Alberta

HOUSING NOW

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

FOURTH QUARTER 2003

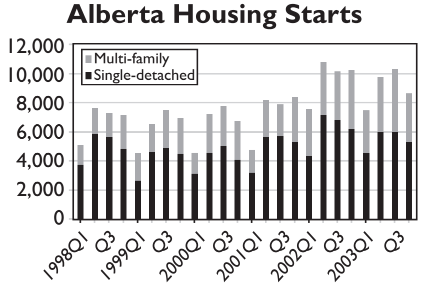
New Home Market

Housing Starts Weaken in Fourth Quarter

Following a modest up-tick in the third quarter, housing starts fell across Alberta during the last three months of 2003. Total starts reached 8,634 units during the fourth quarter, representing a decline of 15.7 per cent from production levels tallied in October through December of 2002. While a number of communities reported stronger housing starts in the fourth quarter, generally the provincial numbers were held down by weakness in the two metro areas of Calgary and Edmonton. In Calgary, total starts dropped by 16 per cent in the last three months of 2003, compared with the same time frame in 2002, with multi-family construction taking a bigger hit than the downswing observed in new single-detached homes. In Edmonton, concerns over rising inventories of completed and unoccupied new units caused total starts to pullback by 23 per cent from the numbers reported in October to December of 2002. The Wood Buffalo region also experienced a substantial retreat from the fourth quarter of 2002, with total starts down by 39 per cent.

As shown in Table 1, rural areas appear to have suffered larger declines in the fourth quarter (year-over-year) than urban areas of over 10,000 population. However, redistribution of communities based on the 2001 census results helped to bolster the city numbers. Both Canmore and Okotoks were moved into the urban area count in 2003, resulting in a bigger decline in the rural numbers than would have been the case if both communities had been kept out of the urban area count. Starts in Medicine Hat reported a substantial 74 per cent increase over the last quarter of 2002, largely resulting from a surge in multi-unit housing. Other urban centres reporting improved quarterly numbers from the last three months of 2002 included Wetaskiwin (+69%), Cold Lake CA (+41%), Lloydminister (+37%), and Grande Prairie (+18%).

Alberta Housing Starts



Source: CMHC

Starts End The Year Down From 2002

Work began on 36,171 dwelling units throughout the province in 2003, down 6.7 per cent from the 38,754 total starts reported in all of 2002. Last year was nonetheless a very good year for the province's new home builders, considering that 2002 was the second best annual performance since 1979. In Calgary, total starts fell by five per cent to 13,642 units, representing the first decline in total new housing activity in four years. In the Capital region, total housing starts reached 12,380 units, down by less than two per cent from 2002 when the industry marked its best performance since the record year of 1978. Red Deer and Wood Buffalo both experienced sharp decreases in housing starts during 2003, with activity down by 24 and 36 per cent, respectively. In Grande Prairie, total starts saw a moderate increase of six per cent while in Lethbridge and Medicine Hat, activity was largely similar in total to the previous year.

Brisk housing demand in 2003 was buttressed by a combination of 50-year low mortgage rates, and population gains derived from continued in-migration from other provinces. Added to the mix was strong income growth associated with solid job creation throughout province. Despite a tourist industry weakened by the global SARS outbreak and a livestock sector staggered by BSE, the province managed to create over 47,000 jobs in 2003, representing an annual growth rate of 2.8 per cent. Unemployment across Alberta averaged only 5.1 per cent in 2003, down from 5.3 per cent in the previous year.

IN THIS ISSUE:

CMHC SCHL

HOME TO CANADIANS

Canada

Single-Detached Starts Decline

Following back-to-back declines in the second and third quarters, single-detached starts again moved lower in the last three months of 2003. Builders started work on 5,323 units in the fourth quarter, representing a 14 per cent decline from October to December 2002. Improved activity in cities such as Cold Lake CA, Medicine Hat, Lloydminister, and Wetsaskiwin was countered by weaker numbers in many of the larger cities such as Edmonton, Calgary, Lethbridge, Red Deer and Wood Buffalo. In the two metro areas, an improved supply of resale homes and a larger inventory of unsold spec houses caused a continuation in the slowdown which began earlier in the year. The declines in single-detached construction reported in the last three quarters of 2003 resulted in an annual retreat of 10.6 per cent from 2002's record 24,520 units. Despite this pullback, activity for the year was still the second best on record, easily eclipsing the former number two ranking set in 1998 when the province recorded 20,077 single starts. Single-family home builders in Calgary and Edmonton ended the year down by 9.4 and 6.8 per cent respectively from 2002's construction volumes.

