



economic analysis *report*

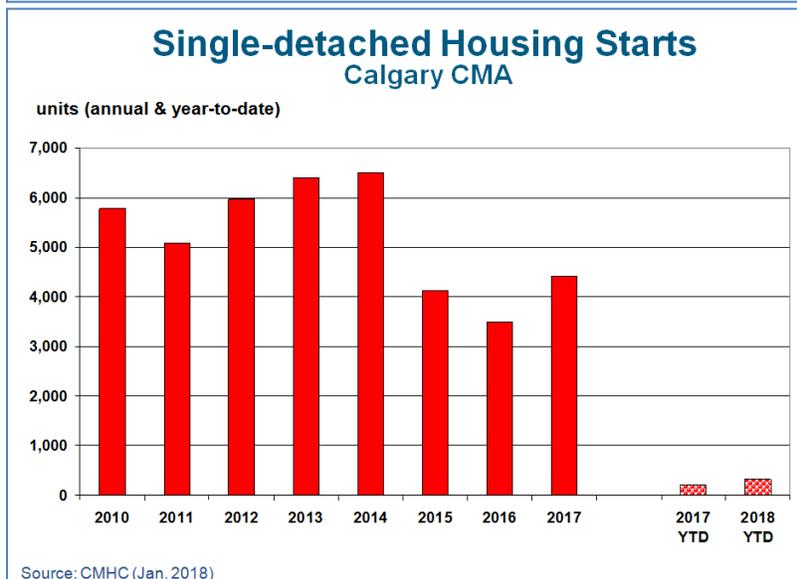
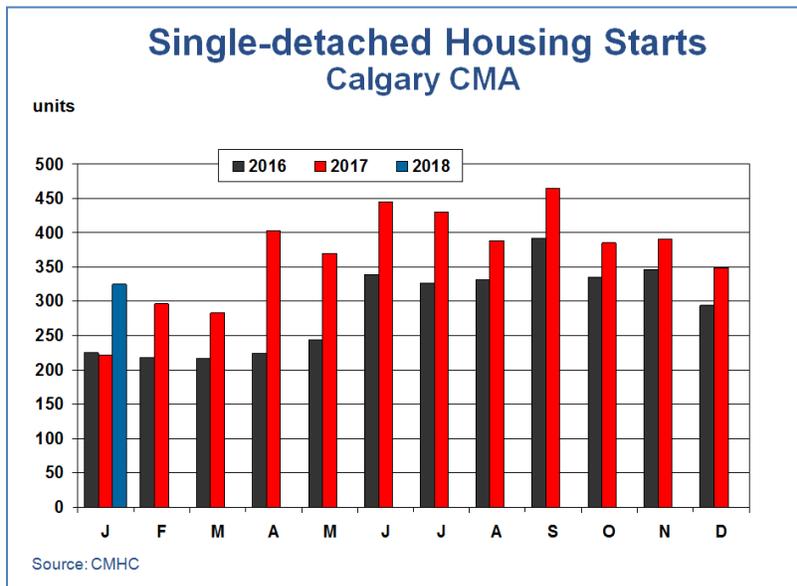
FEBRUARY 2018

CALGARY MARKET UPDATE

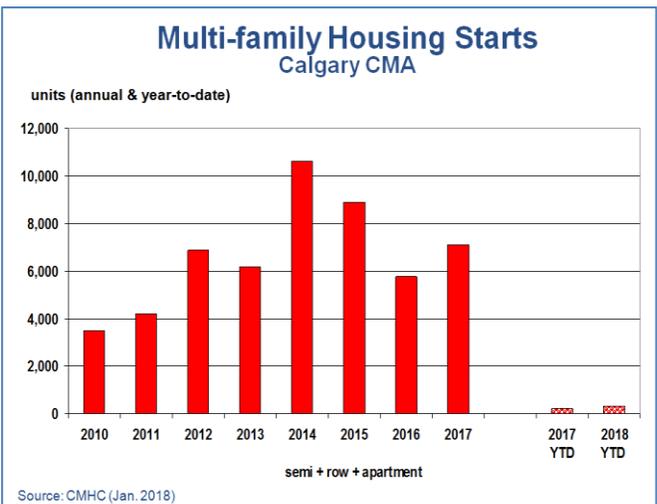
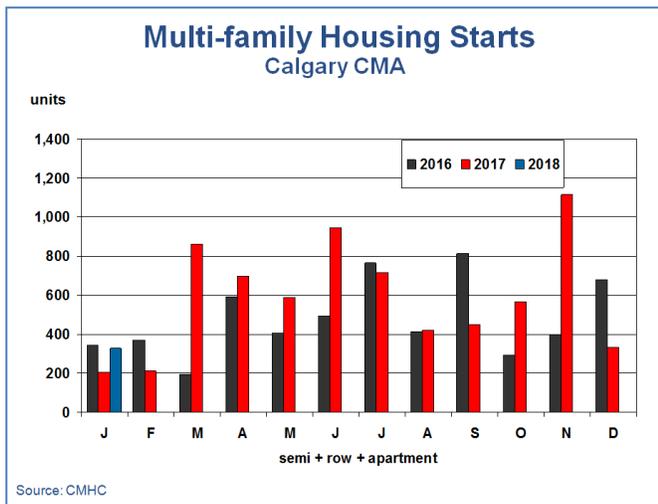
HOUSING STARTS

Total housing starts in the Calgary Census Metropolitan Area (CMA) increased in January by 52.8% from a year prior to 651 units. Builder activity within the city of Calgary was more than double January 2017 levels and this offset a 13.3% decline in the outer municipalities of the region.

