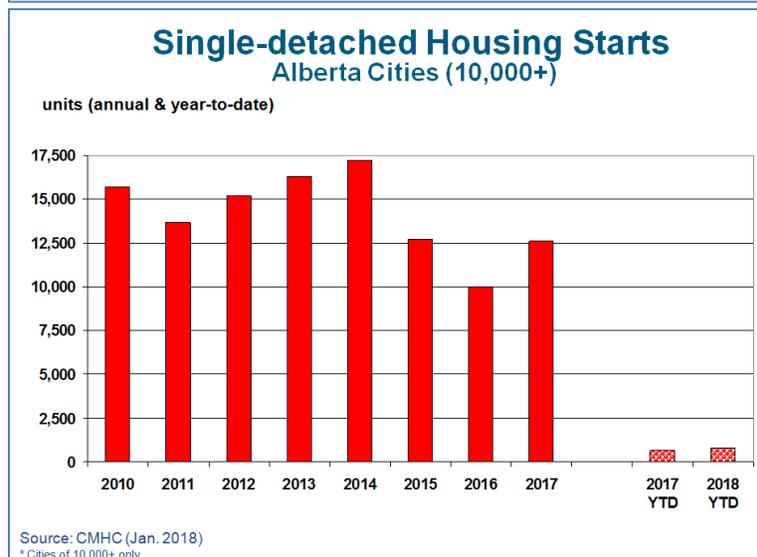
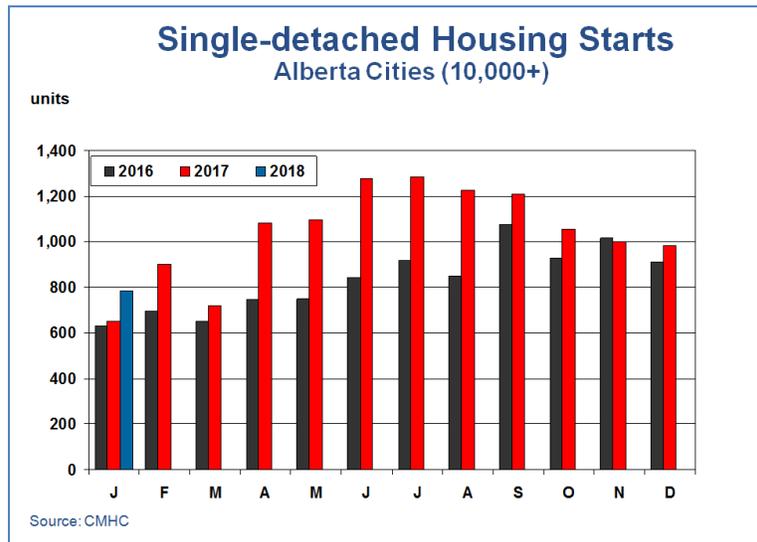
FEBRUARY 2018

ALBERTA MARKET UPDATE

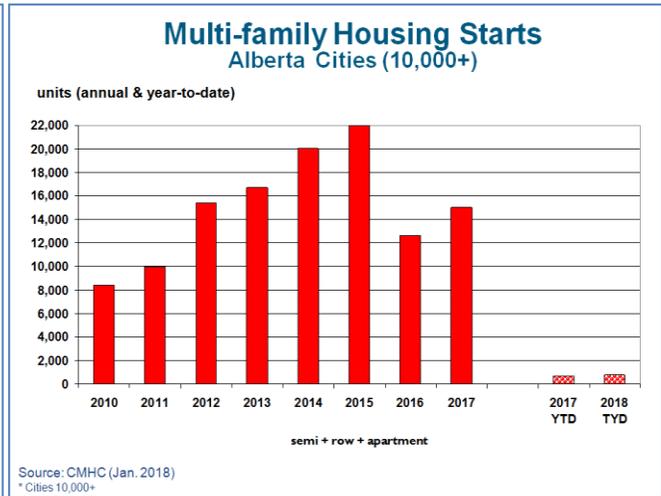
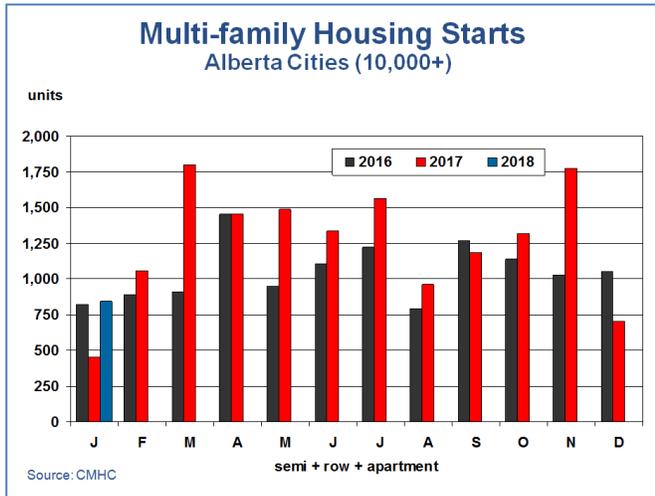
HOUSING STARTS

Total housing starts in Alberta's cities of 10,000+ surged in January by 47.7% from year-ago levels to 1,628 units. On a seasonally adjusted basis, starts in urban areas increased in January to an annualized rate of 23,321 units (SAAR) from a revised rate of 21,284 units in December. Total starts in urban areas increased in 2017 by 22% from the previous year to 27,624 units.

Single-detached: Single-detached starts in urban areas increased in January by 20.4% year-over-year to 784 units. Sizable gains over January 2017 were reported in the Calgary region, Edmonton city and Lethbridge CMA.