A slowdown in starts in the second and third quarters resulted in reduced single-family completions across the province in the fourth quarter. During the last three months of 2003 a total of 6,007 singles were completed, down 4.5 per cent from the same period in 2002. Despite the downturn in the fourth quarter, single-detached completions ended the year 5.7 per cent ahead of the count reported in all of 2002. In Edmonton, record-level starts in 2002 bolstered completions to an unprecedented 6,899 units in 2003, representing a 29 per cent increase. In Calgary, single-family completions reached 8,972 units, up 6.5 per cent from levels reported in 2002.

New House Prices Head Higher

As reported earlier in 2003, new home prices continue to surge in response to higher input costs for land, materials and labour. In a number of cities, levies and other development charges have pushed up the price that builders pay for lots. The strong housing markets across North America and forest fires in BC have kept prices for lumber and OSB at high levels. As well, rising prices for oil and gas have inflated price tags on inputs such as concrete, vinyl and asphalt-based products like roofing.

Table 3 breaks out single-detached absorptions by price range for the fourth quarter of 2003 and the same period in 2002. New single-detached units priced under $140,000 are rapidly vanishing from the market place. In the fourth quarter, these homes accounted for only 2.6 per cent of all new single-family sales, down from four per cent in the fourth quarter of 2002. Meanwhile, homes priced over $200,000 captured over two-thirds of the market in 2003Q4, up from 58 per cent in the last three months of 2002. In Calgary, the price of a new single-detached home increased by 10.2 per cent in 2003, reaching an average price for the year of $267,104. In Metro Edmonton, a typical new single-family home was priced at $223,507 in 2003, up 9.1 per cent from the previous year.

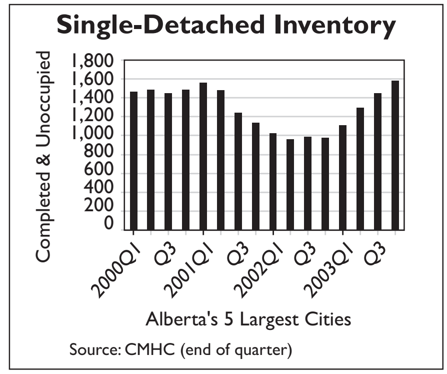
Single-Family Inventories Keep Rising

Despite the slowdown in completions across the province, the inventory of completed and unoccupied single-detached units continued to climb in Alberta's five largest centres. After bottoming out in the fourth quarter of 2002, inventories rose throughout 2003 as completions outpaced absorptions in the five big cities. In December 2003, inventories of spec units and show homes combined stood at 1,581 units, representing a 75 per cent increase from the end of 2002; exceeding the previous peak of 1,558 units set in March 2001.

While Edmonton and Calgary contained the lion's share of the unsold stock of new singles at year-end, the Capital Region has seen the biggest run-up throughout the year. In December, Metro Edmonton's builders were carrying over 130 per cent more units than were on-hand in the last month of 2002. Although Calgary's inventory was similar in size to Edmonton's, the change year-over-year has not been as large.

Multiple Unit Starts Tumble

After back-to-back increases in the second and third quarters, multi-unit starts faltered by 18 per cent during the last three months of the year when compared with 2002Q4. Large declines in Wood Buffalo (-40%), Edmonton (-26%) and Calgary (-24%) outweighed strong improvements year-over-year in Grande Prairie, Lethbridge and Medicine Hat. As a result of the fourth quarter retreat, multiple unit starts ended the year largely unchanged from 2002 at 14,253 units. The modest increase of 19 units (0.1%) placed 2003 as the second-best annual performance for multi-unit developers since 1982 when 17,152 starts were reported. In Edmonton and Calgary,



multiple dwelling starts increased by 4.7 and 3.9 per cent respectively for the year while Grande Prairie saw gains of over 27 per cent. These improvements were countered by double-digit declines in centres such as Medicine Hat, Red Deer and Wood Buffalo.

