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HOUSING NOW

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Canada Mortgage and Housing Corporation
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Multiple-family Starts Spring to Life

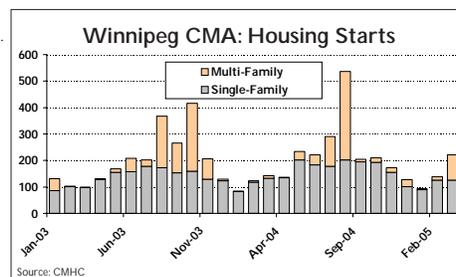
The brisk pace of Winnipeg housing construction carries on. There were 222 housing starts in the Winnipeg Census Metropolitan Area (CMA) during March 2005, 55 per cent more than were recorded in March 2004 and the best performance for March since 1989. This brings the year-to-date total to 454 units, 29 per cent greater than at this time last year.

Multiple-family starts were boosted this past month by the start of a 94-unit senior's complex in south-west Winnipeg. This is just one of several multiple-family projects expected to break ground this year. Demand is high for multiple-family housing, driven especially by a growing number of empty-nesters who are looking to make a lifestyle change. Many are taking advantage of price gains in the resale market, selling their homes, and moving to either condominium or rental accommodations.

On the completions side, there were 24 multiple-family units finished during the month of March 2005 bringing the number of units completed year-to-date to 254. Absorptions were down this past month with only 16 units becoming occupied during March, down from 23 units one year ago. This brings the inventory of multiple-family units sitting complete and unoccupied up to 170, 47 per cent higher than it was one year ago. Most of the inventory (99 units) is in the rental market where vacancy rates are among the lowest in the country and units are expected to be absorbed quickly. On the ownership

side there are 71 units in the inventory up from 15 units one year ago. The entire supply of multiple-family units, defined as the sum of units under construction and units completed and unoccupied, currently stands at 623 units down 11 per cent from this time last year. At the current 12 month average rate of absorption the entire supply will be absorbed in nine and one half months.

Single-family starts slowed slightly last month. There were 126 units started in March of 2005, five per cent less than were started in March of 2004. The slowdown was more pronounced in the City of Winnipeg as compared to the surrounding municipalities of the CMA. There were 10 more homes started in the surrounding area this past month than in the corresponding month last year. Meanwhile, within City limits, there were 17 fewer homes started under the same comparison. This may signal the early effects of the lack of available serviced lots within the city, especially in the southern quadrants where, year-to-date, the decline in starts activity is more evident. Developers are working to bring every pocket of available land on stream for this



WINNIPEG

MARCH 2005

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Winnipeg CMA

year's construction season but a major influx of new lots will not likely be available until the latter part of 2006 as new subdivisions in the southwest and southeast are currently going through the civic approval process. Year-to-date single-family starts in the Winnipeg CMA are still three per cent ahead of results for this time last year.

At 112 units, the number of new single-family completions during the month of March 2005 was more than double what it was in March of last year. This was accompanied by a corresponding jump in the number of absorptions as there were 110 homes absorbed this past month compared to 57 one year earlier. The total supply of single-family homes under

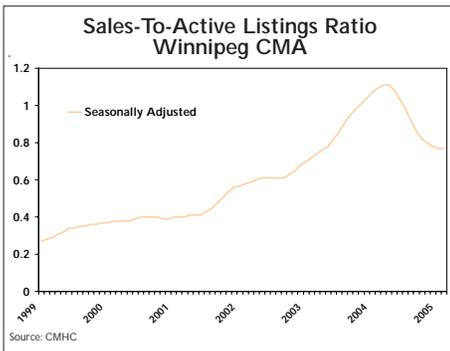
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construction and completed and unoccupied totals 1,013 units, up 10 per cent from the end of March last year. At the current 12-month rate of absorption, this represents almost seven months of supply.

Resale Market Active listings edging upward

Sales in the Winnipeg resale market have been hampered by a lack of active listings over the last few years. Demand for resale houses remains strong and sales could likely be greater if the supply was available. The

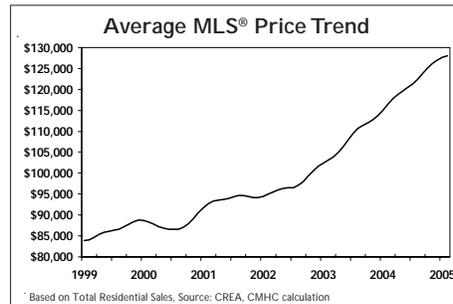


supply of active listings had been trending downward to the point where almost every home listed in a given month would sell within that month. This trend started to turn around since the second half of last year which has helped to increase the number of sales. Boosted by a ten per cent increase in new listings, at the end of February 2005, there was 35 per cent more

selection in the resale market than there was at the same point last year. With this increase in active listings, by the end of February, sales had been able to edge upward and were five per cent ahead of where they were over the same period in 2004.

