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Canada Mortgage and Housing Corporation
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Multiple-Family Starts Remain Buoyant

New housing starts in the Winnipeg Census Metropolitan Area (CMA) this past month were buoyed by a strong showing on the multiple-family side. There were a total of 286 housing starts in the Winnipeg CMA during the month of June, 29 per cent more than were started in June of 2004. Despite a weak showing in May, year-to-date total starts, at 1,080 units at the mid-point of the year, are now running 14 per cent ahead of the total for the same period last year.

June was another strong month for multiple-family starts as work began on a number of apartments and townhouses in the city. There were 116 multi-family units started last month, compared to the 38 that were started in June of 2004. With the year half complete, there have been 289 units started in 2005, more than three times the number that were started by this time last year. Multiple-family starts have

been driven by strong demand for senior's housing. More than half the units started so far this year have been specifically designed to cater to this market, providing meal and housekeeping amenities to tenants.

Completions were also up, with 84 multiple-family units finished during the month of June 2005. All these units are intended for the rental market. With Winnipeg experiencing one of the lowest vacancy rates in the country, absorption was brisk. Thirty of these units were filled immediately upon completion. This brings the inventory of private multiple-family rental units sitting complete and unoccupied at the end of June 2005 to 63 units, up from 17 at the end of last month. Added to the number of units currently under construction, the entire supply of private multiple-family rental units currently stands at 228 units. At the current 12-month average rate of absorption, this entire supply would last just over four months.

On the ownership side, the inventory of condominium units that are complete and unoccupied at the end of June 2005 was at 56 units, up 40 per cent from where it stood at the end of June 2004. The entire supply of condominium units, including those under construction, now totals 201, down 29 per cent from one year ago. At the current 12 month

WINNIPEG

JUNE 2005

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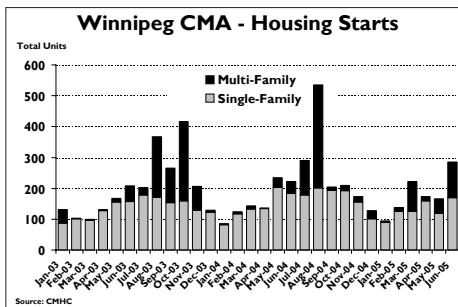
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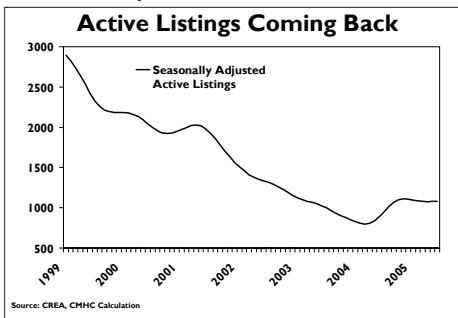
average rate of absorption, the entire condominium supply will be absorbed in just over eight months.

Single-family starts maintained a healthy pace in June, as foundations were laid for 170 homes, only 14 fewer homes than were started during June of last year. This represents a drop of just under eight per cent. The slowdown was more pronounced outside city limits where starts were down 44 per cent in comparison to one year earlier. Within city limits the number of single-family homes started in June 2005 saw a jump of almost 12 per cent compared to the number started in June 2004. This recovery is welcome news, as starts fell significantly off the pace in May. The



gain was not enough to set starts back on track, however, as year-to-date single-family starts are still lagging 7.5 per cent behind where they were after the first six months of 2004. As the year progresses, builders will be challenged to keep pace with last year's level of activity. While demand remains high, buyers are facing a dwindling selection of serviced lots, and rising prices.

Although starts are down, completions continue to outpace last year's totals. The number of completions year-to-date is 18 per cent ahead of this time last year. As a result, the current inventory of units complete and unoccupied is at 181, 38 per cent greater than at the end of June 2004. There were 207 units absorbed in June 2005, 17 per cent more than in June of the previous year. The current 12-month average rate of absorption, at 153 units per month, is the highest its been in 14 years. At this rate, the total



supply of single-family homes under construction and those completed and unoccupied, will be absorbed in just over six months.