In urban areas, improvements came on the ownership side of new multi-unit housing. Condominium apartment activity increased by 27 per cent to 6,786 units, bolstered by heavy activity in the downtown of both metro areas. Row condo units also experienced impressive gains, increasing by 18 per cent in 2003 to 2,076 units. In contrast, rental activity in centres over 10,000 retreated from 2002's robust performance. Rising rental apartment vacancy rates and weaker rent increases in 2003 held back growth in new rental construction, with row and apartment rental starts down by 18 and 36 per cent respectively.

Multi-Unit Inventories Down From September

Multi-unit completions across Alberta fell by 6.6 per cent in the fourth quarter compared with the same period in 2002, but still ended the year up by an impressive 24 per cent to 12,877 units. In urban areas, multiple unit completions were up by one third in 2003 with both condo and rental apartments up by 40 per cent for the year. The only category to see fewer completions in 2003 was row rental units, which saw output drop by 37 per cent.

In the five major cities, inventories of completed an unoccupied new multiples moved down from September's peak but still remained high when compared with a year earlier. All centres above 50,000 population reported a combined inventory of 1,347 units at year end, compared with 1,373 in September and 936 at year-end 2002. In both Calgary and Edmonton, multiple unit inventories were close to 60 per cent higher than the stock of unoccupied new multi-units on hand in December 2002. In Red Deer, the numbers were up by 57 per cent while inventories were lower in Lethbridge and Medicine Hat.

Table 1
ALBERTA STARTS ACTIVITY BY AREA - 4TH QUARTER 2003

AREA	Single 2003	Single 2002	Multiple Semi	Multiple Row	Multiple Apt	Total 2003	Total 2002	Chg 2003/2002
EDMONTON CMA	**1487**	**1870**	**288**	**121**	**929**	**2825**	**3685**	**-23.34**
EDMONTON CITY	914	1189	214	97	816	2041	2799	-27.08
CALGARY CMA	**1972**	**2213**	**224**	**306**	**488**	**2990**	**3557**	**-15.94**
CALGARY CITY	1705	1848	176	280	433	2594	3055	-15.09
BROOKS TOWN CA	17	25	0	0	0	17	31	-45.16
CAMROSE CA	9	29	2	0	0	11	35	-68.57
CANMORE CA	26	N/A	12	46	130	214	N/A	**
COLD LAKE CA	79	66	2	12	0	93	66	40.91
COLD LAKE TOWN	12	9	0	0	0	12	9	33.33
BONNYVILLE TOWN	10	4	2	12	0	24	4	**
GRANDE PRAIRIE CA	146	151	22	27	25	220	187	17.65
LETHBRIDGE CA	147	170	12	25	28	212	219	-3.20
LLOYDMINSTER CA	37	30	4	0	0	41	30	36.67
MEDICINE HAT CA	153	129	16	21	73	263	151	74.17
OKOTOKS CA	58	N/A	4	11	3	76	N/A	**
RED DEER CA	199	246	34	0	80	313	350	-10.57
WETASKIWIN CA	8	5	6	8	0	22	13	69.23
WOOD BUFFALO CA	129	208	6	33	110	278	455	-38.90
WOOD BUFFALO USA (Fort McMurray)	128	202	6	29	110	273	449	-39.20
ALBERTA URBAN	**4467**	**5142**	**632**	**610**	**1866**	**7575**	**8779**	**-13.71**
ALBERTA RURAL	**856**	**1050**	**112**	**55**	**36**	**1059**	**1464**	**-27.66**
TOTAL	**5323**	**6192**	**744**	**665**	**1902**	**8634**	**10243**	**-15.71**

