

# HOUSING NOW

## YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

### Edmonton's Multi-unit Starts Remain Strong in September

For the third month in a row, vigorous activity by Edmonton's multiple-unit developers has lifted total housing starts above 2002 levels. Total housing starts across the Capital region increased by 16 per cent over September 2002 to 1,190 units. Year-to-date, total housing starts in Greater Edmonton were 7.4 per cent above production levels recorded from January to September of 2002.

Multiple-unit starts, which include semi-detached, row and apartment units, exceeded last September's activity by a wide margin. Construction of new semi-detached, row and apartment units, increased by 97 per cent to 677 units compared with 334 in September 2002. To the end of the third quarter, multi-unit production was 19 per cent ahead of starts reported in the first nine months of 2002. Sixty per cent of September's multiple starts were condominiums, while one-third were rental units. As was the case in August, apartments accounted for the lion's share of new multi-unit activity last month, although new townhouse construction made impressive year-over-year gains as well. To the end of September, semi-detached construction decreased by 11 per cent, while row and

apartment units recorded increases of 30 and 26 per cent, respectively. While the majority of new apartments were started in Edmonton City, about one third were found in Spruce Grove (103 condo units) and Leduc City (48 rental units).

In September, multiple family absorptions outpaced completions causing a seven per cent drop in inventory from the previous month to reach 861 units. However, this is not representative of how the year has progressed. Year-to-date completions are at their highest level in 20 years and have thus far outstripped the number of units absorbed. With an average two-thirds of units absorbed upon completion, Edmonton's multi-family market has recorded a hefty jump in inventory on a year-over-year basis. Currently, the number of units in inventory are 176 per cent higher than levels recorded in September 2002.

Meanwhile, for the second consecutive month, single-detached housing starts retreated from the large numbers reported in 2002. Across the Edmonton Metro, work began on 513 single-family homes in September, representing a 25 per cent decline from the same month last year. Builders are responding to a rising stock of unsold inventory and higher competition from resale homes. After nine months of activity, single-detached starts were 1.7 per cent below 2002's record-setting pace.

After the first nine months of 2003, single starts declined in less than half of the communities within the Edmonton CMA. The centres which recorded decreases in single-family starts include, Edmonton City, Fort Saskatchewan, Parkland County, St. Albert City, Strathcona County, and Leduc City and County. The decrease in total single starts across these centres amounted to four per cent, or 187 units.

### SEPTEMBER 2003

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Increasing inventories of completed and unoccupied new single-family homes caused builders to slow down new construction in the third quarter of 2003. Inventories of completed and unoccupied units (including show homes), have surpassed 600 units, and are significantly higher than any inventory level recorded over the past 3 years. Of the stock of unsold units, there are 260 show homes and 341 units of spec, a respective increase of 31 and 145 per cent from September of 2002 to September 2003. Despite increasing inventories, the average price of single-detached homes absorbed across the region increased by nine per cent to \$230,334. The year-to-date average price of new singles also recorded a nine per cent gain, reaching \$222,456.

