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### Housing Starts Remain Strong in January

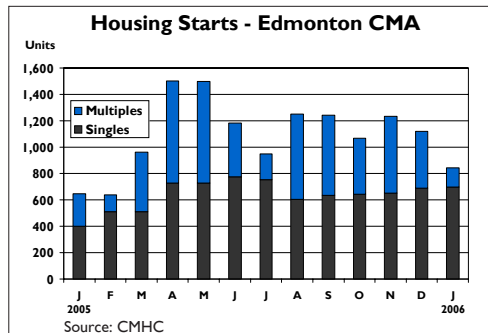
Despite a slowdown in new apartment activity, housing starts across Metro Edmonton improved year-over-year in January. Total housing starts within the Edmonton Census Metropolitan Area (CMA) reached 843 units, representing an increase of 30.5 per cent over January 2005. Most of January's gains were reported on the single-detached side of the new home building industry. The region's builders started work on a record 699 units in January, up by an impressive 75.6 per cent over the activity levels recorded during the first month of 2005. As shown in Table 1, gains were broadly based across the entire Capital Region, with most municipalities reporting strong increases over the volume of new single-detached construction reported in last January. Weather conditions, both this year and last January, can account for some of the improvements. In 2005, harsh weather during the first two weeks took its toll on the January starts numbers. In contrast, this January was one of the mildest on record, allowing builders to post their best performance ever for the first month of the year.

Single-family completions increased by 16 per cent year-over-year in January to 580 units. Absorptions also reached 580 units and, as such, the inventory of completed and unoccupied singles remained unchanged from December at 571 units. Nonetheless, inventories including show homes were 12.7 per cent below the levels reported in January 2005. A typical new single-detached home sold for \$273,409 in January, representing a seven per cent rise over the average price for

units absorbed in January 2005. Resale homes sold for an average price of \$235,222 in January, setting a new record high for existing singles in this market.

Multiple-unit starts dropped by 41.9 per cent year-over-year in January, mainly due to a large decline in new apartments. Activity for semi-detached, row and apartment units combined reached 144 units compared with 248 in January 2005. While semi-detached and row unit starts improved over last January, apartment starts across the region tumbled by 88 per cent to 20 units. In Edmonton City, multiple dwelling starts fell by 55 per cent from January 2005 to 108 units. As shown in Table 1, the only other communities within Metro to report any multi-unit activity in January were Leduc City, Spruce Grove and Strathcona County.

Multiple unit completions dropped by 10.1 per cent year-over-year in January to 223 units. At the same time, absorptions improved to 313 units compared with 177 in January 2005. This allowed the inventory of completed and unoccupied multiple units to drop below the 1,000-unit mark for the first time since September 2004. Of the 963



### EDMONTON

JANUARY 2006

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Edmonton CMA

multiple units sitting in inventory at the end of January, 817 (85%) were apartments. Apartment inventories were down year-over-year by 33 per cent in January but this descent may be short in duration. Compared with the same time last year, there were 17.5 per cent more apartment units under construction across the region in January. Condominiums make up the lion's share of the apartments units in progress and many of these will be reaching completion in the months ahead. While rental apartment inventories are expected to keep falling, condo completions will surge this spring putting upward pressure on these apartment inventories. The good news for developers is that active listings for resale condos were down by 27 per cent year-over-year in January. As such, many buyers looking for a condo apartment will be shopping the new market due a shortage of existing units for sale.