Table 1b
PROVINCE OF ALBERTA STARTS ACTIVITY BY AREA - YEAR TO DATE

AREA	Single 2003	Single 2002	Multiple Semi	Multiple Row	Multiple Apt	Total 2003	Total 2002	Chg 2003/2002
EDMONTON CMA	**6391**	**6860**	**1032**	**677**	**4280**	**12380**	**12581**	**-1.60**
EDMONTON CITY	3857	4157	790	569	3740	8956	8821	1.53
CALGARY CMA	**8526**	**9413**	**798**	**1293**	**3025**	**13642**	**14339**	**-4.86**
CALGARY CITY	7300	7952	608	1092	2877	11877	12362	-3.92
BROOKS TOWN CA	64	55	6	16	24	110	111	-0.90
CAMROSE CA	53	89	20	8	24	105	141	-25.53
CANMORE CA	90	N/A	18	165	279	552	N/A	**
COLD LAKE CA	273	230	6	12	30	321	236	36.02
COLD LAKE TOWN	28	18	0	0	8	36	18	**
BONNYVILLE TOWN	32	27	2	12	18	64	27	**
GRANDE PRAIRIE CA	494	513	56	39	193	782	739	5.82
LETHBRIDGE CA	556	565	60	93	38	747	756	-1.19
LLOYDMINSTER CA	166	186	4	0	0	170	202	-15.84
MEDICINE HAT CA	478	452	58	49	101	686	696	-1.44
OKOTOKS CA	244	N/A	16	61	179	500	N/A	**
RED DEER CA	779	948	122	60	163	1124	1485	-24.31
WETASKIWIN CA	23	24	24	8	12	67	54	24.07
WOOD BUFFALO CA	497	762	48	70	265	880	1388	-36.60
WOOD BUFFALO USA (Fort McMurray)	494	712	48	66	265	873	1338	-34.75
ALBERTA URBAN	**18634**	**20097**	**2268**	**2551**	**8613**	**32066**	**32728**	**-2.02**
ALBERTA RURAL	**3284**	**4423**	**299**	**308**	**214**	**4105**	**6026**	**-31.88**
TOTAL	**21918**	**24520**	**2567**	**2859**	**8827**	**36171**	**38754**	**-6.67**

*** indicates a greater than 100 per cent change*

Table 2
ALBERTA HOUSING COMPLETIONS BY AREA - 4TH QUARTER 2003

	Single		Multiple			Total		Chg
AREA	2003	2002	Semi	Row	Apt	2003	2002	2003/2002
EDMONTON CMA	**1930**	**1746**	**308**	**83**	**524**	**2845**	**2939**	**-3.20**
EDMONTON CITY	1141	959	230	51	450	1872	1983	-5.60
CALGARY CMA	**2251**	**2276**	**220**	**438**	**596**	**3505**	**3200**	**9.53**
CALGARY CITY	1923	1934	172	355	596	3046	2731	11.53
BROOKS TOWN CA	17	12	0	4	0	21	34	-38.24
CAMROSE CA	16	18	8	0	8	32	24	33.33
CANMORE CA	21	N/A	2	39	64	126	N/A	**
COLD LAKE CA	66	72	2	0	0	68	72	-5.56
COLD LAKE TOWN	3	4	0	0	0	3	4	-25.00
BONNYVILLE TOWN	7	10	0	0	0	7	10	-30.00
GRANDE PRAIRIE CA	108	106	14	8	115	245	171	43.27
LETHBRIDGE CA	126	141	20	19	12	177	169	4.73
LLOYDMINSTER CA	44	42	4	0	0	48	54	-11.11
MEDICINE HAT CA	113	134	10	4	14	141	334	-57.78
OKOTOKS CA	65	N/A	2	20	0	87	N/A	**
RED DEER CA	219	227	28	23	99	369	414	-10.87
WETASKIWIN CA	4	4	8	0	0	12	14	-14.29
WOOD BUFFALO CA	93	216	6	8	24	131	414	-68.36
WOOD BUFFALO USA (Fort McMurray)	93	208	6	4	24	127	406	-68.72
ALBERTA URBAN	**5073**	**4994**	**632**	**646**	**1456**	**7807**	**7839**	**-0.41**
ALBERTA RURAL	**934**	**1296**	**91**	**60**	**131**	**1216**	**1679**	**-27.58**
TOTAL	**6007**	**6290**	**723**	**706**	**1587**	**9023**	**9518**	**-5.20**

