H OUSING NOW

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation
www.cmhc.ca

Edmonton's Housing Starts Surge in November

Bolstered by a large increase in both row and apartment construction, new housing activity surged in November across Greater Edmonton. Total housing starts throughout the Edmonton Census Metropolitan Area (CMA) increased by almost 54 per cent over November 2003 to 1,498 units.

Despite November's gains, total starts for the year-to-date remain nine per cent below activity levels reported in the first 11 months of 2003. This said, with 10,637 units started to date, total starts will easily surpass the 11,000 unit mark across the Capital region for the third year running.

Following eight months of consecutive year-over-year declines, multi-family starts for November posted their best performance since November 1981. The surge in activity was due to the strength of row (townhouse) and apartment numbers. Total multiple starts including semi-detached homes reached 955 units, representing an increase of over 120 per cent from activity levels reported in November 2003. While the lion's share of production occurred in Edmonton, the city of Leduc also contributed substantially to November's multiple starts.

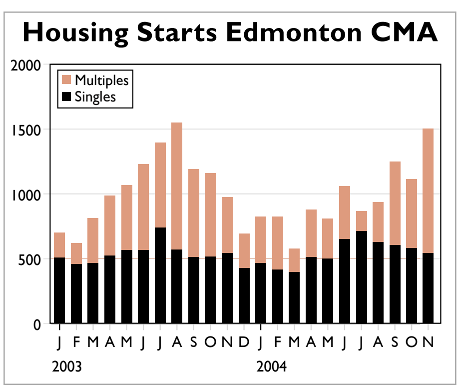
Notwithstanding the gains of the previous month, multiple unit starts still lag last year's production levels by 19 per cent to the end of November. Concerns over rising apartment vacancies and the desire to maintain a healthy level of condominium inventories has induced builders to scale back multi-family construction activity in 2004. Despite the slowdown in starts so far this year, multiple units under construction remain close to the total that were in progress last November.

Multi-unit completions increased by 38 per cent in year-over-year November to 373 units. After 11 months in 2004, multiple unit completions have reached 4,750 units representing an increase of 7.6 per cent over the same time period last year. Multiple unit absorptions also improved over November 2003 but fell short of completions by four units. As a result, multi-family inventories inched upward from the previous month of October to 1,080 units. The total stock of multiple units that have completed construction and remain unoccupied has increased by 28 per cent from November of last year. While the largest proportion of this inventory is rental apartments, Table 3 shows that the biggest increases from last year have come in condominium and semi-detached units.

Single-family home builders started work on 543 units in November, matching the output reported in the same month last year. As shown in Table 1, approximately half of the areas within Metro reported increased activity or stayed the same compared with last November. To the end of November, single-detached starts have increased by just under one per cent to 6,011 units. 2004 will represent the third successive year that single-detached starts have exceeded the 6,000 unit mark across Metro, a performance unparalleled in history.

Single-detached completions rose by 18 per cent year-over-year in November to 630 units. While absorptions rose by a larger 23 per cent margin over last November, at 599 units they failed to keep pace with the level of completions. As such, the inventory of completed and unoccupied new houses increased by 31 units from October to 661 units. While this represents back-to-back monthly increases in single-detached inventory, overall the stock of unsold new houses was still seven per cent below levels reported in November 2003. However, the composition of the inventory has shifted in recent months, with the proportion of spec homes on the rise. While the overall number of spec houses was down by a large margin from last November, their ranks have been growing since August. At 328 units, the spec inventory is now at an eight month high.

The average price of a typical new single-detached home sold in Edmonton during November increased by nine per cent from last November to a record $254,114. On a year-to date basis, new single-family homes have increased in price by an average of 8.1 per cent. This compares with an average rise of 8.7 per cent so far this year for existing single-detached units purchased on the resale market.



