



# HOUSING NOW

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## Saint John, Moncton and Fredericton

Canada Mortgage and Housing Corporation

www.cmhc.ca

### First Quarter: New Home Construction Off to a Good Start

Total urban starts in New Brunswick reached 146 units in the first quarter of 2005 compared to 139 units in first quarter of 2004. In fact, the 2005 January-March period represents one of the busiest first quarters for home builders since the early '90s.

The 5 per cent increase in urban starts in the first quarter was due to an increase in multiple starts. Multiple starts reached 26 units in the first quarter of 2005 compared to only 5 units last year. The Greater Moncton area captured 22 of the 26 multiple starts recorded in urban centres in the first quarter. Multiple starts remained relatively weak in Saint John and Fredericton with only 2 units started over the first three months.

Total completions in urban centres of the province reached 521 units, a 60 per cent drop when compared to the 1,290 units completed in the first quarter of 2004. The decline in total completions is mainly due to a substantial drop in multiple units completed in the first quarter. Only 189 multiple units were completed over the January-March period compared to 801 units last year.

At the end of the first quarter, there were only 543 units under construction compared to 857 units twelve months earlier. Sustained demand, combined with a significant decline in both completions and housing units under construction, is a good indication that housing starts will remain strong in 2005.

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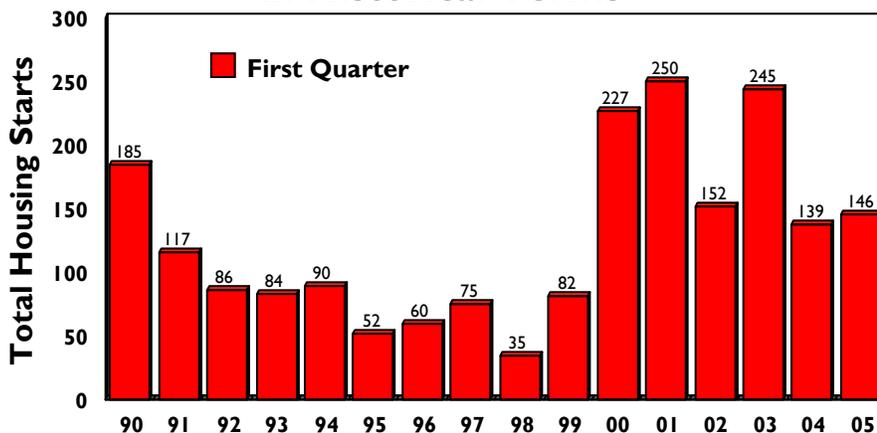
#### IN THIS ISSUE

- 1 First quarter: New home construction off to a good start
- 2 Single starts down in Moncton and Fredericton
- 2 Completions of multiple units down in Moncton
- 2 Resale market remains strong in all larger urban centres

#### STATISTICAL TABLES:

- 3 Table 1: Housing starts by area
- 3 Table 2: Housing completions by area
- 3 Table 3: Under construction by area
- 4 Table 4 : Starts by intended market for Fredericton, Moncton and Saint John

### Total Urban Starts Remain Strong in Historical Terms



Source: CMHC

# SAINT JOHN MONCTON FREDERICTON

## Housing Market Overview

### Single Starts Down in Moncton and Fredericton

Total single starts in urban centres of the province reached 120 units in the first quarter, a 10 per cent decline when compared to the 134 units recorded in the first quarter of 2004. The decline in urban single starts is mainly due to the slow-down in both Moncton and Fredericton. In Moncton, single starts declined from 55 units in the first quarter of 2004 to 36 units this year, while single starts in Fredericton dropped from 51 to 36 units over the same period. Overall, urban single starts performed well in historical terms due to high levels of construction activity in Saint John. First quarter single starts reached 48 units in the province's CMA compared to 28 units over the same period last year.

### Completions of Multiple Units Down

The number of multiple units completed in the first quarter dropped in all three larger urban centres. The decline was particularly significant in Moncton where only 48 multiple units were completed in the first quarter compared to 613 units over the same period last year. At the end of March, there were only 152 multiple units under construction in Moncton compared to 344 units twelve months earlier.

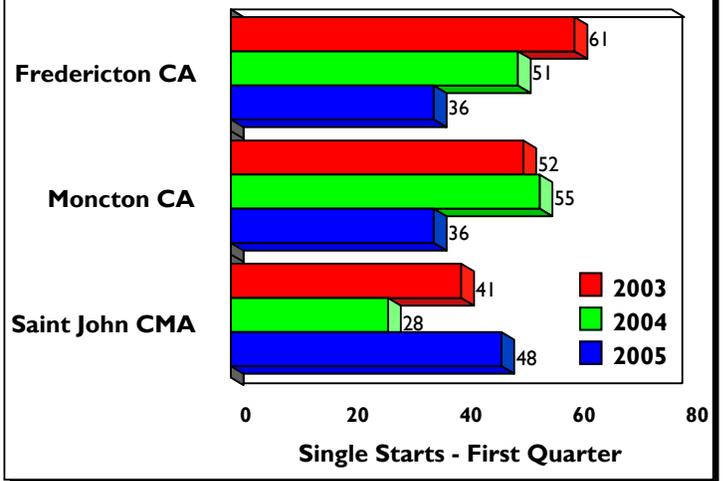
The inventory of multiple units under construction at the end of the first quarter was also down in Saint John and Fredericton. Rising vacancies in 2004 in all three urban centres discouraged many builders to start new projects. However, expect multiple starts to pick up in the second quarter as the inventory of new units available on the market is slowly absorbed by renter households in particular.

