

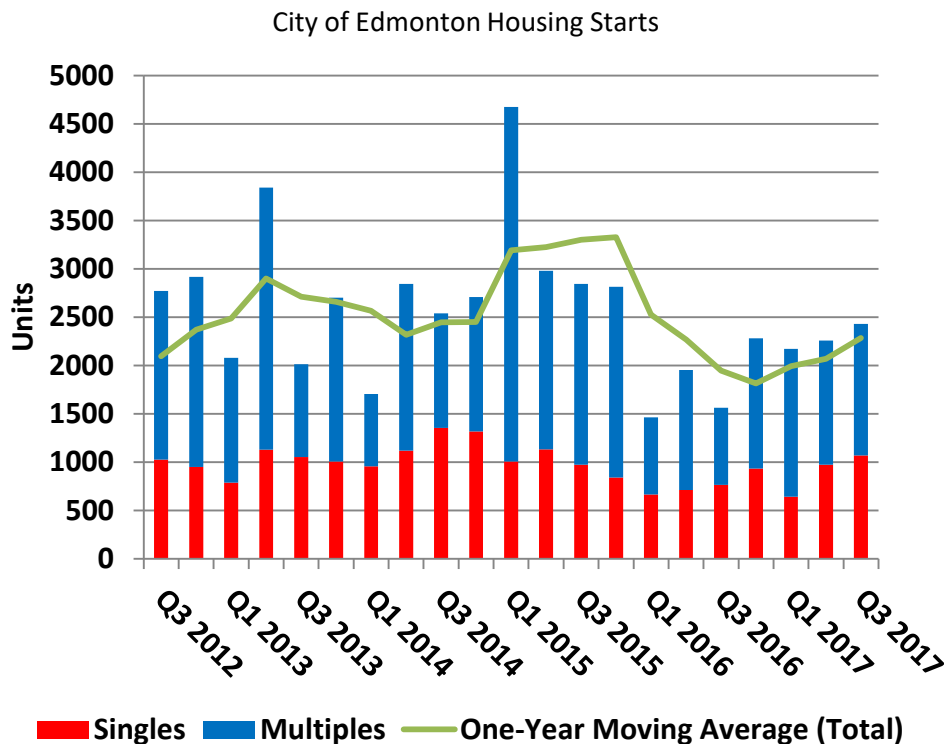
Edmonton's housing starts see an increase in Q3

October 12, 2017

Builders in the city of Edmonton initiated construction on 2,430 housing units in Q3 2017, which represents an increase of 7.6% when compared to the 2,258 units started in Q2 2017.

Both single- and multi-family housing starts saw solid gains in Q3, increasing by 9.9% and 5.9% respectively.

On a year-over-year basis, housing starts have increased by a very strong 55.5% largely as a result of relatively weak starts in Q3 2016. New single-family homes increased by a very solid 39.4% in Q3 2017 when compared to Q3 2016 while multi-family units saw turnaround moving up by 71%.



Source: Canada Mortgage Housing Corporation

Quarter over quarter, the number of new housing units were up at the Edmonton Census Metropolitan Area (CMA) level with a 7.9% increase from Q2 2017 to Q3 2017. This rise was driven by good gains in both single- and multi-family starts.

On a year-over-year basis, the number of new housing starts in the Edmonton CMA increased by 46.2%. Multi-family homes were up by 69%, and single-family home starts were up by 26.6%.

Q3 2017 Housing Starts – Edmonton City and Edmonton CMA

	City of Edmonton			Edmonton CMA		
	Single-Detached	Multi-Family	Total	Single-Detached	Multi-Family	Total
Q3 2017	1069	1361	2,430	1,517	1,736	3,253
Q2 2017	973	1285	2,258	1414	1601	3,015
Q3 2016	767	796	1,563	1,198	1,027	2,225
% Change Q2 2017 to Q3 2017	9.9%	5.9%	7.6%	7.3%	8.4%	7.9%
% Change Year-over-Year	39.4%	71.0%	55.5%	26.6%	69.0%	46.2%

Source: Canada Mortgage Housing Corporation

Significance

Total housing starts in Q3 2017 improved for the city of Edmonton with the main source of strength seen in multi-family housing. High inventory levels in the resale and new housing market along with a historically high vacancy rate in the rental market will constrain starts at current levels over the remainder of 2017 and into 2018.

Limitations

While the number of single- and multi-family housing starts does offer an indication of the construction building sector's performance, housing starts are not distributed evenly across quarters and figures can often fluctuate dramatically. Therefore, the figures should be interpreted in the context of other economic indicators.

Contact

John Rose
 Chief Economist
 Financial and Corporate Services
 780-496-6070