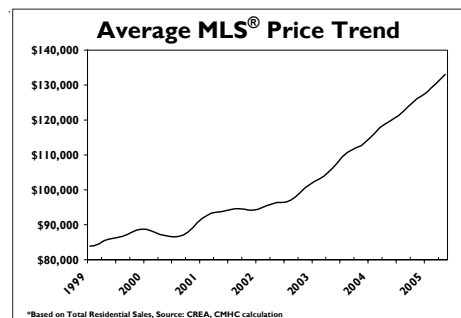
The year-to-date average new home price was \$256,178 at the end of June 2005. This is 14 per cent greater than it was at the mid-point of 2004. Increasing labour and materials costs are contributing to this increase in price but increasing land costs are also a factor as the supply of serviced lots decreases. Local developers have indicated that price per frontage foot for a serviced lot has increased substantially in the last two years. Another factor contributing to increased average price is the construction of more expensive units. So far this year, market share has

increased in all price categories above \$200,000. While the bulk of construction is still between \$150,000 and \$250,000, market share of product over \$400,000 has almost doubled, going from four per cent at the mid-point of 2004 to eight per cent year-to-date.

MLS® Sales Gaining Ground

Sales in the Winnipeg resale market have taken an upswing over the last few months, fuelled by a turnaround in new listings. In fact, sales in May 2005 were the highest on record dating back to 1986 and the Winnipeg Real Estate Board (WREB) reports June sales were just as strong. After the first five months of the year, the number of units sold is up five per cent. Sales would likely be stronger were it not for a continued shortage of listings. Listings have started to climb in recent months with new listings in May 2005 being 13 per cent greater than they were in May 2004. However, in the face of strong demand, homes are selling very quickly. The WREB reports that single-family homes had an average listing period of 20 days in June. Listed homes are selling more quickly indicating a high level of demand and with scarce listings the sales-to-active listings ratio has begun to rise again. The seasonally adjusted sales-to-active listings ratio was at 84 per cent in May up marginally from earlier in the year but still down 24 percentage points from May 2004. This is still firmly in sellers' market territory.

With recent increases in population, low mortgage rates and low unemployment, more and more people are chasing fewer and fewer listings and, as a result, prices have risen in the resale



market. The average price for a home in the Winnipeg resale market has seen double digit increases two years in a row and shows no signs of slowing down in 2005. Year-to-date average price as of May 2005 was \$132,315, up 11 per cent from May of 2004.

Winnipeg Unemployment level remains low

Year-to-date, the number of persons employed in Winnipeg has seen a modest increase of just under one per cent, and the overall unemployment rate remains low at 4.8 per cent in June 2005, down from 5.2 per cent in June of 2004. Most new jobs have been in the Service Producing sector; however certain specific manufacturing sectors have also shown positive gains. Year-to-date average weekly earnings have recorded modest gains of less than one per cent, building on strong gains achieved in 2004.

Valuable Information At the CLICK of a Mouse!

Canada Mortgage and Housing Corporation (CMHC) is the Government of Canada's national housing agency; helping Canadians to gain access to a wide choice of quality, affordable homes.

For more information visit our website at www.cmhc.ca



Table IA
STARTS ACTIVITY BY AREA
Winnipeg CMA - June 2005

Area	Single		Multiple			Total		%Chg 2005/2004
	2005	2004	Semi	Row	Apt	2005	2004	
BROKENHEAD	0	9	0	0	0	0	9	**
EAST ST. PAUL R.M.	5	18	0	0	0	5	18	-72.22
HEADINGLEY R.M.	1	5	0	0	0	1	5	-80.00
RITCHOT R.M.	1	4	0	0	0	1	6	-83.33
ROSSER R.M.	0	1	0	0	0	0	1	**
ST. CLEMENTS R.M.	13	3	0	0	0	13	35	-62.86
ST. FRANCOIS XAVIER R.M.	3	0	0	0	0	3	0	**
SPRINGFIELD R.M.	4	9	0	0	0	4	9	-55.56
TACHE R.M.	8	11	0	0	0	8	11	-27.27
WEST ST. PAUL R.M.	0	3	0	0	0	0	3	**
WINNIPEG CITY	135	121	2	20	94	251	125	**
TOTAL	170	184	2	20	94	286	222	28.83

