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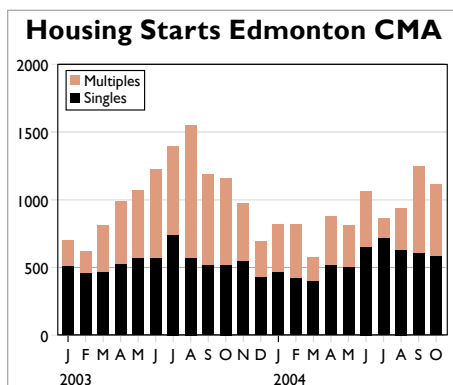
Canada Mortgage and Housing Corporation

Housing Starts Weaken in October

Following an improvement in September, total housing starts declined across Greater Edmonton in October, pulled down by yet another month of weaker multi-family activity. Housing starts across the Edmonton Census Metropolitan Area (CMA) totaled 1,115 units in October, representing a 3.7 per cent decline from the tenth month of 2003. For the year-to-date total starts have reached 9,139 units, for a 15 per cent drop from activity levels reported during January to October of last year.

Throughout the Capital region, multi-unit starts in October fell by 17 per cent from October of last year to 534 units. Although activity increased slightly in Edmonton City, a number of centres such as Fort Saskatchewan, Leduc City and Stony Plain failed to achieve the strong numbers posted last October. This represented the eighth consecutive month of year-over-year declines in multiple-unit starts throughout Metro. While semi-detached and row numbers were up moderately, apartment starts were down by 21 per cent from last October.

For the year-to-date, multiple dwelling starts have fallen by close to 31 per cent from construction levels reported in the first ten months of 2003. Concerns over rising apartment vacancy rates across Metro and a large supply of condominium apartments in the Downtown have combined to undermine multi-family starts this year.



Multi-unit completions in October surged by over 140 per cent over the same month last year to 874 units. Absorptions of semi-detached, row and apartment units combined also improved by a wide margin over October 2003. However, the total number of units that were either sold or leased during October failed to keep pace with completions by a wide margin. As a result, inventories of completed and unoccupied units increased substantially from the previous month. In all, there were 1,076 unabsorbed multiple units on hand in October, representing a 26 per cent increase from the same month last year. Condo and rental apartments together accounted for the largest proportion (83%) of the multi-family inventory.

Bucking the trend in the multi-family market, single-detached starts across the region improved by 12.4 per cent from October 2003 to 581 units. Of the 15 municipal areas identified in Table 1, 10 reported improved single-detached starts year-over-year last month. October's results represented the third successive year-over-year increase in monthly single starts. For the first time in 2004, year-to-date activity has moved ahead of last year thanks to the strong performances witnessed in the past three months. If the current pace is maintained over the next two months, single starts will have exceeded 6,000 units annually for the third year running.

Single-detached completions also picked up in October, surpassing last October's count by eight per cent to 753 units. While October absorptions also improved over last year, they fell short of completions as well and this sent inventories upward from the September tally by 79 units. Nonetheless, overall inventories including show homes remained six per cent below the 668 units that were on hand across Metro at the end of October 2003. Of the 630 units counted as completed an unabsorbed, 344 (55%) were show homes. At 286 units, the spec

EDMONTON

OCTOBER 2004

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Edmonton CMA

home inventory was down from October of last year but increased from the previous month by 35 per cent. This represents the first month-over-month increase in spec inventory since May of this year.

The average price in Metro Edmonton for a new single-detached home absorbed in the month of October increased by 16 per cent to \$251,972 compared with \$217,946 in October 2003. This sharp increase lifted the year-to-date average price to a record-setting \$239,402, representing a seven per cent increase from the average new house price reported during the first 10 months of 2003.



Table IA
STARTS ACTIVITY BY AREA
 EDMONTON CMA - OCTOBER 2004

Area	Single		Multiple			Total		% chg
	2004	2003	Semi	Row	Apt	2004	2003	2004/ 2003
Beaumont Town	10	15	0	0	0	10	15	-33.33
Calmar Town	3	1	0	0	0	3	1	**
Devon Town	21	2	2	0	0	23	2	**
Edmonton City	329	315	62	16	436	843	821	2.68
Fort Saskatchewan City	15	4	0	0	0	15	38	-60.53
Gibbons Town	0	0	0	0	0	0	0	**
Leduc City	19	10	0	0	0	19	42	-54.76
Leduc County	2	8	0	0	0	2	8	-75.00
Morinville Town	4	1	2	0	0	6	3	**
Parkland County	18	21	0	0	0	18	21	-14.29
Spruce Grove City	16	11	6	0	0	22	17	29.41
St. Albert City	37	35	10	0	0	47	37	27.03
Stony Plain Town	11	13	0	0	0	11	60	-81.67
Strathcona County	70	58	0	0	0	70	70	0.00
Sturgeon County	24	15	0	0	0	24	15	60.00
Other Centres	2	8	0	0	0	2	8	-75.00
Total	581	517	82	16	436	1,115	1,158	-3.71

