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# HOUSING NOW

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### Calgary Housing Starts Accelerate in April

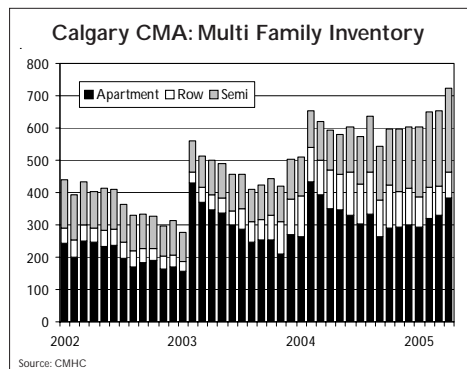
Fuelled by gains in both the single- and multi-family markets, new home construction in the Calgary Census Metropolitan Area (CMA) recorded the best performance of the year thus far. Work began on 1,161 total housing units in April, 10 per cent higher than the corresponding period last year. April's starts pushed year-to-date activity to 4,072 units, six per cent lower than the first four months of 2004.

For the third month in succession, single-family starts in the Calgary CMA outperformed the previous year. Local builders started work on 830 single-family homes in April, representing a five per cent gain over April 2004. Indeed, the single-family market appears to be on a roll. The last time the market reported three consecutive year-over-year gains was back in February 2003. Four months into the year, a total of 2,609 single-family units have started construction, 0.6 per cent higher than the corresponding period in 2004. While the 0.6 per cent increase might not appear significant, this represents the first year-to-date gain in single-family starts in two years. Building permits point to yet a stronger performance in the coming months, as April's single-family permits were 16 per cent higher than the previous year.

While overall single-family starts are on par with the previous year, the same can not be said for all municipalities comprising the CMA. To the end of April, the Municipal District of Rockyview and Airdrie have reported respective gains of 31 and 16 per cent. Meanwhile, single-family construction in Cochrane and Chestermere Lake lags the pace set in 2004, as starts are down 41 and eight per cent, respectively.

Warm weather cooperated with builders in April, resulting in the highest single-family completion total in eight months. A total of 834 units were completed in April, 15 per cent

higher than the previous year. Subsequently, single-family absorptions also escalated in April to 895 units, the highest monthly total since August 2004. Despite the increase, year-to-date absorptions still lag the previous year by three per cent. April's strong absorptions helped draw down the number of units in inventory. At the end of April, the number of complete and unabsorbed single-family homes totaled 667 units, 14 per cent lower than April 2004 and the lowest monthly total in almost two years. The decline in inventory can be attributed to lower spec units, as the 196 units at the end of April are 36 per cent lower than witnessed in April 2004. Showhomes, the other component of inventory, have remained relatively flat from the previous year, up only one per cent from April 2004.



While single-family starts stood out with their third consecutive year-over-year gain, the multi-family market also excelled in April. Multi-family housing starts, including semi-detached units, rows, and apartments, totalled 331 in April, up an impressive 24 per cent from the previous year. With the strong April performance, multi-family developers are starting to close the 22 per cent shortfall that existed after the first quarter. To the end of April, 1,463 units have begun construction in the Calgary CMA, 15 per cent lower than the

### CALGARY

APRIL 2005

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first four months of 2004. Apartments are responsible for the decline after four months, recording a 34 per cent drop from 2004. Semi-detached and row units, meanwhile, have enjoyed gains of one and 50 per cent to the end of April, respectively.

A total of 420 multi-family units were completed in April, the highest total in five months. However, only 361 units were absorbed in April, resulting in further additions to the number of complete and unabsorbed units. At the end of April, 725 multi-family units sat in inventory, 23 per cent more than the previous year and the highest total since April, 2001. While this raises cause for concern, observers should be aware that the majority of the inventory additions were for rental tenure. A total of 104 rental apartments were completed in April, with only 48 of those absorbed at completion. Despite the gains to inventory in April, rental inventories remain lower than 2004 levels. Meanwhile, complete and unabsorbed condominiums totaled 307 units in April, 20 per cent higher than the previous year.

Table 1A  
**STARTS ACTIVITY BY AREA**  
 Calgary CMA - April 2005

Area	Single		Multiple			Total		%Chg 2005/2004
	2005	2004	Semi	Row	Apt	2005	2004	
AIRDRIE	53	28	0	9	0	62	30	**
BEISEKER	0	0	0	0	0	0	0	**
<b>CALGARY CITY</b>	<b>713</b>	<b>686</b>	<b>110</b>	<b>131</b>	<b>71</b>	<b>1025</b>	<b>948</b>	<b>8.12</b>
CHESTERMERE LAKE	20	31	10	0	0	30	31	-3.23
COCHRANE	6	9	0	0	0	6	11	-45.45
CROSSFIELD	1	0	0	0	0	1	0	**
IRRICANA	0	0	0	0	0	0	0	**
MD ROCKYVIEW	37	35	0	0	0	37	37	0.00
<b>TOTAL</b>	<b>830</b>	<b>789</b>	<b>120</b>	<b>140</b>	<b>71</b>	<b>1161</b>	<b>1057</b>	<b>9.84</b>

