

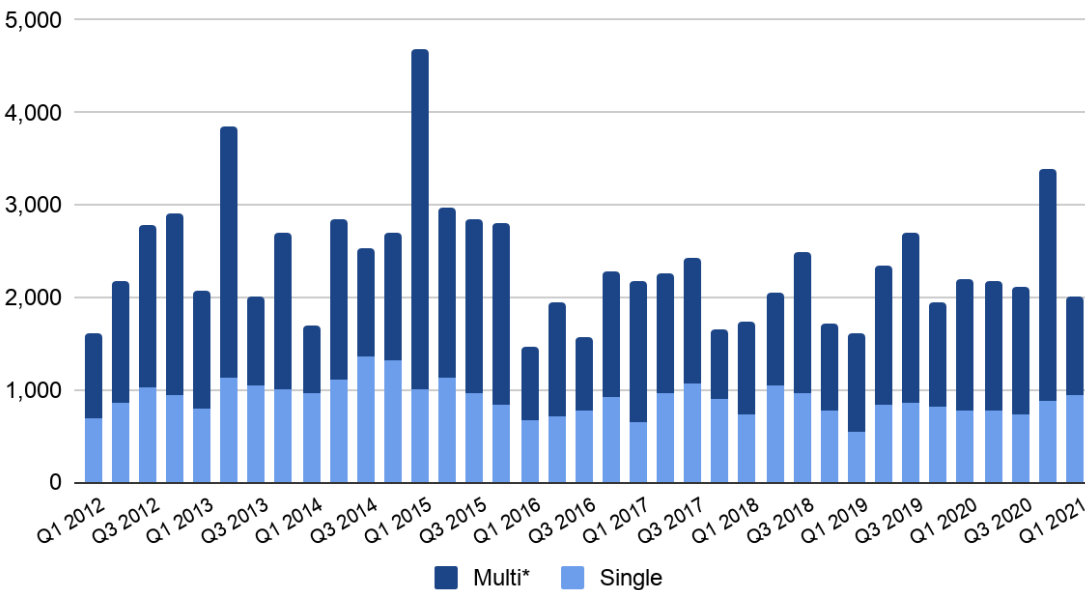
## Apartment starts slow down in Q1 2021

April 20, 2021

Edmonton builders broke ground on 2,020 housing units in the first quarter of 2021, which represents a reduction of eight per cent year-over-year. The four-quarter moving average for total housing starts in Edmonton decreased by 1.8 per cent in Q1 2021 from the previous quarter. This moving average is helpful to filter out quarter-over-quarter fluctuations which may be due to seasonal factors.

Single-family housing starts increased on a year-over-year basis for the second consecutive quarter, reaching 936 units in Q1 2021. Meanwhile, multi-family starts in Q1, which include semi-detached, row and apartment units, decreased by almost 24 per cent year-over-year. The reduction in multi-family starts production was largely due to fewer row and apartment starts on a year-over-year basis; the pullback in apartment production was more pronounced (-35.4 per cent) and concentrated in March.

Edmonton housing starts



Source: Canada Mortgage Housing Corporation

The four-quarter moving average for total housing starts in the Edmonton census metropolitan area (CMA) moved lower in Q1 2021 from Q4 2020, largely due to a reduction in multi-family



starts. The number of housing starts in the Edmonton CMA was relatively unchanged in Q1 2021 with a total of 2,511 units breaking ground.

**Q1 2021 Housing Starts – Edmonton City and Edmonton CMA**

|                | City of Edmonton |              |       | Edmonton CMA  |              |       |
|----------------|------------------|--------------|-------|---------------|--------------|-------|
|                | Single-Family    | Multi-Family | Total | Single-Family | Multi-Family | Total |
| Q1 2021        | 936              | 1,084        | 2,020 | 1,195         | 1,316        | 2,511 |
| Q1 2020        | 771              | 1,425        | 2,196 | 974           | 1,550        | 2,524 |
| % change Y/Y   | 21.4             | -23.9        | -8.0  | 22.7          | -15.1        | -0.5  |
| 4-qma, Q1 2021 | 827              | 1,595        | 2,422 | 1,090         | 1,785        | 2,875 |
| 4-qma, Q4 2020 | 786              | 1,680        | 2,466 | 1,035         | 1,844        | 2,878 |
| % change, Q/Q  | 5.2              | -5.1         | -1.8  | 5.3           | -3.2         | -0.1  |

*Source: Canada Mortgage Housing Corporation; 4-quarter moving average (4-qma)*

### Significance

After a strong rebound in Q4 2020, housing starts pulled back in Edmonton during Q1 2021. Single-family starts increased on a year-over-year basis in Q1 2021, which helped to mitigate some of the losses from fewer apartment units breaking ground. The reduction in activity was largely due to significantly fewer condominium units breaking ground in Q1 2021, which more than offset rental apartment starts more than doubling on a year-over-year basis. Looking ahead, residential housing construction, particularly for single-family housing units, will likely continue to see support from low interest rates, pent-up demand and reduced supply in the existing home market.

### 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.

### Contact

Felicia Mutheardy  
 Chief Corporate Economist (acting)  
 Financial and Corporate Services  
 780-496-6144

### Contact for media inquiries

Matt Pretty  
 Communication Advisor  
 780-442-0970