Table IB
STARTS ACTIVITY BY AREA
 EDMONTON CMA - YEAR TO DATE

Area	Single		Multiple			Total		% chg
	2004	2003	Semi	Row	Apt	2004	2003	2004/ 2003
Beaumont Town	152	123	0	0	0	152	123	23.58
Calmar Town	13	9	0	0	0	13	9	44.44
Devon Town	79	104	10	0	0	89	112	-20.54
Edmonton City	3,320	3,258	626	305	2,226	6,477	7,736	-16.27
Fort Saskatchewan City	75	60	16	6	123	220	120	83.33
Gibbons Town	5	12	0	0	0	5	12	-58.33
Leduc City	122	80	4	0	75	201	174	15.52
Leduc County	45	51	0	0	0	45	51	-11.76
Morinville Town	30	30	22	7	18	77	58	32.76
Parkland County	173	184	12	0	0	185	186	-0.54
Spruce Grove City	186	192	42	15	0	243	455	-46.59
St. Albert City	278	291	40	0	0	318	373	-14.75
Stony Plain Town	158	132	8	0	0	166	316	-47.47
Strathcona County	664	745	116	0	0	780	834	-6.47
Sturgeon County	127	108	0	0	0	127	108	17.59
Other Centres	41	42	0	0	0	41	46	-10.87
Total	5,468	5,421	896	333	2,442	9,139	10,713	-14.69

** 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 in Market Analysis at (780) 423-8729 or by fax at (780) 423-8702.

Table 2A
HOUSING COMPLETIONS BY AREA
EDMONTON CMA - OCTOBER 2004

Area	Single		Multiple			Total		% chg
	2004	2003	Semi	Row	Apt	2004	2003	2004/ 2003
Beaumont Town	0	33	0	0	0	0	33	**
Calmar Town	2	2	0	0	0	2	2	0.00
Devon Town	24	25	0	0	0	24	25	-4.00
Edmonton City	432	437	90	40	732	1,294	698	85.39
Fort Saskatchewan City	11	7	2	0	0	13	9	44.44
Gibbons Town	0	2	0	0	0	0	2	**
Leduc City	36	31	0	0	0	36	39	-7.69
Leduc County	7	8	0	0	0	7	8	-12.50
Morinville Town	4	4	0	0	0	4	8	-50.00
Parkland County	30	37	2	0	0	32	37	-13.51
Spruce Grove City	23	17	0	0	0	23	19	21.05
St. Albert City	24	31	0	0	0	24	33	-27.27
Stony Plain Town	18	17	0	0	0	18	98	-81.63
Strathcona County	126	30	8	0	0	134	32	**
Sturgeon County	10	14	0	0	0	10	14	-28.57
Other Centres	6	4	0	0	0	6	4	50.00
Total	753	699	102	40	732	1,627	1,061	53.35

Table 2B
HOUSING COMPLETIONS BY AREA
EDMONTON CMA - YEAR TO DATE

Area	Single		Multiple			Total		% chg
	2004	2003	Semi	Row	Apt	2004	2003	2004/ 2003
Beaumont Town	83	147	0	0	0	83	147	-43.54
Calmar Town	9	5	0	0	0	9	5	80.00
Devon Town	66	107	2	8	0	76	107	-28.97
Edmonton City	3,212	3,575	646	366	2,677	6901	7,042	-2.00
Fort Saskatchewan City	64	84	28	0	0	92	230	-60.00
Gibbons Town	6	8	0	0	0	6	8	-25.00
Leduc City	129	109	14	4	32	179	172	4.07
Leduc County	52	34	0	0	0	52	34	52.94
Morinville Town	30	19	2	0	22	54	38	42.11
Parkland County	144	204	6	0	0	150	204	-26.47
Spruce Grove City	152	169	46	33	102	333	235	41.70
St. Albert City	245	321	16	0	38	299	464	-35.56
Stony Plain Town	123	128	8	0	101	232	321	-27.73
Strathcona County	743	614	152	60	0	955	650	46.92
Sturgeon County	108	113	0	0	0	108	113	-4.42
Other Centres	46	31	4	0	0	50	33	51.52
Total	5,212	5,668	924	471	2,972	9,579	9,803	-2.29

** indicates a greater than 100 per cent change

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Table 3
HOUSING ACTIVITY SUMMARY
EDMONTON CMA

Activity	Ownership					Rental				Grand Total
	Freehold			Condominium		Private		Assisted		
	Single ¹	Semi ¹	Row	Row	Apt	Row	Apt	Row	Apt	
Starts										
October 2004	581	82	4	12	394	0	0	0	42	1,115
October 2003	517	78	8	4	354	0	197	0	0	1,158
Year-to-Date 2004	5,468	896	8	263	1,867	62	533	0	42	9,139
Year-to-Date 2003	5,421	822	78	372	2,742	118	1,160	0	0	10,713
Under Construction										
October 2004	3,053	618	24	251	3,827	70	706	0	42	8,591
October 2003	3,063	620	35	294	3,477	65	1,476	0	0	9,030
Completions										
October 2004	753	102	0	40	512	0	220	0	0	1,627
October 2003	699	118	12	36	106	11	79	0	0	1,061
Year-to-Date 2004	5,212	924	19	395	1,917	57	1,055	0	0	9,579
Year-to-Date 2003	5,668	828	46	259	1,355	82	1,565	0	0	9,803
Completed & Not Absorbed										
October 2004	630	143	0	44	294	0	595	0	0	1,706
October 2003	668	119	7	24	161	0	546	0	0	1,525
Total Supply²										
October 2004	3,683	761	24	295	4,121	70	1,301	0	42	10,297
October 2003	3,731	739	42	318	3,638	65	2,022	0	0	10,555
Absorptions										
October 2004	674	102	0	40	399	0	11	0	0	1,226
3-month Average	563	96	2	57	379	0	86	0	0	1,183
12-month Average	540	91	2	33	163	5	97	0	0	931

¹ May include units intended for condominium.

² Sum of units under construction, complete and unoccupied



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