### Resale Market Remained Strong in All Larger Urban Centres

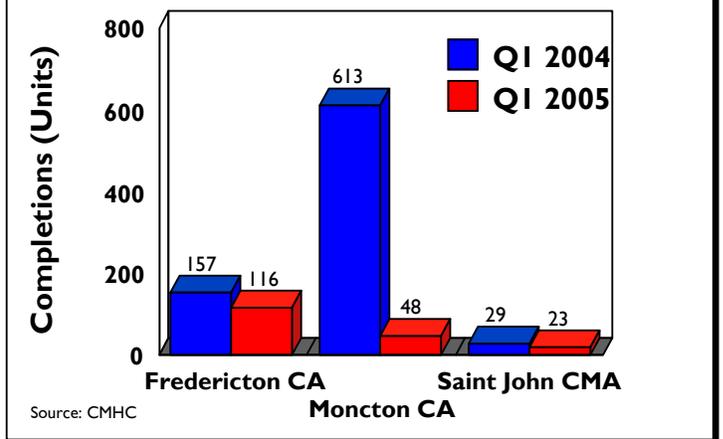
The slow-down in single starts is partly due to strong resale market conditions. In the first quarter, many potential home buyers have opted for the resale market as opposed to building a new home. Despite a slight drop in Fredericton and Saint John, first quarter MLS® sales remained strong in historical terms. In Moncton, sales exceeded the previous record set last year with 432 transactions compared to 419 in the first quarter of 2004. Low mortgage rates, solid labour market conditions and rising inventory of existing homes available for sale are all key factors that contributed to the resale market's solid performance in the first quarter. The rise in new listings will most likely reduce upward pressure on the existing home price. As a result, expect the 2005 average MLS® sales price to decline in all three larger urban areas when compared to 2004.

\* MLS® is a registered certification mark of the Canadian Real Estate Association

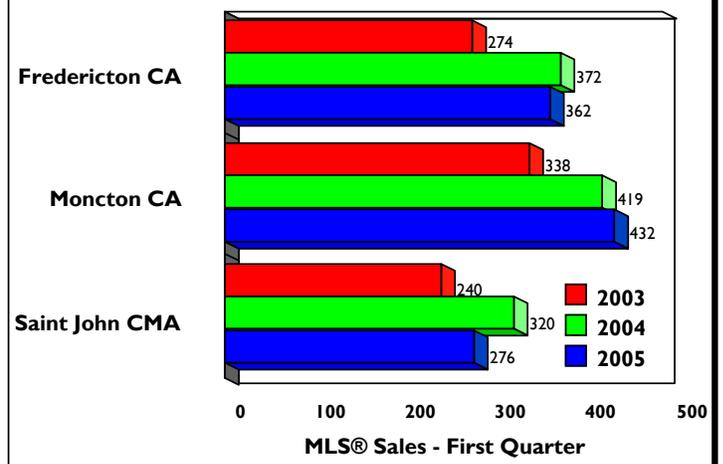
### Single Starts Strong in Saint John



### Completions of Multiple Units Down Significantly in Moncton



### MLS® Sales Remain Strong



**TABLE 1 - HOUSING STARTS BY AREA**

URBAN AREA	SINGLES			MULTIPLES			TOTAL STARTS		
	First Quarter		Year-to-date	First Quarter		Year-to-date	First Quarter		Year-to-date
	2005	2004	% chg	2005	2004	% chg	2005	2004	% chg
Bathurst CA	0	0	--	0	0	--	0	0	--
Campbellton CA	0	0	--	0	0	--	0	0	--
Edmundston CA	0	0	--	0	0	--	0	0	--
Fredericton CA	36	51	-29.4	36	51	-29.4	2	0	--
Miramichi CA	0	0	--	0	0	--	0	0	--
Moncton CA	36	55	-34.5	36	55	-34.5	22	5	--
Saint John CMA	48	28	71.4	48	28	71.4	2	0	--
<b>TOTAL Urban Areas</b>	<b>120</b>	<b>134</b>	<b>-10.4</b>	<b>120</b>	<b>134</b>	<b>-10.4</b>	<b>26</b>	<b>5</b>	<b>--</b>