Table 1B  
**STARTS ACTIVITY BY AREA**  
 Calgary CMA - Year to Date 2005

Area	Single		Multiple			Total		%Chg 2005/2004
	2005	2004	Semi	Row	Apt	2005	2004	
AIRDRIE	141	122	4	49	0	194	182	6.59
BEISEKER	0	0	0	0	0	0	0	**
<b>CALGARY CITY</b>	<b>2230</b>	<b>2238</b>	<b>242</b>	<b>359</b>	<b>762</b>	<b>3593</b>	<b>3851</b>	<b>-6.70</b>
CHESTERMERE LAKE	97	105	14	13	0	124	133	-6.77
COCHRANE	20	34	0	0	0	20	38	-47.37
CROSSFIELD	2	3	0	0	0	2	3	-33.33
IRRICANA	0	0	2	0	0	2	4	-50.00
MD ROCKYVIEW	119	91	18	0	0	137	99	38.38
<b>TOTAL</b>	<b>2609</b>	<b>2593</b>	<b>280</b>	<b>421</b>	<b>762</b>	<b>4072</b>	<b>4310</b>	<b>-5.52</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 Corriveau at (403) 515-3005

Table 2A  
**HOUSING COMPLETIONS BY AREA**  
 Calgary CMA - April 2005

Area	Single		Multiple			Total		%Chg 2005/2004
	2005	2004	Semi	Row	Apt	2005	2004	
AIRDRIE	56	31	0	0	112	168	46	**
BEISEKER	0	0	0	0	0	0	0	**
<b>CALGARY CITY</b>	<b>716</b>	<b>632</b>	<b>126</b>	<b>28</b>	<b>146</b>	<b>1016</b>	<b>848</b>	<b>19.81</b>
CHESTERMERE LAKE	20	18	2	0	0	22	26	-15.38
COCHRANE	7	4	0	0	0	7	6	16.67
CROSSFIELD	2	2	0	0	0	2	2	0.00
IRRICANA	2	0	2	0	0	4	4	0.00
MD ROCKYVIEW	31	37	4	0	0	35	41	-14.63
<b>TOTAL</b>	<b>834</b>	<b>724</b>	<b>134</b>	<b>28</b>	<b>258</b>	<b>1254</b>	<b>973</b>	<b>28.88</b>

Table 2B  
**HOUSING COMPLETIONS BY AREA**  
 Calgary CMA - Year to Date 2005

Area	Single		Multiple			Total		%Chg 2005/2004
	2005	2004	Semi	Row	Apt	2005	2004	
AIRDRIE	152	129	4	18	112	286	178	60.67
BEISEKER	1	0	0	0	0	1	4	-75.00
<b>CALGARY CITY</b>	<b>1886</b>	<b>2109</b>	<b>320</b>	<b>229</b>	<b>613</b>	<b>3048</b>	<b>3487</b>	<b>-12.59</b>
CHESTERMERE LAKE	105	85	10	0	0	115	107	7.48
COCHRANE	39	22	4	3	0	46	47	-2.13
CROSSFIELD	6	6	4	0	0	10	12	-16.67
IRRICANA	3	4	2	4	0	9	8	12.50
MD ROCKYVIEW	123	118	18	0	0	141	142	-0.70
<b>TOTAL</b>	<b>2315</b>	<b>2473</b>	<b>362</b>	<b>254</b>	<b>725</b>	<b>3656</b>	<b>3985</b>	<b>-8.26</b>

\*\* Indicates a greater than 100 per cent change

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Table 3  
**HOUSING ACTIVITY SUMMARY**  
 Calgary CMA

Activity	Ownership					Rental				Grand Total
	Freehold		Row	Condominium		Private		Assisted		
	Single <sup>1</sup>	Semi <sup>1</sup>			Row	Apt	Row	Apt	Row	Apt
<b>Starts</b>										
Current Month	830	120	0	140	71	0	0	0	0	1161
Previous Year	789	86	4	69	109	0	0	0	0	1057
Year-To-Date 2005	2609	280	0	421	762	0	0	0	0	4072
Year-To-Date 2004	2593	278	4	276	695	0	332	0	132	4310
<b>Under Construction</b>										
2005	3756	564	17	789	4110	0	228	0	132	9596
2004	3645	602	15	774	2990	0	332	0	132	8490
<b>Completions</b>										
Current Month	834	134	0	28	154	0	104	0	0	1254
Previous Year	724	56	6	71	111	4	1	0	0	973
Year-To-Date 2005	2315	362	3	251	621	0	104	0	0	3656
Year-To-Date 2004	2473	230	20	351	666	4	241	0	0	3985
<b>Completed &amp; Not Absorbed</b>										
2005	667	261	0	79	228	0	157	0	0	1392
2004	772	121	0	121	135	0	215	0	0	1364
<b>Total Supply</b>										
2005	4423	825	17	868	4338	0	385	0	132	10988
2004	4417	723	15	895	3125	0	547	0	132	9854
<b>Absorptions</b>										
Current Month	895	106	0	43	163	0	49	0	0	1256
Previous Year	715	56	6	57	148	5	6	0	0	993
Year-To-Date 2005	2354	294	3	284	571	0	69	0	0	3575
Year-To-Date 2004	2420	231	20	336	728	9	99	0	0	3843
3-month Average	586	81	1	78	144	0	18	0	0	908
12-month Average	687	69	2	91	194	0	14	0	0	1057

1 May include units intended for condominium.

2 Sum of units under construction, complete and unoccupied.

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