Table IA  
**STARTS ACTIVITY BY AREA**  
 Edmonton CMA - January 2006

Area	Single		Multiple			Total		%Chg
	2006	2005	Semi	Row	Apt	2006	2005	2006/2005
BEAUMONT TOWN	68	17	0	0	0	68	17	**
CALMAR TOWN	0	0	0	0	0	0	0	**
DEVON TOWN	5	1	0	0	0	5	1	**
<b>EDMONTON CITY</b>	<b>399</b>	<b>297</b>	<b>84</b>	<b>4</b>	<b>20</b>	<b>507</b>	<b>537</b>	<b>-5.6</b>
FORT SASKATCHEWAN CITY	19	3	0	0	0	19	9	**
GIBBONS TOWN	4	0	0	0	0	4	0	**
LEDUC CITY	19	7	6	0	0	25	7	**
LEDUC COUNTY	9	2	0	0	0	9	2	**
MORINVILLETOWN	10	1	0	0	0	10	1	**
PARKLAND COUNTY	28	8	0	0	0	28	10	**
SPRUCE GROVE CITY	26	10	8	0	0	34	10	**
ST. ALBERT CITY	25	11	0	0	0	25	11	**
STONY PLAIN TOWN	14	7	0	0	0	14	7	**
STRATHCONA COUNTY	57	26	8	14	0	79	26	**
STURGEON COUNTY	13	4	0	0	0	13	4	**
OTHER CENTRES	3	4	0	0	0	3	4	-25.0
<b>TOTAL</b>	<b>699</b>	<b>398</b>	<b>106</b>	<b>18</b>	<b>20</b>	<b>843</b>	<b>646</b>	<b>30.5</b>

Table IB  
**STARTS ACTIVITY BY AREA**  
 Edmonton CMA - Year to Date 2006

Area	Single		Multiple			Total		%Chg
	2006	2005	Semi	Row	Apt	2006	2005	2006/2005
BEAUMONT TOWN	68	17	0	0	0	68	17	**
CALMAR TOWN	0	0	0	0	0	0	0	**
DEVON TOWN	5	1	0	0	0	5	1	**
<b>EDMONTON CITY</b>	<b>399</b>	<b>297</b>	<b>84</b>	<b>4</b>	<b>20</b>	<b>507</b>	<b>537</b>	<b>-5.6</b>
FORT SASKATCHEWAN CITY	19	3	0	0	0	19	9	**
GIBBONS TOWN	4	0	0	0	0	4	0	**
LEDUC CITY	19	7	6	0	0	25	7	**
LEDUC COUNTY	9	2	0	0	0	9	2	**
MORINVILLETOWN	10	1	0	0	0	10	1	**
PARKLAND COUNTY	28	8	0	0	0	28	10	**
SPRUCE GROVE CITY	26	10	8	0	0	34	10	**
ST. ALBERT CITY	25	11	0	0	0	25	11	**
STONY PLAIN TOWN	14	7	0	0	0	14	7	**
STRATHCONA COUNTY	57	26	8	14	0	79	26	**
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OTHER CENTRES	3	4	0	0	0	3	4	-25.0
<b>TOTAL</b>	<b>699</b>	<b>398</b>	<b>106</b>	<b>18</b>	<b>20</b>	<b>843</b>	<b>646</b>	<b>30.5</b>

\*\* 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 Richard Goatcher at (780) 423-8729

Table 2A  
**HOUSING COMPLETIONS BY AREA**  
 Edmonton CMA - January 2006

Area	Single		Multiple			Total		%Chg 2006/2005
	2006	2005	Semi	Row	Apt	2006	2005	
BEAUMONT TOWN	27	26	0	0	0	27	26	3.8
CALMAR TOWN	1	5	2	0	0	3	5	-40.0
DEVON TOWN	3	12	0	0	0	3	16	-81.3
<b>EDMONTON CITY</b>	<b>353</b>	<b>303</b>	<b>48</b>	<b>38</b>	<b>66</b>	<b>505</b>	<b>423</b>	<b>19.4</b>
FORT SASKATCHEWAN CITY	18	6	2	0	0	20	44	-54.5
GIBBONS TOWN	2	1	0	0	0	2	1	**
LEDUC CITY	5	10	0	0	35	40	80	-50.0
LEDUC COUNTY	21	7	0	0	0	21	7	**
MORINVILLE TOWN	2	3	2	0	0	4	3	33.3
PARKLAND COUNTY	16	10	0	0	0	16	10	60.0
SPRUCE GROVE CITY	23	21	4	0	0	27	27	0.0
ST. ALBERT CITY	29	39	4	0	0	33	49	-32.7
STONY PLAIN TOWN	3	8	0	0	0	3	8	-62.5
STRATHCONA COUNTY	46	31	20	0	0	66	31	**
STURGEON COUNTY	20	15	0	0	0	20	15	33.3
OTHER CENTRES	11	3	2	0	0	13	3	**
<b>TOTAL</b>	<b>580</b>	<b>500</b>	<b>84</b>	<b>38</b>	<b>101</b>	<b>803</b>	<b>748</b>	<b>7.4</b>