Table 2b
ALBERTA HOUSING COMPLETIONS BY AREA - YEAR TO DATE

	Single		Multiple			Total		Chg
AREA	2003	2002	Semi	Row	Apt	2003	2002	2003/2002
EDMONTON CMA	**6899**	**5366**	**1018**	**411**	**3259**	**11587**	**8614**	**34.51**
EDMONTON CITY	4279	3152	786	349	2802	8216	5702	44.09
CALGARY CMA	**8972**	**8421**	**780**	**1281**	**3254**	**14287**	**12630**	**13.12**
CALGARY CITY	7614	7170	576	1000	3160	12350	10921	13.08
BROOKS TOWN CA	70	57	14	20	0	104	97	7.22
CAMROSE CA	73	71	14	0	40	127	91	39.56
CANMORE CA	133	N/A	40	74	125	372	N/A	**
COLD LAKE CA	258	246	4	0	4	266	258	3.10
COLD LAKE TOWN	26	14	0	0	0	26	14	85.71
BONNYVILLE TOWN	33	21	0	0	0	33	21	57.14
GRANDE PRAIRIE CA	455	509	48	36	168	707	729	-3.02
LETHBRIDGE CA	536	526	66	32	44	678	602	12.62
LLOYDMINSTER CA	182	205	4	0	0	186	230	-19.13
MEDICINE HAT CA	442	411	48	39	34	563	784	-28.19
OKOTOKS CA	274	N/A	46	58	19	397	N/A	**
RED DEER CA	816	867	150	71	521	1558	1208	28.97
WETASKIWIN CA	23	22	30	0	4	57	48	18.75
WOOD BUFFALO CA	476	810	30	87	226	819	1311	-37.53
WOOD BUFFALO USA (Fort McMurray)	469	761	30	83	226	808	1262	-35.97
ALBERTA URBAN	**19609**	**17511**	**2292**	**2109**	**7698**	**31708**	**26602**	**19.19**
ALBERTA RURAL	**3397**	**4246**	**279**	**219**	**280**	**4175**	**5560**	**-24.91**
TOTAL	**23006**	**21757**	**2571**	**2328**	**7978**	**35883**	**32162**	**11.57**

*** indicates a greater than 100 per cent change*

Table 3
ALBERTA - CENTRES OF 50,000 POPULATION AND OVER
SINGLE FAMILY HOMES - ABSORBED BY PRICE RANGE - 4TH QUARTER

	< $110,000	$110,000 -139,999	$140,000 -169,999	$170,000 -199,999	$200,000 -249,999	$250,000 +	Total
EDMONTON CMA	**13**	**58**	**234**	**417**	**597**	**476**	**1795**
CALGARY CMA	**0**	**2**	**139**	**330**	**727**	**1018**	**2216**
LETHBRIDGE CA	0	20	41	35	21	10	127
MEDICINE HAT CA	3	9	31	17	58	23	141
RED DEER CA	0	12	79	44	62	32	229
TOTAL	**16**	**101**	**524**	**843**	**1465**	**1559**	**4508**

Table 3b
ALBERTA - CENTRES OF 50,000 POPULATION AND OVER
SINGLE FAMILY HOMES - ABSORBED BY PRICE RANGE - 2002

	< $110,000	$110,000 -139,999	$140,000 -169,999	$170,000 -199,999	$200,000 -249,999	$250,000 +	Total
EDMONTON CMA	**18**	**86**	**323**	**461**	**506**	**372**	**1766**
CALGARY CMA	**1**	**7**	**250**	**423**	**812**	**771**	**2264**
LETHBRIDGE CA	2	29	64	17	18	14	144
MEDICINE HAT CA	1	17	37	40	19	17	131
RED DEER CA	1	14	70	62	52	36	235
TOTAL	**23**	**153**	**744**	**1003**	**1407**	**1210**	**4540**

