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## Third Quarter: Construction activity cools off slightly

Total urban starts in New Brunswick for the third quarter of 2005 declined to 830 units from a high of 920 units in 2004, which amounts to a 10.8 per cent decrease. Year-to-date starts after three quarters have remained stable, with 1,870 starts in 2005 compared to 1,889 in 2004. This represents a drop of approximately 1 per cent.

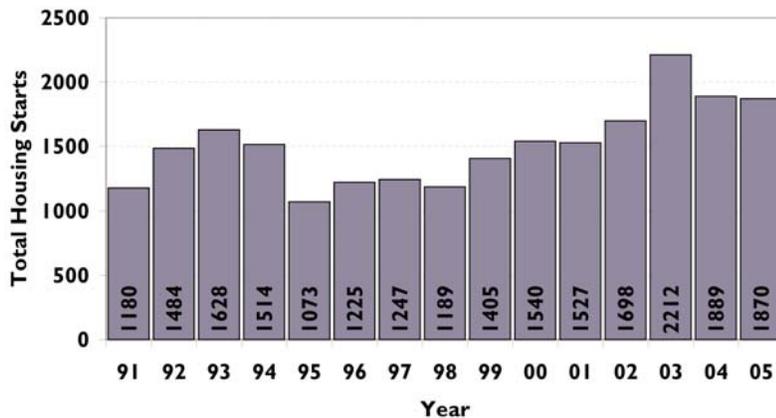
Multiple starts for the third quarter have increased significantly over the 2004 results. At 372 units started, this represents a 31.0 per cent increase over the 284 units that were started during the same period in 2004. The year-to-date increase in multiple starts is even larger, with the 786 units started in 2005 being a 44 per cent increase over the 546 units

started in 2004. Moncton and Fredericton lead the way in new multiple unit starts. In the Saint John area, year to date multiple starts, as well as third quarter starts are down by 8.2 per cent and 34.3 per cent, respectively.

Third quarter completions, as well as year-to-date completions, have dropped by 8.0 percent and 56.5 per cent, respectively. Contributing to these results are a drop in single-detached completions in Saint John, and multiple unit completions in Moncton.

There were 1,185 total units under construction at the close of the third quarter, as opposed to 1,379 units in 2004 - a 16.4 per cent drop.

**Year-to-Date Provincial Urban Starts Remain Stable**



## Saint John, Moncton & Fredericton

September 2005

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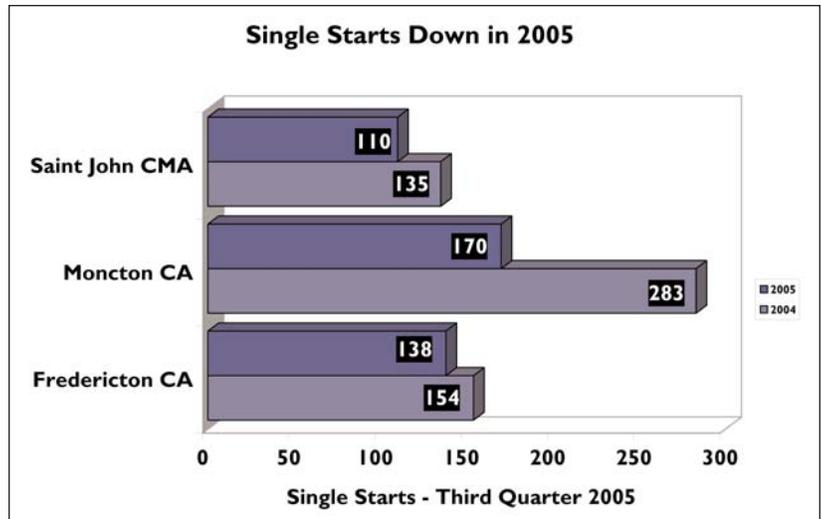
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# Housing Market Overview (Saint John, Moncton, Fredericton)

