HOUSING NOW

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation
www.cmhc.ca

WINNIPEG

SEPTEMBER 2005

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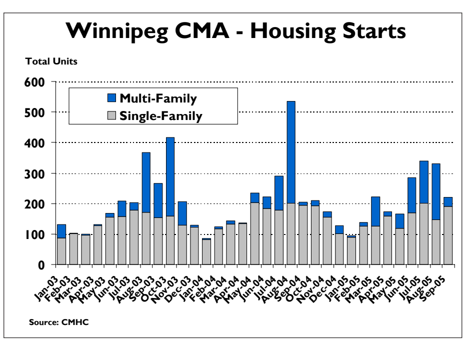
ANALYSIS

STATISTICAL TABLES

Single-Family Starts Recover in September

Starts activity in the Winnipeg Census Metropolitan Area (CMA) picked up in September but continues to lag behind the results of last year. There were 220 housing starts in the Winnipeg CMA during the month of September, seven per cent more than the 205 units that were started in September of 2004. This was almost enough to catch up to the year-to-date results of 2004, as the total number of homes started so far this year has reached 1,969 units, nine fewer homes than had been started over the same period last year.

Single-family starts picked up after a slowdown in August and were almost back up to last year's pace. Foundations were started on 191 single-family homes in September, only four fewer homes than were started in September of 2004. The rural municipalities of the CMA saw some recovery last month where starts were up 50 per cent over the same month last year. This was still ,however, insufficient to bring year-to-date starts outside the city back to last year's levels and starts are down 19 per cent in a year-over-year comparison. Within the city, single-family starts lagged the previous year's performance for the second month in a row. There were 14 per cent fewer starts in September of 2005 than there were in September of 2004. This leaves single-family starts in the city almost four per cent behind where they were at this time last year. Builders report that interest in new homes remains high as activity has been brisk at this fall's Parade of Homes. However, their ability to respond to this demand is being hampered as several of Winnipeg subdivisions are reaching full build-out and lots are becoming more scarce. Activity has shifted to other parts of the CMA, but some potential buyers may be deferring their decision to build until new subdivisions open up.



Absorptions were up in September, rising to 209 units, an increase of 41 per cent over the number of absorptions in September of 2004. This is indicative of strong demand as the current 12-month average rate of absorption is at 156 units/month, its highest point since 1991. At this rate, the inventory of complete and unoccupied homes would be exhausted in about one month. The total supply of single-family homes, which includes those units still under construction, stands at 937, down nine per cent from this time last year. This represents a six month supply of homes.

Multiple-family starts dropped to 29 units in September after having seen 183 starts in August; however, this was still higher than the 10 units that were started in September of last year. Year-to-date starts are almost 17 per cent ahead of where they were at the end of September 2004. At 638 units started so far this year and with three months remaining in 2005, multiple-family starts are already five per cent greater than the total for all of 2004.

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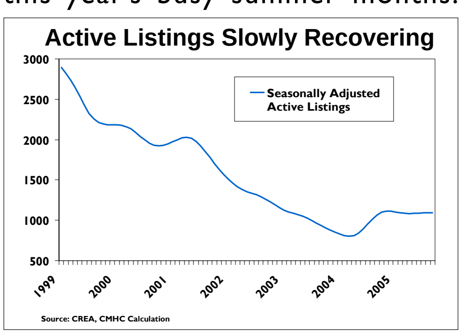
After three quarters of activity, multiple-family ownership starts are up 60 per cent over the same period last year. Although semi-detached condominium starts are down almost 60 percent, apartment condominium starts are up a healthy 41 per cent. The housing type showing the biggest increase however is row condominium where 96 units have been started so far this year. This is over six times the number that had been started over the same period last year and the highest level of row condo construction on record. Absorption of these units is also fairly brisk, as the 21 units completed so far this year have been absorbed leaving no units in the current inventory. On the rental side, the number of units started year-to-date is keeping pace with last year. The inventory of rental units completed and unabsorbed at the end of September is five times greater than at the end of September 2004. At the current 12-month rate of absorption this represents just over one month of inventory.

MLS® Sales and Prices Both Growing

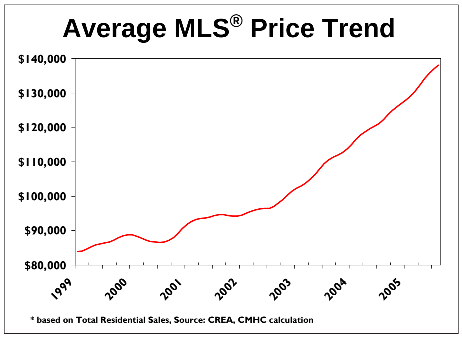
After eight months of activity, year to date sales are now more than five per cent higher than they were during the same period of 2004. What has helped to keep sales buoyant this year is a modest rebound in active listings. The last few years have seen active listings in the Winnipeg market steadily decline from a high of over 7,000 homes on the market, in the summer of 1990, to a low of less than 700 in the winter of 2004. Since hitting a record low in February of 2004, active listings have been slowly recovering and have managed to remain above 1,200 during this year's busy summer months.