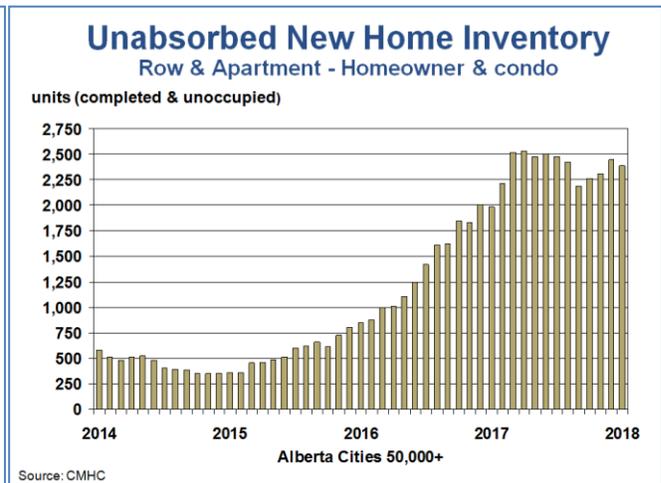
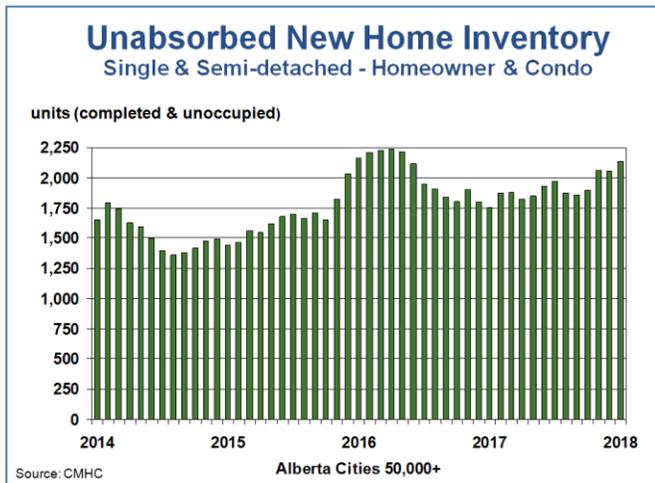


Multi-family (semi, row & apartment): Multi-family starts in Alberta's cities increased in January by 87% from a year prior to 844 units. Stronger townhouse and apartment starts make up for a slight reduction in semi-detached activity.



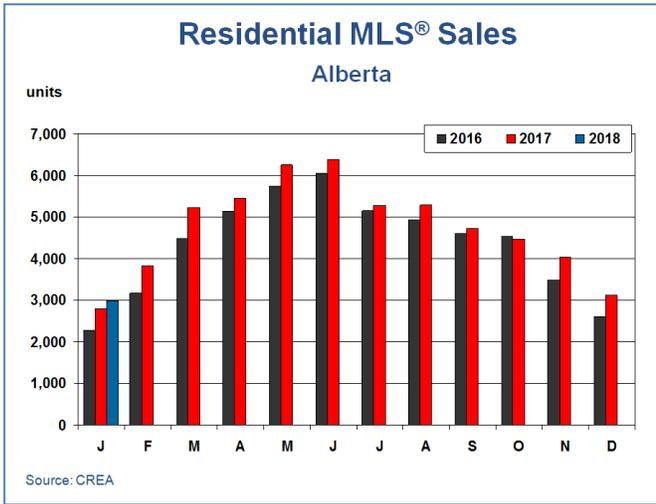
NEW HOME INVENTORY

There were 2,133 completed and unoccupied single and semi-detached dwellings (including show homes) reported by CMHC in Alberta's major cities in January, up from 2,054 units at the end of 2017 and 1,754 units a year earlier. Unabsorbed new townhomes and apartments amounted to 2,386 units in January, down from 2,447 units in the preceding month but up from 1,984 units in the first month of 2017. Total inventory, at 4,519 units, was up 21% from January 2017.



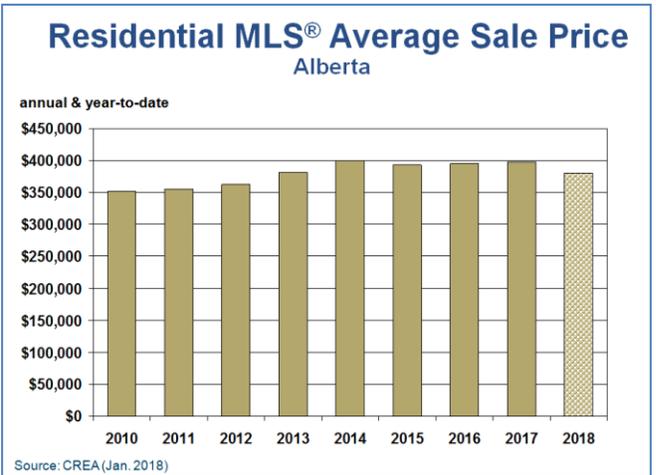
RESIDENTIAL (MLS) SALES

According to the Alberta Real Estate Association (AREA), residential sales increased in January by 6.8% year-over-year to 2,984 units. Nationally, home sales reported by CREA were down in January by 2.4% from the same month in 2017.



RESIDENTIAL SALE PRICES

The provincial average MLS residential sale price decreased in January by 1.5% from a year earlier to \$380,230. The national average price increased by 2.3% from January 2017 to \$481,562. The average price for homes sold by realtors in Alberta increased in 2017 by 0.9% from the previous year to \$398,128.



MARKET SUMMARY	Current Month/YTD: January		
Alberta Cities 10,000+	2018	2017	% ch
Single-family starts	784	651	20.4%
Multi-family starts	844	451	87.1%
Total housing starts	1,628	1,102	47.7%
AREA REBs (MLS)			
Residential sales	2,984	2,795	6.8%
Residential avg. price	\$380,230	\$385,980	-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.