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HOUSING NOW

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Canada Mortgage and Housing Corporation

New Record for Single-family Housing Starts in 2002

Calgary's residential construction in 2002 recorded the best annual performance since 1981. Total housing starts in the Calgary Census Metropolitan Area (CMA) reached 14,339 units last year, an impressive 26 per cent gain over activity reported in 2001. While overall construction failed to surpass the all-time high of 15,382 starts in 1978, new records were set in the single-family and home ownership markets.

December's 704 single-family starts helped push construction for the year to 9,413 units, surpassing the previous record of 9,219 units set in 1998. This represents a two per cent gain over the previous record and an impressive 25 per cent jump over 2001's performance. In terms of per capita starts, Calgary had one of the hottest single-family housing markets among Canadian CMAs. At 9.5 starts per 1,000 population, Calgary tied Oshawa for the national lead. By comparison, Edmonton had the next strongest market with 7.1 starts per 1,000 people. Indeed, Calgary's single-family market had everything going for it last year. Low mortgage rates, a surge in migration, and lack of resale selection were the dominant factors pushing single-family starts to their all-time high in 2002.

For all new single-family units absorbed in 2002, the average price reached \$242,385, representing a modest one per cent increase over 2001. The lack of price growth can be attributed to a shift in consumer sentiment toward the lower end of the market rather than an overall weakness in demand. In fact, 8,498 single-family homes were absorbed in 2002, 23 per cent higher than 2001 and the second strongest year on record. This helped maintain a low number of complete and unabsorbed units through 2002. At 566 units in December, the number of single-family units in inventory was 16 per cent lower than December 2001.

Meanwhile, multi-family construction, which includes semi-detached, row, and apartment units, put in its best performance since 1982. Multi-unit starts totaled 215 units in December, pushing the year-end total for the Calgary CMA to 4,926 units, 30 per cent ahead of 2001. By type, apartment units led the charge in 2002, as 3,031 apartment starts finished off the year 39 per cent above 2001's performance. During that same time, semi-detached units increased 11 per cent over 2001, while row units reported a 22 per cent year-over-year gain. Though 2002 failed to set a new benchmark for overall multi-family construction, it did establish a new record for home ownership multi-family starts. Only a small percentage of the record of 10,602 multi-family starts in 1978 consisted of units for ownership or condominium tenure.

With multi-family starts up 30 per cent year-over-year, the under construction total is among the highest in 20 years. Despite the jump, however, we are not concerned of a potential overbuild like we had been in previous years. At the end of December, the number of multi-family units in inventory is among the lowest since the summer of 1999. In fact, with 314 units in December, the number of complete and unabsorbed multis is 31 per cent lower than the previous

DECEMBER 2002

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year. Meanwhile, the per cent of multi-family units absorbed at completion is at a healthy 80 per cent, considerably stronger than the percentage 18 months earlier.

Examining activity within city limits, single-family starts ended the year 23 per cent higher than 2001, reaching 7,952 units for the year. Multi-family starts matched the gain across the entire CMA, as the 4,410 starts within city limits were 30 per cent higher than 2001. Overall activity in the city finished 25 per cent ahead of 2001's performance. Outside city limits, Chestermere Lake and Cochrane recorded the largest increases in total residential construction in 2002, at 64 and 59 per cent, respectively. Irricana was the only centre to register a decline, as starts in 2002 fell 13 per cent from the previous year.

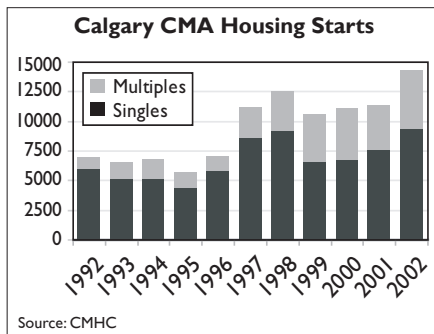


Table I
CALGARY CMA
STARTS ACTIVITY BY AREA DECEMBER 2002

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
AIRDRIE	48	24	6	4	0	58	24	**
BEISEKER	1	0	0	0	0	1	0	**
CALGARY CITY	585	584	52	50	83	770	943	-18.35
CHESTERMERE LAKE	26	15	4	0	0	30	15	**
COCHRANE	10	8	0	0	0	10	8	25.00
CROSSFIELD	2	0	10	0	0	12	0	**
IRRICANA	0	0	0	0	0	0	0	**
MD ROCKYVIEW	32	20	6	0	0	38	22	72.73
TOTAL	704	651	78	54	83	919	1012	-9.19