Table 4
PROVINCE OF ALBERTA
UNDER CONSTRUCTION - DECEMBER 2003

	Single		Multiple			Total		Chg
AREA	2003	2002	Semi	Row	Apt	2003	2002	2003/2002
EDMONTON CMA	**2798**	**3,308**	**644**	**483**	**4991**	**8916**	**8225**	**8.40**
EDMONTON CITY	1,617	2,043	446	387	4386	6836	6197	10.31
CALGARY CMA	**3527**	**3,978**	**552**	**884**	**3202**	**8165**	**8661**	**-5.73**
CALGARY CITY	2914	3,232	430	812	3089	7245	7568	-4.27
BROOKS TOWN CA	19	25	2	12	24	57	51	11.76
CAMROSE CA	15	35	10	8	16	49	71	-30.99
CANMORE CA	25	N/A	12	139	244	420	N/A	**
COLD LAKE CA	87	72	2	12	26	127	72	76.39
COLD LAKE TOWN	37	10	0	0	8	45	10	**
BONNYVILLE TOWN	9	30	2	12	18	41	30	36.67
GRANDE PRAIRIE CA	174	135	30	19	25	248	173	43.35
LETHBRIDGE CA	277	257	40	75	104	496	427	16.16
LLOYDMINSTER CA	42	58	0	0	0	42	58	-27.59
MEDICINE HAT CA	221	185	42	45	87	395	272	45.22
OKOTOKS CA	61	N/A	4	11	160	236	N/A	**
RED DEER CA	289	326	72	68	163	592	1,026	-42.30
WETASKIWIN CA	8	8	8	8	8	32	22	45.45
WOOD BUFFALO CA	192	171	30	83	394	699	638	9.56
WOOD BUFFALO USA (Fort McMurray)	192	171	30	83	394	699	638	9.56
ALBERTA URBAN	**7735**	**8558**	**1448**	**1847**	**9444**	**20474**	**19696**	**3.95**
ALBERTA RURAL	**1112**	**1529**	**209**	**217**	**66**	**1604**	**2472**	**-35.11**
TOTAL	**8847**	**10087**	**1657**	**2064**	**9510**	**22078**	**22168**	**-0.41**

Table 4b
PROVINCE OF ALBERTA
COMPLETE AND NOT OCCUPIED - DECEMBER 2003

	Single		Multiple			Total		Chg
AREA	2003	2002	Semi	Row	Apt	2003	2002	2003/2002
EDMONTON CMA	**736**	**318**	**110**	**29**	**590**	**1465**	**771**	**90.01**
CALGARY CMA	**719**	**566**	**122**	**111**	**270**	**1222**	**880**	**38.86**
LETHBRIDGE CA	25	26	4	0	4	33	35	-5.71
MEDICINE HAT CA	45	32	5	4	7	61	134	-54.48
RED DEER CA	56	32	14	3	74	147	90	63.33
Total	**1581**	**974**	**255**	**147**	**945**	**2928**	**1910**	**53.30**

N\A: not available
** indicates greater than 100 per cent change

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Table 5
ALBERTA
HOUSING ACTIVITY SUMMARY

Activity	Ownership					Rental				Total
	Freehold			Condominium		Private		Assisted		
	Single[1]	Semi[1]	Row	Row	Apt	Row	Apt	Row	Apt	
STARTS										
Fourth Quarter	4467	632	52	506	1506	52	360	0	0	7575
Previous Year	5142	636	33	451	1714	42	761	0	0	8779
Year-To-Date 2003	18634	2268	209	2076	6786	266	1827	0	0	32066
Year-To-Date 2002	20097	2234	88	1757	5361	325	2866	0	0	32728
UNDER CONSTRUCTION										
2003	7735	1448	152	1530	7702	165	1742	0	0	20474
2002	8558	1388	52	1203	5785	109	2601	0	0	19696
COMPLETIONS										
Fourth Quarter	5073	632	47	551	1074	48	382	0	0	7807
Previous Year	4994	476	33	372	874	117	973	0	0	7839
Year-To-Date 2003	19609	2292	142	1786	5040	181	2658	0	0	31708
Year-To-Date 2002	17511	1740	85	1477	3598	287	1904	0	0	26602
COMPLETED & NOT ABSORBED[2]										
2003	1581	255	12	131	424	4	521	0	0	2928
2002	974	199	12	51	245	12	417	0	0	1910
TOTAL SUPPLY[3]										
2003	9316	1703	164	1661	8126	169	2263	0	0	23402
2002	9532	1587	64	1254	6030	121	3018	0	0	21606
ABSORPTIONS[2]										
Fourth Quarter	4508	579	35	451	896	33	512	0	0	7014
Previous Year	5176	471	23	360	862	86	819	0	0	7797
12 month Average	1444	168	12	125	386	13	202	0	0	2350

[1] May include units intended for condominium.
[2] Centres of 50,000 population and over.
[3] Sum of units under construction, complete and unoccupied

DEFINITIONS AND BACKGROUND NOTES

Starts and Completions Survey

The purpose of this survey is to measure new residential construction activity. The common unit of measurement is the "dwelling unit" (as opposed to value).

