

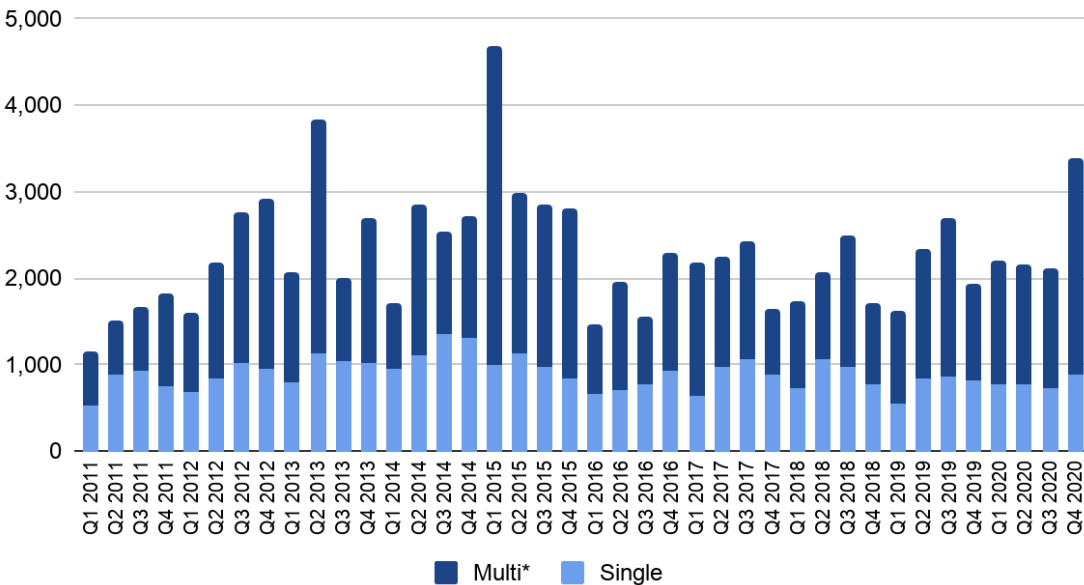
## Apartment starts surge in Q4 2020

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In Q4 2020, Edmonton builders broke ground on 3,381 housing units, up 74 per cent year-over-year. The 12-month moving average for total housing starts in Edmonton jumped 17.1 per cent higher in Q4 2020 from Q3, largely due to a surge in multi-family housing starts, particularly for rental apartment units. The one-year moving average is helpful to filter out quarter-over-quarter fluctuations which may be due to seasonal factors.

Single-family housing starts production rose 7.1 per cent year-over-year to 875 in Q4 2020. Multi-family starts, which include semi-detached, row and apartment units, more than doubled production in Q4 2020, reaching 2,506 units from 1,125 in Q4 2019. The jump was largely due to much higher apartment starts, particularly for rental apartment units. In Q4 2020, 1,031 rental apartment units broke ground, the strongest quarterly performance since the start of publicly released data in 1990.

### Edmonton Housing Starts



Source: Canada Mortgage Housing Corporation

The 12-month moving average for total housing starts in the Edmonton census metropolitan area (CMA) increased by 13.3 per cent in Q4 2020 from the previous quarter, strongly influenced by much higher multi-family housing starts. The number of housing starts in the Edmonton CMA



was 54.1 per cent higher year-over-year in Q4 2020, driven largely by higher apartment starts production.

**Q4 2020 Housing Starts – Edmonton City and Edmonton CMA**

	City of Edmonton			Edmonton CMA		
	Single-Family	Multi-Family	Total	Single-Family	Multi-Family	Total
Q4 2020	875	2,506	3,381	1,195	2,664	3,859
Q4 2019	817	1,125	1,942	1,107	1,397	2,504
% change Y/Y	7.1	122.8	74.1	8.0	90.7	54.11
12-mma, Q4 2020	786	1,680	2,466	1,035	1,844	2,878
12-mma, Q3 2020	772	1,335	2,107	1,013	1,527	2,539
% change, Q/Q	1.9	25.9	17.1	2.2	20.7	13.3

Source: Canada Mortgage Housing Corporation; 12-month moving average (12-mma)

### Significance

Housing starts production in Edmonton was much stronger than anticipated in 2020, with an annual gain of almost 15 per cent year-over-year. The strongest performance across housing types was for apartment units with starts up by almost 22 per cent year-over-year. Excluding Q3 2020, quarterly apartment starts posted strong year-over-year gains throughout 2020. In Q4 2020, rental apartment starts accounted for almost 52 per cent of total apartment starts and hit its highest level of production since data became publicly available in 1990. Despite hitting a quarterly record high, its share relative to overall apartment starts was about 36 per cent, well in-line with its preceding 10-year average share. Looking ahead, the demand for housing, including for new homes, is expected to soften. This is mainly because demand fundamentals, including full-time employment, incomes and population growth, have weakened considering the COVID-19 pandemic and may take some time to recover.

### Limitations

While the number of single- and multi-family housing starts 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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