The sales-to-active listings ratio has started to turn around, whereas in February of 2004 the seasonally adjusted SAL ratio was 109 per cent, this has edged down to 77 per cent in February of 2005. This, however, is still firmly in sellers' market territory. This means that at the current rate of sales, the entire supply of active listings would be exhausted in 1.3 months, in comparison to a supply of less than one month in February of 2004.

The modest increase in supply has not been enough to moderate price growth in the face of robust demand. Year-to-date average price as of February 2005 was \$122,664, up over 10 per cent from February of 2004. These price gains have likely encouraged homeowners to sell, helping to boost the number of active listings. Homeowners



likely want to take advantage of these price gains, as well as the low cost of borrowing and are looking to the move-up market. The supply of resale homes in the move-up market, however, is still relatively low. As a result, many are making the shift to the new home market where the number of starts continues to grow. In addition, some of these homeowners are choosing to make a lifestyle change as part of their move, seniors in particular are looking to multiple-family housing, as evidenced by the high levels of construction of condominium and seniors' rental units in the last two years.

Conditions favorable for homeownership

Rarely have conditions been as positive for the homeownership market in Winnipeg. Mortgage rates have been at record lows for the last two years. These last two years have also seen net migration to Winnipeg turn around, the population is now growing at a rate of 0.76 per cent per annum which is much faster growth rate than the net losses we experienced just a few years ago. In addition, with changing demographics and smaller household sizes, the total number of households in the city is growing at an even greater rate, one and one half per cent per annum. Add to this combination, high employment levels and real gains in average weekly earnings over the same period, and Winnipeggers are turning to homeownership in ever increasing numbers.

RESIDENTIAL CONSTRUCTION DIGEST

CMHC's monthly Residential Construction Digest delivers all the housing statistics you asked for, right down to the local market level! We have designed this product with your input, to meet your needs. You told us you wanted a detailed breakdown each month of housing statistics for single and multi-family markets, broken down by price range and by area of the city.

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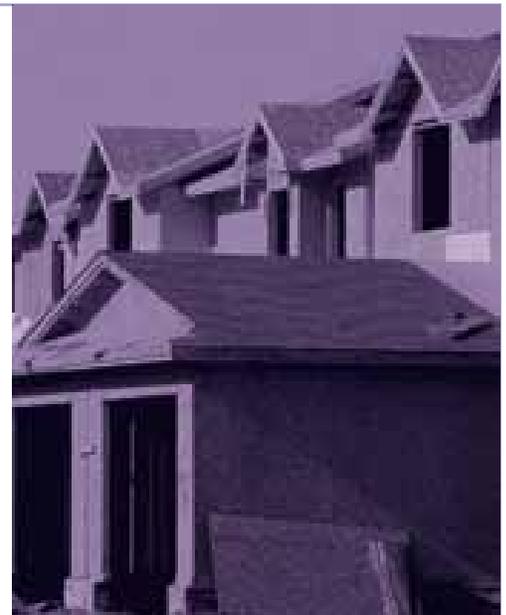


Table 1A
STARTS ACTIVITY BY AREA
Winnipeg CMA - Month 2005

Area	Single		Multiple			Total		%Chg
	2005	2004	Semi	Row	Apt	2005	2004	2005/2004
BROKENHEAD	0	0	0	0	0	0	0	**
EAST ST. PAUL R.M.	7	5	0	0	0	7	5	40.00
HEADINGLEY R.M.	1	3	0	0	0	1	3	-66.67
RITCHOT R.M.	2	0	0	0	0	2	0	**
ROSSER R.M.	0	0	0	0	0	0	0	**
ST. CLEMENTS R.M.	2	1	0	0	0	2	1	**
ST. FRANCOIS XAVIER R.M.	0	0	0	0	0	0	0	**
SPRINGFIELD R.M.	6	3	0	0	0	6	3	**
TACHE R.M.	6	2	0	0	0	6	2	**
WEST ST. PAUL R.M.	1	1	0	0	0	1	1	0.00
WINNIPEG R.M.	101	118	2	0	94	197	128	53.91
TOTAL	126	133	2	0	94	222	143	55.24

Table 1B
STARTS ACTIVITY BY AREA
Winnipeg CMA - Year to Date 2005

Area	Single		Multiple			Total		%Chg
	2005	2004	Semi	Row	Apt	2005	2004	2005/2004
BROKENHEAD	0	3	0	0	0	0	3	**
EAST ST. PAUL R.M.	14	11	0	0	0	14	11	27.27
HEADINGLEY R.M.	4	4	0	0	0	4	4	0.00
RITCHOT R.M.	3	0	0	0	0	3	0	**
ROSSER R.M.	0	0	0	0	0	0	0	**
ST. CLEMENTS R.M.	4	4	0	0	0	4	4	0.00
ST. FRANCOIS XAVIER R.M.	1	0	0	0	0	1	0	**
SPRINGFIELD R.M.	17	9	0	0	0	17	9	88.89
TACHE R.M.	6	6	0	0	0	6	6	0.00
WEST ST. PAUL R.M.	4	3	0	0	0	4	3	33.33
WINNIPEG R.M.	289	293	2	4	106	401	312	28.53
TOTAL	342	333	2	4	106	454	352	28.98