Single-detached: Single-detached starts in Metro Calgary increased in January by 47% year-over-year to 325 units. Single-family starts in the Calgary region increased last year by 26.8% from 2016 volumes to 4,423 units.

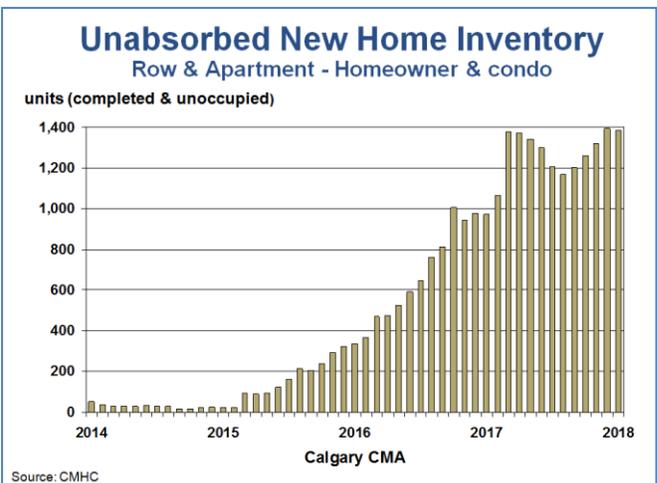
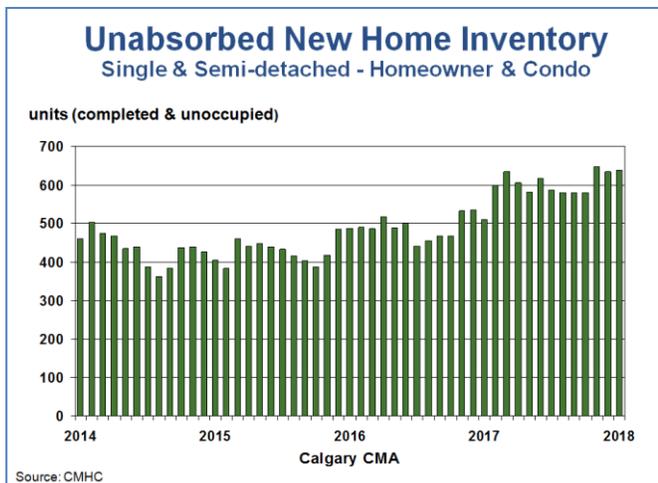


Multi-family (semi, row & apartment): Multi-family starts in the Calgary region increased in January by 59% from year-ago levels to 326 units. All three multiple dwelling unit types showed sizable gains over the first month of 2017.



NEW HOME INVENTORY

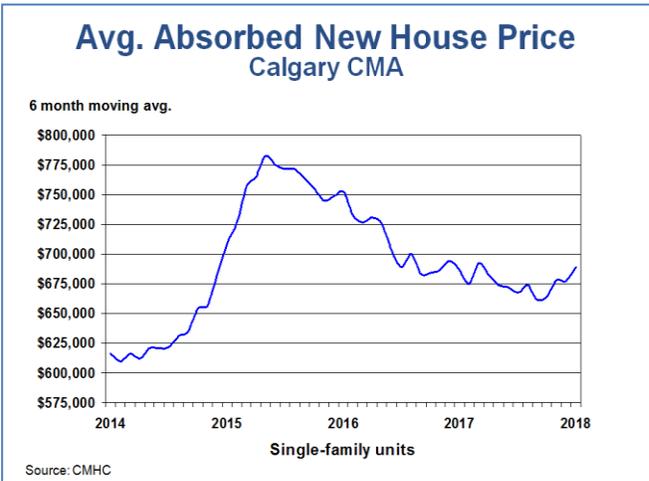
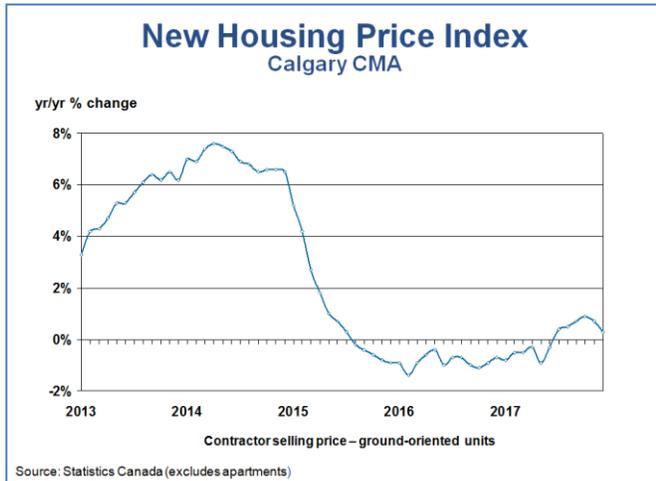
There were 639 completed and unoccupied single and semi-detached dwellings (including show homes) reported by CMHC in Calgary CMA in January, up from 635 units in the previous month and 509 units at the beginning of 2017. Unabsorbed new townhomes and apartments stood at 1,384 units in January, down from 1,395 units in December but up from 984 units a year earlier.