The Starts and Completion Survey enumerates dwelling units in new structures only; such units being designed for non-transient and year-round occupancy. Thus, excluded from the survey are conversions, vacation homes, cottages and collective type dwellings.

Starts - refer to units where construction has advanced to the footing or foundation stage and in the case of multiples, a start applies to the individual unit.

Under Construction - refers to units that have started but are not complete (i.e. units under construction from the previous month plus starts for the current month minus completions during the current month plus/minus any adjustments to units under construction which may include cancellations of projects, re-initiations of projects and/or changes in tenure status).

Completions - refer to units where all proposed construction work has been performed or in some cases where ninety percent of all construction work is completed and the structure is fit for occupancy.

Completed and Unoccupied - refers to completed units of new construction which have never been occupied or sold (i.e. completed and unoccupied units from the previous month plus completions during the current month minus absorptions for the current month).

Total Supply - refers to the total supply of new units and includes, units under construction and units that are completed but not occupied (i.e. under construction plus completed and unoccupied for the current month).

Absorptions - refers to newly completed units which have been sold or rented. The number of absorptions is obtained from a survey initiated when the structure is completed. Units pre-sold or pre-leased are not included until the completion stage (i.e. completed and unoccupied units from the previous month plus completions for the current month minus completed and unoccupied units for the current month).

Dwelling units have been divided into four categories:

The definition of types of dwellings used are in accordance with those used in the Census.

Single-Detached - This type is commonly called a "single-house". It comprises only one-dwelling unit which is completely separate on all sides from any other dwelling or structure including linked homes which are attached below ground.

Semi-Detached - In this category each one of two dwellings are located side-by-side in a building and are separated by a common wall extending from ground to roof or by a garage.

Row - This category comprises a one-family dwelling unit in a row of three or more dwellings separated by common or party walls extending from ground to roof.

Apartment and Other - This category includes all dwelling units other than those described above. It includes structures such as: duplexes, double-duplexes, triplexes, row-duplexes, apartments proper and dwellings over or behind a store or other nonresidential structure. In accordance with the definition, single-detached units with legal secondary suites are included in this category.

Geographical coverage of the survey includes all metropolitan areas, census agglomerations and urban centres of 10,000 population and over, as defined by the Census. These areas are enumerated completely each month. The remainder of the branch territory is covered on a sample basis four times a year in March, June, September and December.

Market Absorption Survey

The purpose of this survey is to provide an indication of the short-term demand for home ownership and rental dwellings. The survey is designed to measure the rate at which units are sold or rented after they are completed.

The geographical coverage of the Market Absorption Survey is all metropolitan areas and all urban centres of 50,000 population and over.

In the Market Absorption Survey, certain dwellings are excluded for various reasons. These are: dwellings financed by CMHC or NHA Section 6, Non-profit Public and Private initiated housing, which are not subject to normal market criteria and dwellings constructed for model purposes.

Absorption in this report is defined as take up monitored at completions plus those from inventory. For the short term, absorptions are a function of actual completions and inventory levels.

1996 Census Definitions

A **Census Metropolitan Area** refers to the main labour market area of an urbanized core having 100,000 or more population. The Edmonton CMA includes 35 municipalities and Calgary CMA includes nine. *Note: Wood Buffalo USA includes Fort McMurray City and Wood Buffalo includes Ft. McMurray CA*

A Census Agglomeration refers to the region labour market area of an urbanized core housing between 10,000 and 99,999 population. CMA's and CA's are created by Statistics Canada and are usually known by the name of the urban area forming their urbanized core. They contain whole municipalities (or census subdivisions) and are comprised of:

1. Municipalities if (a) at least 40% of the employed labour force living in the municipalities work in the urbanized core or (b) at 25% of the employed labour force working in the municipality live in the urbanized core.
2. Other municipalities if (a) at least 40% of the employed labour force living in the municipality work in the urbanized core or (b) at 25% of the employed labour force working in the municipality live in the urbanized core.