EDMONTON
NOVEMBER 2004

IN THIS ISSUE:

ANALYSIS

STATISTICAL TABLES

Canada

CMHC SCHL
HOME TO CANADIANS

Table 1A
STARTS ACTIVITY BY AREA
EDMONTON CMA - NOVEMBER 2004

	Single		Multiple			Total		% chg
Area	2004	2003	Semi	Row	Apt	2004	2003	2004/ 2003
Beaumont Town	21	2	0	0	0	21	2	**
Calmar Town	0	1	0	0	0	0	1	**
Devon Town	0	6	2	0	0	2	6	-66.67
Edmonton City	**340**	**336**	**60**	**94**	**636**	**1,130**	**713**	**58.49**
Fort Saskatchewan City	10	8	2	0	0	12	10	20.00
Gibbons Town	1	1	0	0	0	1	1	0.00
Leduc City	10	20	0	39	110	159	20	**
Leduc County	9	1	0	0	0	9	1	**
Morinville Town	5	1	2	0	0	7	5	40.00
Parkland County	19	15	2	0	0	21	15	40.00
Spruce Grove City	13	21	4	0	0	17	31	-45.16
St. Albert City	25	28	2	0	0	27	30	-10.00
Stony Plain Town	8	10	2	0	0	10	10	0.00
Strathcona County	68	77	0	0	0	68	113	-39.82
Sturgeon County	12	11	0	0	0	12	11	9.09
Other Centres	2	5	0	0	0	2	5	-60.00
Total	**543**	**543**	**76**	**133**	**746**	**1,498**	**974**	**53.80**

Table 1B
STARTS ACTIVITY BY AREA
EDMONTON CMA - YEAR TO DATE

	Single		Multiple			Total		% chg
Area	2004	2003	Semi	Row	Apt	2004	2003	2004/ 2003
Beaumont Town	173	125	0	0	0	173	125	38.40
Calmar Town	13	10	0	0	0	13	10	30.00
Devon Town	79	110	12	0	0	91	118	-22.88
Edmonton City	**3,660**	**3,594**	**686**	**399**	**2,862**	**7,607**	**8,449**	**-9.97**
Fort Saskatchewan City	85	68	18	6	123	232	130	78.46
Gibbons Town	6	13	0	0	0	6	13	-53.85
Leduc City	132	100	4	39	185	360	194	85.57
Leduc County	54	52	0	0	0	54	52	3.85
Morinville Town	35	31	24	7	18	84	63	33.33
Parkland County	192	199	14	0	0	206	201	2.49
Spruce Grove City	199	213	46	15	0	260	486	-46.50
St. Albert City	303	319	42	0	0	345	403	-14.39
Stony Plain Town	166	142	10	0	0	176	326	-46.01
Strathcona County	732	822	116	0	0	848	947	-10.45
Sturgeon County	139	119	0	0	0	139	119	16.81
Other Centres	43	47	0	0	0	43	51	-15.69
Total	**6,011**	**5,964**	**972**	**466**	**3,188**	**10,637**	**11,687**	**-8.98**

** indicates a greater than 100 per cent change

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 Goatcher in Market Analysis at (780) 423-8729 or by fax at (780) 423-8702.

Table 2A
HOUSING COMPLETIONS BY AREA
EDMONTON CMA - NOVEMBER 2004

	Single		Multiple			Total		% chg
Area	2004	2003	Semi	Row	Apt	2004	2003	2004/ 2003
Beaumont Town	63	12	0	0	0	63	12	**
Calmar Town	0	0	0	0	0	0	0	**
Devon Town	12	15	0	0	0	12	15	-20.00
Edmonton City	**349**	**371**	**64**	**17**	**170**	**600**	**592**	**1.35**
Fort Saskatchewan City	10	5	2	0	0	12	7	71.43
Gibbons Town	1	1	0	0	0	1	1	0.00
Leduc City	10	2	0	0	48	58	2	**
Leduc County	8	8	0	0	0	8	8	0.00
Morinville Town	4	3	4	0	0	8	3	**
Parkland County	12	9	0	0	0	12	9	33.33
Spruce Grove City	28	9	4	0	52	84	19	**
St. Albert City	24	30	8	0	0	32	63	-49.21
Stony Plain Town	27	9	0	0	0	27	11	**
Strathcona County	67	39	4	0	0	71	41	73.17
Sturgeon County	10	14	0	0	0	10	14	-28.57
Other Centres	5	4	0	0	0	5	4	25.00
Total	**630**	**531**	**86**	**17**	**270**	**1,003**	**801**	**25.22**