However, the rebound in listings is not enough to tip the scales to a balanced market as conditions continue to favour the seller, and homes continue to sell quickly.

With the Winnipeg resale market remaining in seller's market territory, prices continue to register double digit increases. At the end of August, the year-to-date average MLS price in the CMA had reached $136,337, an increase of 12 per cent from August of last year. The Winnipeg Real Estate Board is still reporting that multiple offers are commonplace and that half the properties handled through the Board sell at or above list price.

The move-up market is definitely having an impact on average price as sales in the upper price ranges have seen the biggest increases in market share. While



the mid-range of $120,000 to $160,000 captures the largest market share at almost 30 per cent of all single-family home sales, homes priced above $200,000 have seen the greatest growth. At the mid-point of 2005 sales in this category were up 48 per cent in comparison with the same time period last year and market share has increased from 12 per cent to 18 per cent of all sales. At the other end of the spectrum sales have been declining. With it becoming more and more difficult to buy a home in Winnipeg for less than $40,000, sales in this category are down almost 30 per cent compared to last year, and market share is down to only five per cent of all sales, half of what it was just two years ago.

Job Gains for Part-Time Workers

So far this year, while almost 2.000 jobs have been created in Winnipeg, most of these have been part-time, with job losses being felt in full-time employment. Employment gains have been in the Service-Producing sector, notably in Finance, Insurance and Real Estate. Employment losses have been felt in the Goods-Producing industries with Manufacturing taking the biggest hit, and Construction seeing modest gains. With job growth being concentrated in part-time work, average weekly earnings in Winnipeg have not been able to repeat the same kind of gains as in 2004. Year-to-date, earnings are up by only three quarters of a percentage point, much less than the current rate of inflation of 2.6 per cent. There have, however, been significant gains in full-time employment in the 45 to 64 age category. This is likely having a positive impact on the move-up market, where many homebuyers consider the construction of new home.

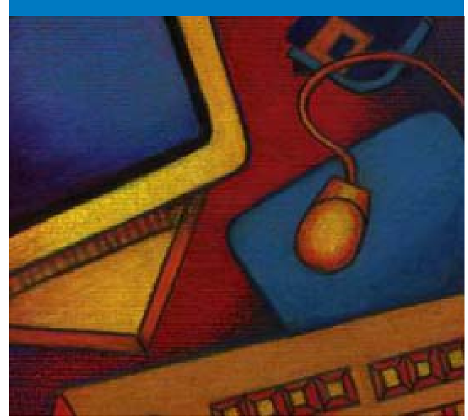


Table 1A

STARTS ACTIVITY BY AREA

Winnipeg CMA - September 2005

Area	Single		Multiple			Total		%Chg
	2005	2004	Semi	Row	Apt	2005	2004	2005/2004
BROKENHEAD	0	5	0	0	0	0	5	**
EAST ST. PAUL R.M.	7	9	0	0	0	7	9	-22.22
HEADINGLEY R.M.	2	2	0	0	0	2	2	0.00
RITCHOT R.M.	5	0	0	0	0	5	0	**
ROSSER R.M.	2	0	0	0	0	2	0	**
ST. CLEMENTS R.M.	14	2	0	0	0	14	2	**
ST. FRANCOIS XAVIER R.M.	3	1	0	0	0	3	1	**
SPRINGFIELD R.M.	5	6	0	0	0	5	6	-16.67
TACHE R.M.	12	8	0	0	0	12	8	50.00
WEST ST. PAUL R.M.	4	3	0	0	0	4	3	33.33
WINNIPEG CITY	**137**	**159**	**10**	**19**	**0**	**166**	**169**	**-1.78**
TOTAL	**191**	**195**	**10**	**19**	**0**	**220**	**205**	**7.32**