Table IB
CALGARY CMA
STARTS ACTIVITY BY AREA YEAR TO DATE

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
AIRDRIE	521	355	68	118	114	821	632	29.91
BEISEKER	6	1	2	0	0	8	3	**
CALGARY CITY	7952	6474	548	945	2917	12362	9867	25.29
CHESTERMERE LAKE	366	250	16	62	0	444	270	64.44
COCHRANE	180	102	28	24	0	232	146	58.90
CROSSFIELD	15	13	12	0	0	27	21	28.57
IRRICANA	3	8	4	0	0	7	8	-12.50
MD ROCKYVIEW	370	356	48	20	0	438	402	8.96
TOTAL	9413	7559	726	1169	3031	14339	11349	26.35

** Indicates 100% change or greater



HOUSING NOW provides an overview of a survey conducted monthly by CMHC. These surveys deal with Housing Starts, Completions and Absorptions for all CMA's across Canada. For more information please contact Richard Corriveau in Market Analysis at (403) 515-3005 or by fax at (403) 515-3036.

Table 2
CALGARY CMA
HOUSING COMPLETIONS BY AREA DECEMBER 2002

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
AIRDRIE	34	17	4	0	0	38	17	**
BEISEKER	1	0	0	0	0	1	0	**
CALGARY CITY	614	577	44	68	379	1105	819	34.92
CHESTERMERE LAKE	30	19	0	12	0	42	23	82.61
COCHRANE	14	10	2	0	0	16	18	-11.11
CROSSFIELD	0	2	0	0	0	0	2	**
IRRICANA	0	0	0	0	0	0	0	**
MD ROCKYVIEW	18	27	2	0	0	20	35	-42.86
TOTAL	711	652	52	80	379	1222	914	33.70

Table 2B
CALGARY CMA
HOUSING COMPLETIONS BY AREA YEAR TO DATE

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
AIRDRIE	452	293	46	67	231	796	435	82.99
BEISEKER	3	2	4	0	0	7	2	**
CALGARY CITY	7170	5807	536	922	2293	10921	9782	11.64
CHESTERMERE LAKE	319	187	4	38	0	361	219	64.84
COCHRANE	126	120	18	14	0	158	171	-7.60
CROSSFIELD	12	16	0	0	0	12	24	-50.00
IRRICANA	3	13	2	0	0	5	13	-61.54
MD ROCKYVIEW	336	352	22	12	0	370	434	-14.7
TOTAL	8421	6790	632	1053	2524	12630	11080	13.99

** Indicates 100% change or greater

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Table 3
CALGARY CMA
HOUSING ACTIVITY SUMMARY

Activity	Ownership					Rental				Total
	Freehold			Condominium		Private		Assisted		
	Single	Semi	Row	Row	Apt	Row	Apt	Row	Apt	
STARTS										
December	704	78	0	54	83	0	0	0	0	919
2001	651	32	0	98	6	0	225	0	0	1012
Year-To-Date 2002	9413	726	22	1147	2734	0	297	0	0	14339
Year-To-Date 2001	7559	656	4	955	1725	0	450	0	0	11349
UNDER CONSTRUCTION										
2002	3978	530	22	824	2751	0	556	0	0	8661
2001	2991	434	3	800	2480	0	456	0	0	7164
COMPLETIONS										
December	711	52	6	74	379	0	0	0	0	1222
2001	652	76	0	69	111	0	6	0	0	914
Year-To-Date 2002	8421	632	15	1038	2379	0	145	0	0	12630
Year-To-Date 2001	6790	704	0	899	2664	5	18	0	0	11080
COMPLETED & NOT ABSORBED										
2002	566	104	3	36	157	0	14	0	0	880
2001	674	147	0	50	258	0	0	0	0	1129
TOTAL SUPPLY										
2002	4544	634	25	860	2908	0	570	0	0	9541
2001	3665	581	3	850	2738	0	456	0	0	8293
ABSORPTIONS										
December	708	39	4	79	370	0	1	0	0	1201
3-month Average	755	53	3	71	182	0	5	0	0	1069
12-month Average	708	56	1	88	207	0	11	0	0	1071