**TABLE 2 - COMPLETIONS BY AREA**

URBAN AREA	SINGLES			MULTIPLES			TOTAL		
	First Quarter		Year-to-date	First Quarter		Year-to-date	First Quarter		Year-to-date
	2005	2004	% chg	2005	2004	% chg	2005	2004	% chg
Bathurst CA	10	13	-23.1	10	13	-23.1	2	0	--
Campbellton CA	2	2	0.0	2	2	0.0	0	0	--
Edmundston CA	8	5	60.0	8	5	60.0	0	2	--
Fredericton CA	88	100	-12.0	88	100	-12.0	116	157	-26.1
Miramichi CA	11	8	37.5	11	8	37.5	0	0	--
Moncton CA	138	294	-53.1	138	294	-53.1	48	613	-92.2
Saint John CMA	75	67	11.9	75	67	11.9	23	29	-20.7
<b>TOTAL Urban Areas</b>	<b>332</b>	<b>489</b>	<b>-32.1</b>	<b>332</b>	<b>489</b>	<b>-32.1</b>	<b>189</b>	<b>801</b>	<b>-76.4</b>

**TABLE 3 - UNDER CONSTRUCTION BY AREA (as at March 31)**

URBAN AREA	SINGLES			MULTIPLES			TOTAL		
	2005		2004	2005		2004	2005		2004
	% chg	2005	2004	% chg	2005	2004	% chg	2005	2004
Bathurst CA	5	12	-58.3	2	8	-75.0	7	20	-65.0
Campbellton CA	2	2	0.0	0	0	--	2	2	0.0
Edmundston CA	7	16	-56.3	0	0	--	7	16	-56.3
Fredericton CA	54	41	31.7	62	110	-43.6	116	151	-23.2
Miramichi CA	5	4	25.0	0	0	--	5	4	25.0
Moncton CA	87	151	-42.4	152	344	-55.8	239	495	-51.7
Saint John CMA	96	86	11.6	71	83	-14.5	167	169	-1.2
<b>TOTAL New Brunswick</b>	<b>256</b>	<b>312</b>	<b>-17.9</b>	<b>287</b>	<b>545</b>	<b>-47.3</b>	<b>543</b>	<b>857</b>	<b>-36.6</b>

**TABLE 4**  
**STARTS BY AREA AND DWELLING TYPE**  
**Fredericton / Moncton / Saint John**

Area/ Period	Single	Semi	Row	Apartment & other	Total	Area/ Period	Single	Semi	Row	Apartment & other	Total
<b>Fredericton City</b>						<b>Grand Bay-Westfield</b>					
Jan. - March 2005	19	2	0	0	21	Jan. - March 2005	1	0	0	0	1
Jan. - March 2004	20	0	0	0	20	Jan. - March 2004	0	0	0	0	0
Jan. - March 2005	19	2	0	0	21	Jan. - March 2005	1	0	0	0	1
Jan. - March 2004	20	0	0	0	20	Jan. - March 2004	0	0	0	0	0
<b>Total Fredericton</b>						<b>Quispamsis Town</b>					
Jan. - March 2005	36	2	0	0	38	Jan. - March 2005	18	0	0	0	18
Jan. - March 2004	51	0	0	0	51	Jan. - March 2004	11	0	0	0	11
Jan. - March 2005	36	2	0	0	38	Jan. - March 2005	18	0	0	0	18
Jan. - March 2004	51	0	0	0	51	Jan. - March 2004	11	0	0	0	11
<b>Moncton City</b>						<b>Rothesay Town</b>					
Jan. - March 2005	11	2	0	2	15	Jan. - March 2005	2	0	0	0	2
Jan. - March 2004	21	0	0	3	24	Jan. - March 2004	3	0	0	0	3
Jan. - March 2005	11	2	0	2	15	Jan. - March 2005	2	0	0	0	2
Jan. - March 2004	21	0	0	3	24	Jan. - March 2004	3	0	0	0	3
<b>Dieppe City</b>						<b>Saint John City</b>					
Jan. - March 2005	10	2	16	0	28	Jan. - March 2005	18	2	0	0	20
Jan. - March 2004	18	0	0	0	18	Jan. - March 2004	5	0	0	0	5
Jan. - March 2005	10	2	16	0	28	Jan. - March 2005	18	2	0	0	20
Jan. - March 2004	18	0	0	0	18	Jan. - March 2004	5	0	0	0	5
<b>Riverview Town</b>						<b>Saint John - Other outlying areas</b>					
Jan. - March 2005	6	0	0	0	6	Jan. - March 2005	9	0	0	0	9
Jan. - March 2004	7	0	0	0	7	Jan. - March 2004	9	0	0	0	9
Jan. - March 2005	6	0	0	0	6	Jan. - March 2005	9	0	0	0	9
Jan. - March 2004	7	0	0	0	7	Jan. - March 2004	9	0	0	0	9
<b>Total Moncton CA</b>						<b>Total Saint John CMA</b>					
Jan. - March 2005	36	4	16	2	58	Jan. - March 2005	48	2	0	0	50
Jan. - March 2004	55	2	0	3	60	Jan. - March 2004	28	0	0	0	28
Jan. - March 2005	36	4	16	2	58	Jan. - March 2005	48	2	0	0	50
Jan. - March 2004	55	2	0	3	60	Jan. - March 2004	28	0	0	0	28

Note: Other outlying areas include Greenwich Parish, Kingston Parish, Musquash Parish, St. Martins Parish, St. Martins Village, Simonds Parish, Lepreau Parish, Petersville Parish, Hampton Town, Hampton Parish and Upham Parish.

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