Table 2B  
**HOUSING COMPLETIONS BY AREA**  
 Edmonton CMA - Year to Date 2006

Area	Single		Multiple			Total		%Chg 2006/2005
	2006	2005	Semi	Row	Apt	2006	2005	
BEAUMONT TOWN	27	26	0	0	0	27	26	3.8
CALMAR TOWN	1	5	2	0	0	3	5	-40.0
DEVON TOWN	3	12	0	0	0	3	16	-81.3
<b>EDMONTON CITY</b>	<b>353</b>	<b>303</b>	<b>48</b>	<b>38</b>	<b>66</b>	<b>505</b>	<b>423</b>	<b>19.4</b>
FORT SASKATCHEWAN CITY	18	6	2	0	0	20	44	-54.5
GIBBONS TOWN	2	1	0	0	0	2	1	**
LEDUC CITY	5	10	0	0	35	40	80	-50.0
LEDUC COUNTY	21	7	0	0	0	21	7	**
MORINVILLE TOWN	2	3	2	0	0	4	3	33.3
PARKLAND COUNTY	16	10	0	0	0	16	10	60.0
SPRUCE GROVE CITY	23	21	4	0	0	27	27	0.0
ST. ALBERT CITY	29	39	4	0	0	33	49	-32.7
STONY PLAIN TOWN	3	8	0	0	0	3	8	-62.5
STRATHCONA COUNTY	46	31	20	0	0	66	31	**
STURGEON COUNTY	20	15	0	0	0	20	15	33.3
OTHER CENTRES	11	3	2	0	0	13	3	**
<b>TOTAL</b>	<b>580</b>	<b>500</b>	<b>84</b>	<b>38</b>	<b>101</b>	<b>803</b>	<b>748</b>	<b>7.4</b>

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Table 3  
**HOUSING ACTIVITY SUMMARY**  
 Edmonton CMA

Activity	Ownership					Rental				Grand Total
	Freehold		Condominium			Private		Assisted		
	Single <sup>1</sup>	Semi <sup>1</sup>	Row	Row	Apt	Row	Apt	Row	Apt	
<b>Starts</b>										
Current Month	699	106	0	18	0	0	0	0	20	843
Previous Year	398	70	0	8	12	0	0	0	158	646
Year-To-Date 2006	699	106	0	18	0	0	0	0	20	843
Year-To-Date 2005	398	70	0	8	12	0	0	0	158	646
<b>Under Construction</b>										
2006	3,959	750	11	617	4,444	8	632	56	20	10,497
2005	2,961	724	12	302	3,479	94	659	0	200	8,431
<b>Completions</b>										
Current Month	580	84	0	38	24	0	35	0	42	803
Previous Year	500	56	0	18	104	15	55	0	0	748
Year-To-Date 2006	580	84	0	38	24	0	35	0	42	803
Year-To-Date 2005	500	56	0	18	104	15	55	0	0	748
<b>Completed &amp; Not Absorbed</b>										
2006	571	108	0	38	375	0	442	0	0	1,534
2005	654	159	3	46	515	0	705	0	0	2,082
<b>Total Supply<sup>2</sup></b>										
2006	4,530	858	11	655	4,819	8	1,074	56	20	12,031
2005	3,615	883	15	348	3,994	94	1,364	0	200	10,513
<b>Absorptions</b>										
Current Month	580	82	0	33	85	0	71	0	42	893
Previous Year	500	50	0	17	80	15	15	0	0	677
Year-To-Date 2006	580	82	0	33	85	0	71	0	42	893
Year-To-Date 2005	500	50	0	17	80	15	15	0	0	677
3-month Average	601	110	0	32	99	0	43	0	14	899
12-month Average	584	102	1	32	200	8	48	0	19	994

1 May include units intended for condominium.

2 Sum of units under construction, complete and unoccupied.

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