RESIDENTIAL CONSTRUCTION DIGEST

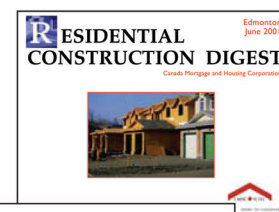
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JUNE 2001		Metropolitan Area	
Single Family Housing Starts by Zone and Price Type for the Current Month			
Zone	Price Type	Starts	Value (\$)
Zone 1	Single	10	1,200,000
	Multi-Family	5	15,000,000
Zone 2	Single	15	1,800,000
	Multi-Family	8	24,000,000
Zone 3	Single	20	2,400,000
	Multi-Family	12	36,000,000
Zone 4	Single	25	3,000,000
	Multi-Family	15	45,000,000
Zone 5	Single	30	3,600,000
	Multi-Family	18	54,000,000
Zone 6	Single	35	4,200,000
	Multi-Family	21	63,000,000
Zone 7	Single	40	4,800,000
	Multi-Family	24	72,000,000
Zone 8	Single	45	5,400,000
	Multi-Family	27	81,000,000
Zone 9	Single	50	6,000,000
	Multi-Family	30	90,000,000
Zone 10	Single	55	6,600,000
	Multi-Family	33	99,000,000
Zone 11	Single	60	7,200,000
	Multi-Family	36	108,000,000
Zone 12	Single	65	7,800,000
	Multi-Family	39	117,000,000
Zone 13	Single	70	8,400,000
	Multi-Family	42	126,000,000
Zone 14	Single	75	9,000,000
	Multi-Family	45	135,000,000
Zone 15	Single	80	9,600,000
	Multi-Family	48	144,000,000
Zone 16	Single	85	10,200,000
	Multi-Family	51	153,000,000
Zone 17	Single	90	10,800,000
	Multi-Family	54	162,000,000
Zone 18	Single	95	11,400,000
	Multi-Family	57	171,000,000
Zone 19	Single	100	12,000,000
	Multi-Family	60	180,000,000
Zone 20	Single	105	12,600,000
	Multi-Family	63	189,000,000
Zone 21	Single	110	13,200,000
	Multi-Family	66	198,000,000
Zone 22	Single	115	13,800,000
	Multi-Family	69	207,000,000
Zone 23	Single	120	14,400,000
	Multi-Family	72	216,000,000
Zone 24	Single	125	15,000,000
	Multi-Family	75	225,000,000
Zone 25	Single	130	15,600,000
	Multi-Family	78	234,000,000
Zone 26	Single	135	16,200,000
	Multi-Family	81	243,000,000
Zone 27	Single	140	16,800,000
	Multi-Family	84	252,000,000
Zone 28	Single	145	17,400,000
	Multi-Family	87	261,000,000
Zone 29	Single	150	18,000,000
	Multi-Family	90	270,000,000
Zone 30	Single	155	18,600,000
	Multi-Family	93	279,000,000
Zone 31	Single	160	19,200,000
	Multi-Family	96	288,000,000
Zone 32	Single	165	19,800,000
	Multi-Family	99	297,000,000
Zone 33	Single	170	20,400,000
	Multi-Family	102	306,000,000
Zone 34	Single	175	21,000,000
	Multi-Family	105	315,000,000
Zone 35	Single	180	21,600,000
	Multi-Family	108	324,000,000
Zone 36	Single	185	22,200,000
	Multi-Family	111	333,000,000
Zone 37	Single	190	22,800,000
	Multi-Family	114	342,000,000
Zone 38	Single	195	23,400,000
	Multi-Family	117	351,000,000
Zone 39	Single	200	24,000,000
	Multi-Family	120	360,000,000
Zone 40	Single	205	24,600,000
	Multi-Family	123	369,000,000
Zone 41	Single	210	25,200,000
	Multi-Family	126	378,000,000
Zone 42	Single	215	25,800,000
	Multi-Family	129	387,000,000
Zone 43	Single	220	26,400,000
	Multi-Family	132	396,000,000
Zone 44	Single	225	27,000,000
	Multi-Family	135	405,000,000
Zone 45	Single	230	27,600,000
	Multi-Family	138	414,000,000
Zone 46	Single	235	28,200,000
	Multi-Family	141	423,000,000
Zone 47	Single	240	28,800,000
	Multi-Family	144	432,000,000
Zone 48	Single	245	29,400,000
	Multi-Family	147	441,000,000
Zone 49	Single	250	30,000,000
	Multi-Family	150	450,000,000