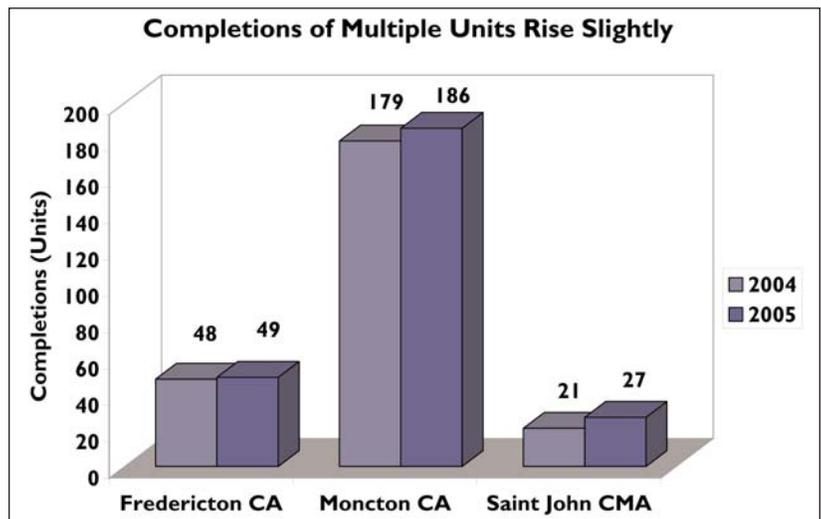
## Moncton and Fredericton see reduced single unit starts in Q305

New, single-detached starts in the third quarter of 2005 were down in all major New Brunswick urban areas. Moncton posted the largest decline among the three major centres at 66.5 per cent. The declines in Saint John and Fredericton were smaller at 22.7 per cent and 11.6 per cent, respectively. Year-to-date totals mirror the third quarter numbers, with all three centres experiencing a drop in new single-detached starts. At 29.2 per cent and 33.0 per cent, respectively, the decline in Fredericton and Moncton is significant. With 280 single starts after three quarters, Saint John has remained stable compared to 2004 when there were 288 new starts. This represents only a slight drop, at 2.9 per cent.



## Fredericton leads in Multiple Units

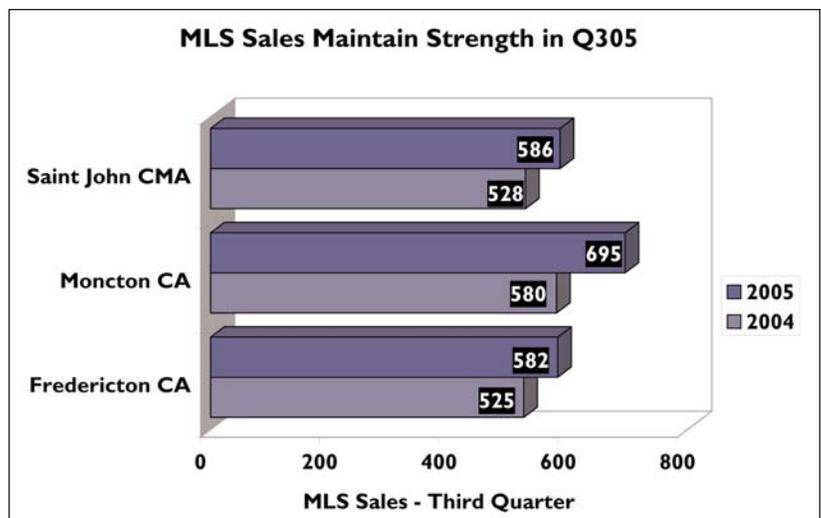
Multiple unit starts in the third quarter increased dramatically in Fredericton with 156 units started as compared to 71 in 2004. Multiple starts remained stable in Moncton (up 1.2 per cent) and dropped significantly in Saint John (down 34.3 per cent). There were 883 multiple units completed in Moncton in 2004. In comparison to the 282 units completed this year, 2005 total has dropped sharply. Fredericton also experienced a drop in multiple completions at the end of the third quarter, with 192 units completed, as compared with 261 units in 2004. In contrast, Saint John saw a 39.2 per cent increase in multiple unit completions for 2005.



With 646 units at the end of the third quarter, the total number of multiple units under construction in NB has remained relatively stable, with a 3.3 per cent drop from the 2004 total of 667 units. Fredericton, with 228 units under construction and its corresponding 27.4 per cent increase, has helped offset the slight drop in Moncton and Saint John.