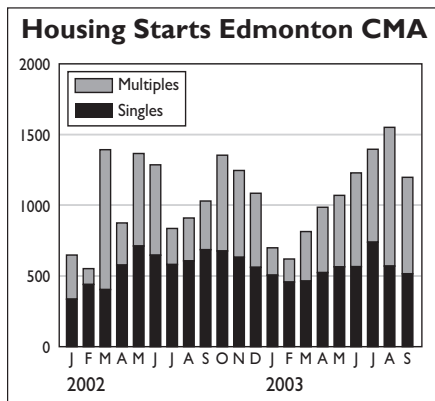


Table I  
EDMONTON CMA  
STARTS ACTIVITY BY AREA SEPTEMBER 2003

AREA	Single		Multiple			Total		% Chg 2003/2002
	2003	2002	Semi	Row	Apt	2003	2002	
BEAUMONT TOWN	11	2	0	0	0	11	2	**
CALMAR TOWN	2	2	0	0	0	2	2	0.00
DEVON TOWN	7	8	0	0	0	7	8	-12.50
<b>EDMONTON CITY</b>	<b>289</b>	<b>433</b>	<b>16</b>	<b>158</b>	<b>295</b>	<b>758</b>	<b>730</b>	<b>3.84</b>
FORT SASKATCHEWAN CITY	8	9	0	0	0	8	9	-11.11
GIBBONS TOWN	1	0	0	0	0	1	0	**
LEDUC CITY	6	2	0	0	48	54	2	**
LEDUC COUNTY	9	16	0	0	0	9	16	-43.75
MORINVILLE TOWN	7	5	0	0	0	7	18	-61.11
PARKLAND COUNTY	14	23	0	0	0	14	23	-39.13
SPRUCE GROVE CITY	11	11	26	3	103	143	27	**
ST.ALBERT CITY	28	47	2	0	0	30	51	-41.18
STONEY PLAIN TOWN	11	11	2	0	0	13	11	18.18
STRATHCONA COUNTY	81	83	8	16	0	105	91	15.38
STURGEON COUNTY	26	28	0	0	0	26	28	-7.14
OTHER CENTRES	2	6	0	0	0	2	12	-83.33
<b>TOTAL</b>	<b>513</b>	<b>686</b>	<b>54</b>	<b>177</b>	<b>446</b>	<b>1190</b>	<b>1030</b>	<b>15.53</b>

Table IB  
EDMONTON CMA  
STARTS ACTIVITY BY AREA YEAR TO DATE

AREA	Single		Multiple			Total		% Chg 2003/2002
	2003	2002	Semi	Row	Apt	2003	2002	
BEAUMONT TOWN	108	95	0	0	0	108	95	13.68
CALMAR TOWN	8	4	0	0	0	8	4	**
DEVON TOWN	102	75	0	8	0	110	77	42.86
<b>EDMONTON CITY</b>	<b>2943</b>	<b>2968</b>	<b>576</b>	<b>472</b>	<b>2924</b>	<b>6915</b>	<b>6022</b>	<b>14.83</b>
FORT SASKATCHEWAN CITY	56	71	26	0	0	82	118	-30.51
GIBBONS TOWN	12	5	0	0	0	12	5	**
LEDUC CITY	70	102	14	0	48	132	157	-15.92
LEDUC COUNTY	43	48	0	0	0	43	48	-10.42
MORINVILLE TOWN	29	23	4	0	22	55	48	14.58
PARKLAND COUNTY	163	196	2	0	0	165	196	-15.82
SPRUCE GROVE CITY	181	145	40	11	206	438	287	52.61
ST.ALBERT CITY	256	320	30	0	50	336	626	-46.33
STONEY PLAIN TOWN	119	112	18	18	101	256	252	1.59
STRATHCONA COUNTY	687	705	30	47	0	764	828	-7.73
STURGEON COUNTY	93	93	0	0	0	93	93	0.00
OTHER CENTRES	34	28	0	0	0	38	40	-5.00
<b>TOTAL</b>	<b>4904</b>	<b>4990</b>	<b>744</b>	<b>556</b>	<b>3351</b>	<b>9555</b>	<b>8896</b>	<b>7.41</b>

\*\* Indicates 100% change or greater



**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 2  
EDMONTON CMA  
HOUSING COMPLETIONS BY AREA SEPTEMBER 2003

AREA	Single		Multiple			Total		% Chg 2003/2002
	2003	2002	Semi	Row	Apt	2003	2002	
BEAUMONT TOWN	20	6	0	0	0	20	6	**
CALMAR TOWN	0	2	0	0	0	0	2	**
DEVON TOWN	9	0	0	0	0	9	2	**
<b>EDMONTON CITY</b>	<b>370</b>	<b>285</b>	<b>136</b>	<b>19</b>	<b>358</b>	<b>883</b>	<b>429</b>	<b>**</b>
FORT SASKATCHEWAN CITY	15	5	0	0	0	15	5	**
GIBBONS TOWN	3	1	0	0	0	3	1	**
LEDUC CITY	8	3	0	0	0	8	3	**
LEDUC COUNTY	2	7	0	0	0	2	7	-71.43
MORINVILLE TOWN	3	2	0	0	0	3	2	50.00
PARKLAND COUNTY	19	28	0	0	0	19	28	-32.14
SPRUCE GROVE CITY	10	23	0	0	0	10	63	-84.13
ST.ALBERT CITY	27	44	8	0	48	83	62	33.87
STONEY PLAIN TOWN	20	10	2	0	63	85	14	**
STRATHCONA COUNTY	80	81	2	0	0	82	85	-3.53
STURGEON COUNTY	14	15	0	0	0	14	15	-6.67
OTHER CENTRES	8	5	0	0	0	8	5	60.00
<b>TOTAL</b>	<b>608</b>	<b>517</b>	<b>148</b>	<b>19</b>	<b>469</b>	<b>1244</b>	<b>729</b>	<b>70.64</b>

