

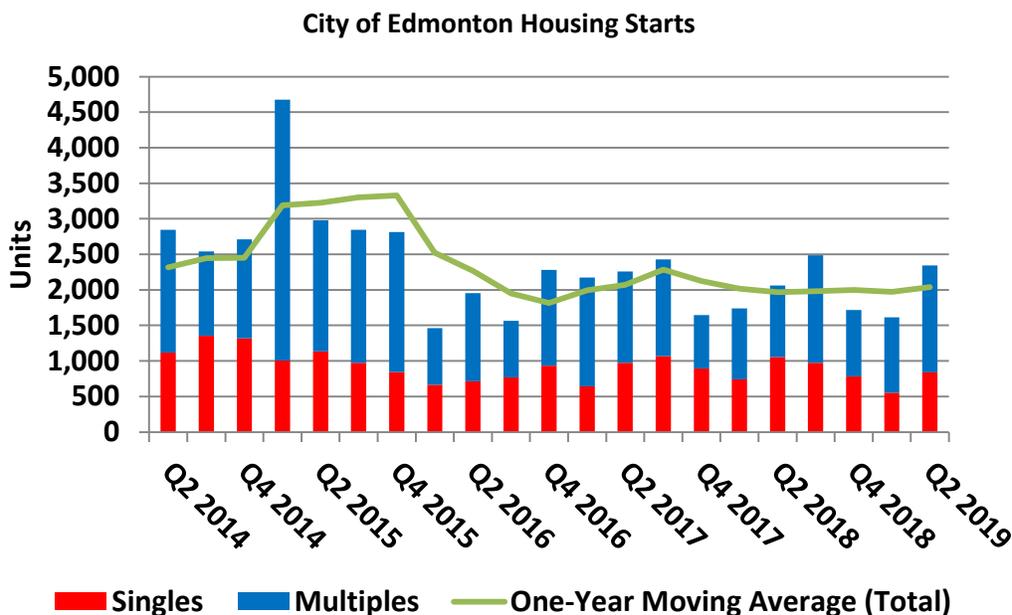
## Multi-family housing starts jump higher in Q2 2019

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Builders in the city of Edmonton broke ground on a total of 2,345 housing units in Q2 2019, representing an increase of almost 14 per cent year-over-year from 2,061 units in Q2 2018.

The one-year moving average for total housing starts in Edmonton moved higher in Q2 2019 from the previous quarter, solely driven by gains in the multi-family segment. The one-year moving average is helpful to filter out quarter-over-quarter fluctuations which may be due to seasonal factors.

On a year-over-year basis, total housing starts were almost 14 per cent higher in Q2 2019. The gain was solely due to higher multi-family housing starts, which include semi-detached, row and apartment starts, which rose almost 50 per cent year-over-year in Q2 2019. Single-family housing starts saw a year-over-year reduction of 20.5 per cent in Q2 2019. The gain in multi-family starts was due to the row and apartment segments where production almost doubled housing starts in Q2 2018.



Source: Canada Mortgage Housing Corporation

The one-year moving average for total housing starts in the Edmonton Census Metropolitan Area (CMA) gained 1.3 per cent in Q2 2019 from the previous quarter. The gain was due to higher multi-family housing production in Q2 2019.

On a year-over-year basis, the number of housing starts in the Edmonton CMA was 4.6 per cent higher at 2,769 units. Similar to housing starts activity at the city level, single-family housing starts saw a significant reduction which was more than offset by higher multi-family starts.

#### Q2 2019 Housing Starts – Edmonton City and Edmonton CMA

	City of Edmonton			Edmonton CMA		
	Single-Detached	Multi-Family	Total	Single-Detached	Multi-Family	Total
Q2 2019	839	1,506	2,345	1,125	1,644	2,769
Q2 2018	1,055	1,006	2,061	1,439	1,208	2,647
% Change Year-over-Year	-20.5%	49.7%	13.8%	-21.8%	36.1%	4.6%
One-year moving average, Q2 2019	787	1,254	2,041	1,045	1,424	2,469
One-year moving average, Q1 2019	841	1,129	1,970	1,124	1,315	2,438
% Change, Quarter-over-Quarter	-6.4%	11.1%	3.6%	-7.0%	8.3%	1.3%

Source: Canada Mortgage Housing Corporation

### Significance

The downward trend in single-family housing starts continued in Q2 2019 for both the city as well as the Edmonton CMA. This has been in response to both the existing and new home markets remaining well-supplied. Despite year-over-year gains in multi-family housing starts for two consecutive quarters, the pace of construction activity for new housing units will likely be slower in 2019 compared to the previous year, particularly for single-family product.

Fundamentals supporting housing demand have been positive, including population growth, gains in full-time employment and wage growth. These should help to firm up housing demand later on in the year, and consequently lead to the absorption of existing and new home supply.

### 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 fluctuate dramatically. Therefore, the figures should be interpreted in the context of other economic indicators.

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