Table 2B
HOUSING COMPLETIONS BY AREA
EDMONTON CMA - YEAR TO DATE

	Single		Multiple			Total		% chg
Area	2004	2003	Semi	Row	Apt	2004	2003	2004/ 2003
Beaumont Town	146	159	0	0	0	146	159	-8.18
Calmar Town	9	5	0	0	0	9	5	80.00
Devon Town	78	122	2	8	0	88	122	-27.87
Edmonton City	**3,561**	**3,946**	**710**	**383**	**2,847**	**7,501**	**7,634**	**-1.74**
Fort Saskatchewan City	74	89	30	0	0	104	237	-56.12
Gibbons Town	7	9	0	0	0	7	9	-22.22
Leduc City	139	111	14	4	80	237	174	36.21
Leduc County	60	42	0	0	0	60	42	42.86
Morinville Town	34	22	6	0	22	62	41	51.22
Parkland County	156	213	6	0	0	162	213	-23.94
Spruce Grove City	180	178	50	33	154	417	254	64.17
St. Albert City	269	351	24	0	38	331	527	-37.19
Stony Plain Town	150	137	8	0	101	259	332	-21.99
Strathcona County	810	653	156	60	0	1,026	691	48.48
Sturgeon County	118	127	0	0	0	118	127	-7.09
Other Centres	51	35	4	0	0	55	37	48.65
Total	**5,842**	**6,199**	**1,010**	**488**	**3,242**	**10,582**	**10,604**	**-0.21**

** indicates a greater than 100 per cent change

Table 3
HOUSING ACTIVITY SUMMARY
EDMONTON CMA

	Ownership					Rental				
Activity	**Freehold**			**Condominium**		**Private**		**Assisted**		**Grand Total**
	Single [1]	Semi [1]	Row	Row	Apt	Row	Apt	Row	Apt	
Starts										
November 2004	543	76	0	94	494	39	252	0	0	1,498
November 2003	543	92	0	41	298	0	0	0	0	974
Year-to-Date 2004	6,011	972	8	357	2,361	101	785	0	42	10,637
Year-to-Date 2003	5,964	914	78	413	3,040	118	1,160	0	0	11,687
Under Construction										
November 2004	2,966	608	24	328	4,140	109	871	0	42	9,088
November 2003	3,071	618	35	328	3,688	65	1,401	0	0	9,206
Completions										
November 2004	630	86	0	17	183	0	87	0	0	1,003
November 2003	531	98	0	11	86	0	75	0	0	801
Year-to-Date 2004	5,842	1,010	19	412	2,100	57	1,142	0	0	10,582
Year-to-Date 2003	6,199	926	46	270	1,441	82	1,640	0	0	10,604
Completed & Not Absorbed										
November 2004	661	151	0	43	347	0	539	0	0	1,741
November 2003	711	108	6	23	154	0	548	0	0	1,550
Total Supply [2]										
November 2004	3,627	759	24	371	4,487	109	1,410	0	42	10,829
November 2003	3,782	726	41	351	3,842	65	1,949	0	0	10,756
Absorptions										
November 2004	599	78	0	18	130	0	143	0	0	968
3-month Average	596	95	0	25	313	0	75	0	0	1,104
12-month Average	549	88	2	34	167	5	103	0	0	948

1 May include units intended for condominium.
2 Sum of units under construction, complete and unoccupied