NEW HOUSE PRICES

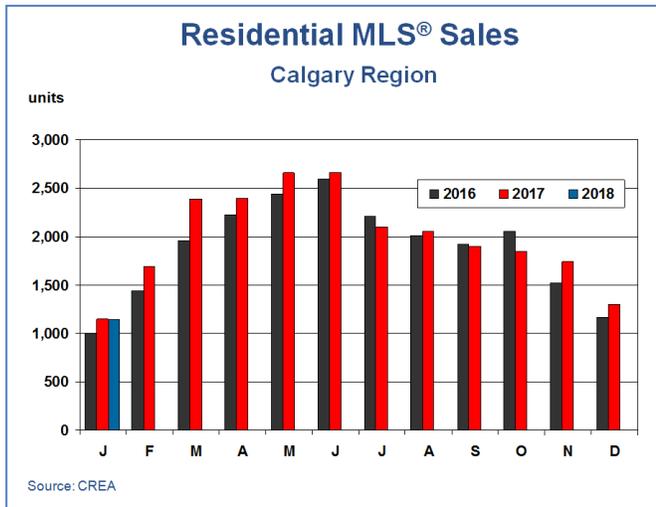
Statistics Canada's new housing price index (NHPI) for Calgary CMA increased in December by 0.3% year-over-year. This index of contractor selling prices for ground-oriented units in 2017 was unchanged on average from the level reported during 2016.

CMHC's average price for a single-family home absorbed during January in the Calgary area increased almost 5% from the first month of 2017 to \$708,970. The average absorbed single-family house price was down in 2017 by 4.6% to \$668,718.



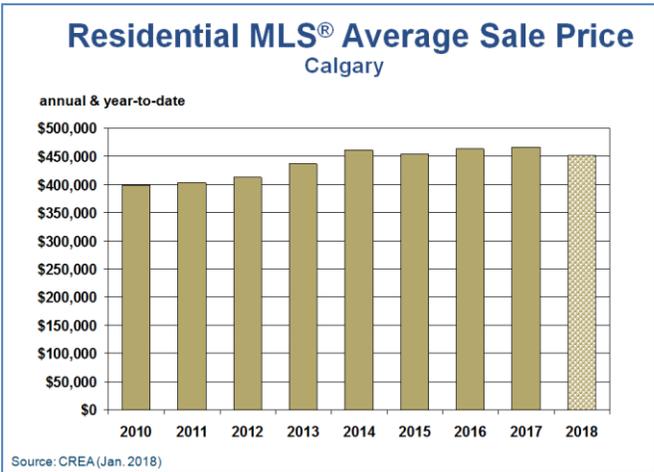
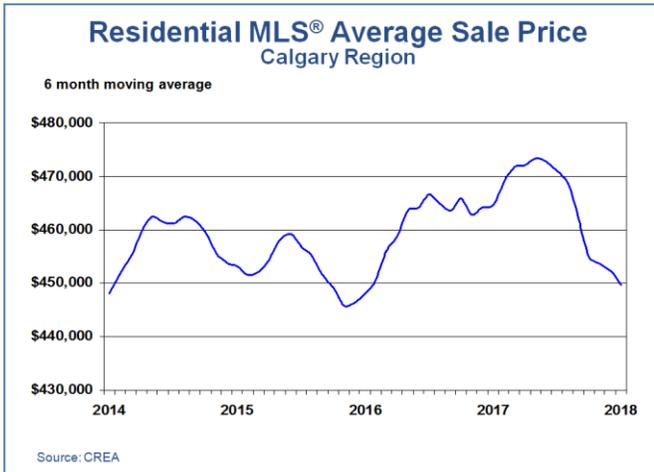
RESIDENTIAL (MLS) SALES

Residential sales in the Calgary MLS region edged lower in January by 0.6% year-over-year to 1,140 units. CREB noted that rising sales within the city for attached properties were not enough to offset declines in the apartment and detached sector. MLS home sales across the region increased last year by 6% from all of 2016.



RESIDENTIAL (MLS) SALE PRICES

The average residential MLS sale price in the Calgary area remained largely unchanged in January, up 0.2% from a year ago to \$451,953. The average price for homes sold by realtors increased in 2017 by 0.7% from the previous year to \$466,259.



MARKET SUMMARY	Current Month/YTD: January		
Calgary CMA	2018	2017	% ch
Single-family starts	325	221	47.1%
Multi-family starts	326	205	59.0%
Total housing starts	651	426	52.8%
Calgary REB (MLS)			
Residential sales	1,140	1,147	-0.6%
Residential avg. price	\$451,953	\$451,242	0.2%
Source: CMHC/CREA			

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.