Zone 50	Single	255	30,600,000
	Multi-Family	153	459,000,000
Zone 51	Single	260	31,200,000
	Multi-Family	156	468,000,000
Zone 52	Single	265	31,800,000
	Multi-Family	159	477,000,000
Zone 53	Single	270	32,400,000
	Multi-Family	162	486,000,000
Zone 54	Single	275	33,000,000
	Multi-Family	165	495,000,000
Zone 55	Single	280	33,600,000
	Multi-Family	168	504,000,000
Zone 56	Single	285	34,200,000
	Multi-Family	171	513,000,000
Zone 57	Single	290	34,800,000
	Multi-Family	174	522,000,000
Zone 58	Single	295	35,400,000
	Multi-Family	177	531,000,000
Zone 59	Single	300	36,000,000
	Multi-Family	180	540,000,000
Zone 60	Single	305	36,600,000
	Multi-Family	183	549,000,000
Zone 61	Single	310	37,200,000
	Multi-Family	186	558,000,000
Zone 62	Single	315	37,800,000
	Multi-Family	189	567,000,000
Zone 63	Single	320	38,400,000
	Multi-Family	192	576,000,000
Zone 64	Single	325	39,000,000
	Multi-Family	195	585,000,000
Zone 65	Single	330	39,600,000
	Multi-Family	198	594,000,000
Zone 66	Single	335	40,200,000
	Multi-Family	201	603,000,000
Zone 67	Single	340	40,800,000
	Multi-Family	204	612,000,000
Zone 68	Single	345	41,400,000
	Multi-Family	207	621,000,000
Zone 69	Single	350	42,000,000
	Multi-Family	210	630,000,000
Zone 70	Single	355	42,600,000
	Multi-Family	213	639,000,000
Zone 71	Single	360	43,200,000
	Multi-Family	216	648,000,000
Zone 72	Single	365	43,800,000
	Multi-Family	219	657,000,000
Zone 73	Single	370	44,400,000
	Multi-Family	222	666,000,000
Zone 74	Single	375	45,000,000
	Multi-Family	225	675,000,000
Zone 75	Single	380	45,600,000
	Multi-Family	228	684,000,000
Zone 76	Single	385	46,200,000
	Multi-Family	231	693,000,000
Zone 77	Single	390	46,800,000
	Multi-Family	234	702,000,000
Zone 78	Single	395	47,400,000
	Multi-Family	237	711,000,000
Zone 79	Single	400	48,000,000
	Multi-Family	240	720,000,000
Zone 80	Single	405	48,600,000
	Multi-Family	243	729,000,000
Zone 81	Single	410	49,200,000
	Multi-Family	246	738,000,000
Zone 82	Single	415	49,800,000
	Multi-Family	249	747,000,000
Zone 83	Single	420	50,400,000
	Multi-Family	252	756,000,000
Zone 84	Single	425	51,000,000
	Multi-Family	255	765,000,000
Zone 85	Single	430	51,600,000
	Multi-Family	258	774,000,000
Zone 86	Single	435	52,200,000
	Multi-Family	261	783,000,000
Zone 87	Single	440	52,800,000
	Multi-Family	264	792,000,000
Zone 88	Single	445	53,400,000
	Multi-Family	267	801,000,000
Zone 89	Single	450	54,000,000
	Multi-Family	270	810,000,000
Zone 90	Single	455	54,600,000
	Multi-Family	273	819,000,000
Zone 91	Single	460	55,200,000
	Multi-Family	276	828,000,000
Zone 92	Single	465	55,800,000
	Multi-Family	279	837,000,000
Zone 93	Single	470	56,400,000
	Multi-Family	282	846,000,000
Zone 94	Single	475	57,000,000
	Multi-Family	285	855,000,000
Zone 95	Single	480	57,600,000
	Multi-Family	288	864,000,000
Zone 96	Single	485	58,200,000
	Multi-Family	291	873,000,000
Zone 97	Single	490	58,800,000
	Multi-Family	294	882,000,000
Zone 98	Single	495	59,400,000
	Multi-Family	297	891,000,000
Zone 99	Single	500	60,000,000
	Multi-Family	300	900,000,000
Zone 100	Single	505	60,600,000
	Multi-Family	303	909,000,000

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