## Resale Market Remains Strong in All Large Urban Centres

The slowdown in single unit starts can be partly attributed to a strong resale market. Growth in MLS unit sales has maintained its strong pace in the three major New Brunswick urban areas, with an average, year to date increase of 11.3 per cent. Fuelling the aforementioned growth is a steady increase in new listings, up 11.5 per cent for New Brunswick's three major urban areas after the first three quarters of 2005. In light of this, and in combination with a steady employment market and attractive mortgage rates, the robust growth in the resale market is expected to be maintained throughout 2005.



**TABLE 1 - HOUSING STARTS BY AREA**

URBAN AREA	Singles						Multiples						Total Starts					
	Third Quarter			Year-to-date			Third Quarter			Year-to-date			Third Quarter			Year-to-date		
	2005	2004	% chg	2005	2004	% chg	2005	2004	% chg	2005	2004	% chg	2005	2004	% chg	2005	2004	% chg
Bathurst CA	10	13	-30	24	32	-33.3	10	4	--	16	13	23.1	20	17	17.6	40	45	-12.5
Campbellton CA	2	5	--	4	11	--	0	0	--	26	0	--	2	5	--	30	11	--
Edmunston CA	15	24	-60	32	40	-25	5	0	--	9	4	--	20	24	-20	41	44	-7.3
Fredericton CA	138	154	-11.6	291	376	-29.2	156	71	--	244	173	41	294	225	30.7	535	549	-2.6
Miramichi CA	13	22	-69.2	26	28	-7.7	2	0	--	2	0	--	15	22	-46.7	28	28	0
Moncton CA	170	283	-66.5	427	568	-33	164	162	1.2	416	277	50.2	334	445	-33.2	843	845	-0.2
Saint John CA	110	135	-22.7	280	288	-2.9	35	47	-34.3	73	79	-8.2	145	182	-25.5	353	367	-4
<b>Total Urban Areas</b>	<b>458</b>	<b>636</b>	<b>-38.9</b>	<b>1,084</b>	<b>1,343</b>	<b>-23.9</b>	<b>372</b>	<b>284</b>	<b>31</b>	<b>786</b>	<b>546</b>	<b>44</b>	<b>830</b>	<b>920</b>	<b>-10.8</b>	<b>1,870</b>	<b>1,889</b>	<b>-1</b>

**TABLE 2 - COMPLETIONS BY AREA**

URBAN AREA	Singles						Multiples						Total Starts					
	Third Quarter			Year-to-date			Third Quarter			Year-to-date			Third Quarter			Year-to-date		
	2005	2004	% chg	2005	2004	% chg	2005	2004	% chg	2005	2004	% chg	2005	2004	% chg	2005	2004	% chg
Bathurst CA	12	13	-8.3	25	37	-48	5	2	--	13	2	--	17	15	13.3	38	39	-2.6
Campbellton CA	2	5	--	5	12	--	0	0	--	0	0	--	2	5	--	5	12	--
Edmunston CA	10	14	-40	24	30	-25	2	0	--	2	2	0	12	14	-16.7	26	32	-23.1
Fredericton CA	113	128	-13.3	272	327	-20.2	49	48	2.1	192	261	-35.9	162	176	-8.6	464	588	-26.7
Miramichi CA	10	9	11.1	29	20	45	0	0	--	0	0	--	10	9	11.1	29	20	45
Moncton CA	197	192	2.6	395	597	-51.1	186	179	3.9	282	883	--	383	371	3.2	677	1,480	--
Saint John CA	85	143	-68.2	264	268	-1.5	27	21	28.6	103	74	39.2	112	164	-46.4	367	342	7.3
<b>Total Urban Areas</b>	<b>429</b>	<b>504</b>	<b>-17.5</b>	<b>1,014</b>	<b>1,291</b>	<b>-27.3</b>	<b>269</b>	<b>250</b>	<b>7.6</b>	<b>592</b>	<b>1,222</b>	<b>--</b>	<b>698</b>	<b>754</b>	<b>-8</b>	<b>1,606</b>	<b>2,513</b>	<b>-56.5</b>