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	36	0	0	0	0	36	**
EAST ST. PAUL R.M.	46	75	0	0	0	46	75	-38.67
HEADINGLEY R.M.	15	18	0	0	0	15	18	-16.67
RITCHOT R.M.	19	21	0	0	0	19	23	-17.39
ROSSER R.M.	2	4	0	0	0	2	4	-50.00
ST. CLEMENTS R.M.	51	34	0	0	0	51	66	-22.73
ST. FRANCOIS XAVIER R.M.	13	6	0	0	0	13	6	**
SPRINGFIELD R.M.	64	65	0	0	0	64	65	-1.54
TACHE R.M.	45	57	0	4	0	49	57	-14.04
WEST ST. PAUL R.M.	14	15	0	0	0	14	15	-6.67
WINNIPEG CITY	**1062**	**1100**	**18**	**96**	**520**	**1696**	**1613**	**5.15**
TOTAL	**1331**	**1431**	**18**	**100**	**520**	**1969**	**1978**	**-0.46**

** 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 - Septembre 2005

Area	Single 2005	Single 2004	Multiple Semi	Multiple Row	Multiple Apt	Total 2005	Total 2004	%Chg 2005/2004
BROKENHEAD	1	6	0	0	0	1	6	-83.33
EAST ST. PAUL R.M.	5	14	0	0	0	5	14	-64.29
HEADINGLEY R.M.	5	3	0	0	0	5	3	66.67
RITCHOT R.M.	1	0	0	0	0	1	0	**
ROSSER R.M.	0	0	0	0	0	0	0	**
ST. CLEMENTS R.M.	11	1	0	0	0	11	1	**
ST. FRANCOIS XAVIER R.M.	4	1	0	0	0	4	1	**
SPRINGFIELD R.M.	11	6	0	0	0	11	6	83.33
TACHE R.M.	9	0	0	0	0	9	0	**
WEST ST. PAUL R.M.	4	4	0	0	0	4	4	0.00
WINNIPEG CITY	**158**	**131**	**6**	**4**	**71**	**239**	**254**	**-5.91**
TOTAL	**209**	**166**	**6**	**4**	**71**	**290**	**289**	**0.35**

Table 2B

HOUSING COMPLETIONS BY AREA

Winnipeg CMA - Year to Date 2005

Area	Single 2005	Single 2004	Multiple Semi	Multiple Row	Multiple Apt	Total 2005	Total 2004	%Chg 2005/2004
BROKENHEAD	14	20	0	0	0	14	20	-30.00
EAST ST. PAUL R.M.	50	62	0	0	0	50	62	-19.35
HEADINGLEY R.M.	17	22	0	0	0	17	22	-22.73
RITCHOT R.M.	24	7	2	0	0	26	7	**
ROSSER R.M.	1	4	0	0	0	1	4	-75.00
ST. CLEMENTS R.M.	49	39	0	0	32	81	39	**
ST. FRANCOIS XAVIER R.M.	10	5	0	0	0	10	5	**
SPRINGFIELD R.M.	76	35	0	0	0	76	35	**
TACHE R.M.	41	37	0	0	0	41	41	0.00
WEST ST. PAUL R.M.	13	15	0	0	0	13	15	-13.33
WINNIPEG CITY	**1040**	**967**	**14**	**21**	**510**	**1585**	**1616**	**-1.92**
TOTAL	**1335**	**1213**	**16**	**21**	**542**	**1914**	**1866**	**2.57**

** Indicates a greater than 100 per cent change

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	191	10	0	19	0	0	0	0	0	220
Previous Year	195	10	0	0	0	0	0	0	0	205
Year-To-Date 2005	1331	18	0	96	147	4	279	0	94	1969
Year-To-Date 2004	1431	44	0	15	104	0	384	0	0	1978
Under Construction										
2005	776	16	0	104	195	4	267	0	94	1456
2004	879	26	0	12	166	0	384	0	0	1467
Completions										
Current Month	209	6	0	4	0	0	71	0	0	290
Previous Year	166	8	0	0	115	0	0	0	0	289
Year-To-Date 2005	1335	16	0	21	133	0	409	0	0	1914
Year-To-Date 2004	1213	36	0	17	245	4	351	0	0	1866
Completed & Not Absorbed										
2005	161	5	0	0	20	0	46	0	0	232
2004	149	17	0	1	36	4	4	0	0	211
Total Supply[2]										
2005	937	21	0	104	215	4	313	0	94	1688
2004	1028	43	0	13	202	4	388	0	0	1678
Absorptions										
Current Month	209	3	0	9	8	0	82	0	0	311
Previous Year	148	4	0	7	96	0	4	0	0	259
Year-To-Date 2005	1343	25	0	21	153	0	371	0	0	1913
Year-To-Date 2004	1193	23	0	19	217	0	409	0	0	1861
3-month Average	196	2	0	3	10	0	32	0	0	243
12-month Average	156	4	0	2	15	0	31	0	0	208

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