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

AREA	Single		Multiple			Total		% Chg 2003/2002
	2003	2002	Semi	Row	Apt	2003	2002	
BEAUMONT TOWN	114	61	0	0	0	114	61	86.89
CALMAR TOWN	3	3	0	0	0	3	3	0.00
DEVON TOWN	82	50	0	0	0	82	62	32.26
<b>EDMONTON CITY</b>	<b>3138</b>	<b>2193</b>	<b>556</b>	<b>298</b>	<b>2352</b>	<b>6344</b>	<b>3719</b>	<b>70.58</b>
FORT SASKATCHEWAN CITY	77	49	6	0	138	221	95	**
GIBBONS TOWN	6	2	0	0	0	6	2	**
LEDUC CITY	78	68	8	8	39	133	199	-33.17
LEDUC COUNTY	26	37	0	0	0	26	37	-29.73
MORINVILLE TOWN	15	9	8	7	0	30	13	**
PARKLAND COUNTY	167	147	0	0	0	167	147	13.61
SPRUCE GROVE CITY	152	117	16	0	48	216	214	0.93
ST.ALBERT CITY	290	275	78	3	60	431	371	16.17
STONEY PLAIN TOWN	111	93	14	0	98	223	198	12.63
STRATHCONA COUNTY	584	425	22	12	0	618	459	34.64
STURGEON COUNTY	99	71	0	0	0	99	71	39.44
OTHER CENTRES	27	20	2	0	0	29	24	20.83
<b>TOTAL</b>	<b>4969</b>	<b>3620</b>	<b>710</b>	<b>328</b>	<b>2735</b>	<b>8742</b>	<b>5675</b>	<b>54.04</b>

\*\* Indicates 100% change or greater

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Table 3  
EDMONTON CMA  
HOUSING ACTIVITY SUMMARY

Activity	Ownership					Rental				Total
	Freehold			Condominium		Private		Assisted		
	Single	Semi	Row	Row	Apt	Row	Apt	Row	Apt	
<b>STARTS</b>										
September 2002	513	54	11	109	282	57	164	0	0	1190
Year-To-Date 2003	4904	744	70	368	2388	118	963	0	0	9555
Year-To-Date 2002	4990	832	3	277	1298	148	1348	0	0	8896
<b>UNDER CONSTRUCTION</b>										
2003	3245	646	39	350	3181	65	1406	0	0	8932
2002	3184	594	3	255	1666	88	1664	0	0	7454
<b>COMPLETIONS</b>										
September 2002	608	148	4	7	440	8	29	0	0	1244
Year-To-Date 2003	4969	710	34	223	1249	71	1486	0	0	8742
Year-To-Date 2002	3620	524	12	99	816	70	534	0	0	5675
<b>COMPLETED &amp; NOT ABSORBED</b>										
2003	601	115	3	24	170	0	549	0	0	1462
2002	338	56	0	7	64	1	184	0	0	650
<b>TOTAL SUPPLY</b>										
2003	3846	761	42	374	3351	65	1955	0	0	10394
2002	3522	650	3	262	1730	89	1848	0	0	8104
<b>ABSORPTIONS</b>										
September	575	133	1	12	379	13	154	0	0	1267
3-month Average	547	95	5	29	164	13	132	0	0	985
12-month Average	538	73	3	28	118	13	135	0	0	908

## RESIDENTIAL CONSTRUCTION DIGEST

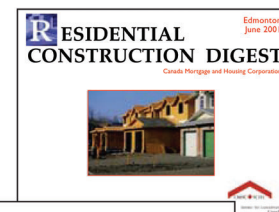
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