**TABLE 3 - UNDER CONSTRUCTION BY AREA (as of Sept 30)**

URBAN AREA	Singles			Multiples			Total		
	Third Quarter			Year-to-date			Third Quarter		
	2005	2004	% chg	2005	2004	% chg	2005	2004	% chg
Bathurst CA	14	20	-42.9	7	19	--	21	39	-85.7
Campbellton CA	3	3	0	26	0	--	29	3	--
Edmunston CA	23	31	-34.8	7	4	--	30	35	-16.7
Fredericton CA	125	139	-11.2	228	179	27.4	353	318	11
Miramichi CA	13	20	-53.8	2	0	--	15	20	-33.3
Moncton CA	221	360	-62.9	312	348	-11.5	533	708	-32.8
Saint John CA	140	139	0.7	64	117	-82.8	204	256	-25.5
<b>Total New Brunswick</b>	<b>539</b>	<b>712</b>	<b>-32.1</b>	<b>646</b>	<b>667</b>	<b>-3.3</b>	<b>1,185</b>	<b>1,379</b>	<b>-16.4</b>

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**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>					
July - Sept 2005	60	8	22	126	216	July - Sept 2005	6	0	0	0	6
Jan - Sept 2005	77	2	12	57	148	Jan - Sept 2005	4	0	0	0	4
July - Sept 2004	141	16	44	184	385	July - Sept 2004	8	0	0	0	8
Jan - Sept 2004	170	6	68	95	339	Jan - Sept 2004	12	0	0	0	12
<b>Total Fredericton</b>						<b>Quispamsis Town</b>					
July - Sept 2005	138	8	22	126	294	July - Sept 2005	37	2	0	2	41
Jan - Sept 2005	154	2	12	57	225	Jan - Sept 2005	53	0	0	6	59
July - Sept 2004	291	16	44	184	535	July - Sept 2004	107	2	6	2	117
Jan - Sept 2004	376	10	68	95	549	Jan - Sept 2004	110	0	6	8	124
<b>Moncton City</b>						<b>Rothesay Town</b>					
July - Sept 2005	58	66	0	30	154	July - Sept 2005	14	4	0	0	18
Jan - Sept 2005	90	56	24	46	216	Jan - Sept 2005	15	0	0	0	15
July - Sept 2004	148	118	0	164	430	July - Sept 2004	22	4	3	0	29
Jan - Sept 2004	199	110	24	73	406	Jan - Sept 2004	29	0	0	0	29
<b>Dieppe City</b>						<b>Saint John City</b>					
July - Sept 2005	53	12	32	2	99	July - Sept 2005	26	8	4	12	50
Jan - Sept 2005	107	14	4	6	131	Jan - Sept 2005	34	8	6	18	66
July - Sept 2004	157	26	60	4	247	July - Sept 2004	82	22	7	24	135
Jan - Sept 2004	217	32	12	6	267	Jan - Sept 2004	78	20	6	30	134
<b>Riverview Town</b>						<b>Saint John - Other outlying areas</b>					
July - Sept 2005	10	8	0	8	26	July - Sept 2005	27	2	1	0	30
Jan - Sept 2005	40	4	0	4	48	Jan - Sept 2005	29	0	9	0	38
July - Sept 2004	35	28	0	10	73	July - Sept 2004	61	2	1	0	64
Jan - Sept 2004	67	10	0	4	81	Jan - Sept 2004	59	0	9	0	68
<b>Total Moncton CA</b>						<b>Total Saint John CMA</b>					
July - Sept 2005	170	86	32	46	334	July - Sept 2005	48	2	0	0	50
Jan - Sept 2005	283	74	28	60	445	Jan - Sept 2005	28	0	0	0	28
July - Sept 2004	427	172	60	184	843	July - Sept 2004	280	30	17	26	353
Jan - Sept 2004	568	154	36	87	845	Jan - Sept 2004	288	20	21	38	367

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 Townm and Upham Parish.

This publication is also available in French. For more information, or to subscribe, contact Michèle Merrick at the Atlantic Business Centre at (902) 426-4708. Ce document est disponible en français. Veuillez communiquer avec Michèle Merrick au Centre d'affaires de l'Atlantique au (902) 426-4708.

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