** 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 Dianne Himbeault at (204) 983-5648

Table 2A
HOUSING COMPLETIONS BY AREA
Winnipeg CMA - March 2005

Area	Single		Multiple			Total		%Chg 2005/2004
	2005	2004	Semi	Row	Apt	2005	2004	
BROKENHEAD	6	1	0	0	0	6	1	**
EAST ST. PAUL R.M.	5	5	0	0	0	5	5	0.00
HEADINGLEY R.M.	1	3	0	0	0	1	3	-66.67
RITCHOT R.M.	2	0	0	0	0	2	0	**
ROSSER R.M.	0	0	0	0	0	0	0	**
ST. CLEMENTS R.M.	11	3	0	0	0	11	3	**
ST. FRANCOIS XAVIER R.M.	2	1	0	0	0	2	1	**
SPRINGFIELD R.M.	8	1	0	0	0	8	1	**
TACHE R.M.	3	5	0	0	0	3	5	-40.00
WEST ST. PAUL R.M.	1	0	0	0	0	1	0	**
WINNIPEG R.M.	73	30	0	0	24	97	30	**
TOTAL	112	49	0	0	24	136	49	**

Table 2B
HOUSING COMPLETIONS BY AREA
Winnipeg CMA - Year to Date 2005

Area	Single		Multiple			Total		%Chg 2005/2004
	2005	2004	Semi	Row	Apt	2005	2004	
BROKENHEAD	6	4	0	0	0	6	4	50.00
EAST ST. PAUL R.M.	12	7	0	0	0	12	7	71.43
HEADINGLEY R.M.	6	8	0	0	0	6	8	-25.00
RITCHOT R.M.	9	2	2	0	0	11	2	**
ROSSER R.M.	0	0	0	0	0	0	0	**
ST. CLEMENTS R.M.	15	11	0	0	0	15	11	36.36
ST. FRANCOIS XAVIER R.M.	3	1	0	0	0	3	1	**
SPRINGFIELD R.M.	22	5	0	0	0	22	5	**
TACHE R.M.	3	8	0	0	0	3	8	-62.50
WEST ST. PAUL R.M.	4	1	0	0	0	4	1	**
WINNIPEG R.M.	175	107	8	13	231	427	235	81.70
TOTAL	255	154	10	13	231	509	282	80.50

** Indicates a greater than 100 per cent change

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Table 3
HOUSING ACTIVITY SUMMARY
 Winnipeg CMA

Activity	Ownership					Rental				Grand Total
	Freehold		Condominium			Private		Assisted		
	Single ¹	Semi ¹	Row	Row	Apt	Row	Apt	Row	Apt	
Starts										
Current Month	126	2	0	0	0	0	94	0	0	222
Previous Year	133	10	0	0	0	0	0	0	0	143
Year-To-Date 2005	342	2	0	4	0	0	106	0	0	454
Year-To-Date 2004	333	16	0	3	0	0	0	0	0	352
Under Construction										
2005	868	4	0	20	129	0	300	0	0	1321
2004	840	32	0	8	307	4	234	0	0	1425
Completions										
Current Month	112	0	0	0	24	0	0	0	0	136
Previous Year	49	0	0	0	0	0	0	0	0	49
Year-To-Date 2005	255	10	0	13	28	0	203	0	0	509
Year-To-Date 2004	154	2	0	9	0	0	117	0	0	282
Completed & Not Absorbed										
2005	145	12	0	4	55	0	99	0	0	315
2004	83	6	0	5	4	0	101	0	0	199
Total Supply²										
2005	1013	16	0	24	184	0	399	0	0	1636
2004	923	38	0	13	311	4	335	0	0	1624
Absorptions										
Current Month	110	6	0	4	0	0	6	0	0	126
Previous Year	57	0	0	1	4	0	18	0	0	80
Year-To-Date 2005	279	12	0	9	13	0	104	0	0	417
Year-To-Date 2004	200	0	0	7	4	0	78	0	0	289
3-month Average	93	4	0	3	4	0	35	0	0	139
12-month Average	150	5	0	2	21	0	37	0	0	215

1 May include units intended for condominium.

2 Sum of units under construction, complete and unoccupied.

QUESTIONS ABOUT HOUSING?

Let CMHC be your one stop information source. If you have questions about how to plan, finance, build or renovate your home CMHC has the answers.

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