Table IB
STARTS ACTIVITY BY AREA
Winnipeg CMA - Year to Date 2005

Area	Single		Multiple			Total		%Chg 2005/2004
	2005	2004	Semi	Row	Apt	2005	2004	
BROKENHEAD	0	20	0	0	0	0	20	**
EAST ST. PAUL R.M.	26	44	0	0	0	26	44	-40.91
HEADINGLEY R.M.	8	15	0	0	0	8	15	-46.67
RITCHOT R.M.	8	12	0	0	0	8	14	-42.86
ROSSER R.M.	0	3	0	0	0	0	3	**
ST. CLEMENTS R.M.	25	18	0	0	0	25	50	-50.00
ST. FRANCOIS XAVIER R.M.	8	3	0	0	0	8	3	**
SPRINGFIELD R.M.	34	29	0	0	0	34	29	17.24
TACHE R.M.	21	30	0	0	0	21	30	-30.00
WEST ST. PAUL R.M.	5	8	0	0	0	5	8	-37.50
WINNIPEG CITY	656	673	4	37	248	945	730	29.45
TOTAL	791	855	4	37	248	1080	946	14.16

** 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 Dianne Himbeault at (204) 983-5648

Table 2A
HOUSING COMPLETIONS BY AREA
Winnipeg CMA - June 2005

Area	Single		Multiple			Total		%Chg 2005/2004
	2005	2004	Semi	Row	Apt	2005	2004	
BROKENHEAD	0	1	0	0	0	0	1	**
EAST ST. PAUL R.M.	11	12	0	0	0	11	12	-8.33
HEADINGLEY R.M.	2	6	0	0	0	2	6	-66.67
RITCHOT R.M.	4	0	0	0	0	4	0	**
ROSSER R.M.	1	0	0	0	0	1	0	**
ST. CLEMENTS R.M.	8	2	0	0	0	8	2	**
ST. FRANCOIS XAVIER R.M.	0	0	0	0	0	0	0	**
SPRINGFIELD R.M.	6	5	0	0	0	6	5	20.00
TACHE R.M.	15	0	0	0	0	15	0	**
WEST ST. PAUL R.M.	0	2	0	0	0	0	2	**
WINNIPEG CITY	151	167	0	0	84	235	331	-29.00
TOTAL	198	195	0	0	84	282	359	-21.45

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

Area	Single		Multiple			Total		%Chg 2005/2004
	2005	2004	Semi	Row	Apt	2005	2004	
BROKENHEAD	9	8	0	0	0	9	8	12.50
EAST ST. PAUL R.M.	36	27	0	0	0	36	27	33.33
HEADINGLEY R.M.	10	16	0	0	0	10	16	-37.50
RITCHOT R.M.	20	5	2	0	0	22	5	**
ROSSER R.M.	1	3	0	0	0	1	3	-66.67
ST. CLEMENTS R.M.	26	18	0	0	32	58	18	**
ST. FRANCOIS XAVIER R.M.	5	4	0	0	0	5	4	25.00
SPRINGFIELD R.M.	39	19	0	0	0	39	19	**
TACHE R.M.	19	16	0	0	0	19	20	-5.00
WEST ST. PAUL R.M.	7	5	0	0	0	7	5	40.00
WINNIPEG CITY	595	528	8	17	439	1059	841	25.92
TOTAL	767	649	10	17	471	1265	966	30.95

** Indicates a greater than 100 per cent change

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Table 3
HOUSING ACTIVITY SUMMARY
 Winnipeg CMA

Activity	Ownership					Rental				Grand Total
	Freehold		Row	Condominium		Private		Assisted		
	Single ¹	Semi ¹			Row	Apt	Row	Apt	Row	Apt
Starts										
Current Month	170	2	0	20	0	0	0	0	94	286
Previous Year	184	6	0	0	32	0	0	0	0	222
Year-To-Date 2005	791	4	0	37	48	0	106	0	94	1080
Year-To-Date 2004	855	26	0	9	56	0	0	0	0	946
Under Construction										
2005	805	6	0	49	96	0	165	0	94	1215
2004	867	38	0	10	233	0	187	0	0	1335
Completions										
Current Month	198	0	0	0	0	0	84	0	0	282
Previous Year	195	4	0	4	109	0	47	0	0	359
Year-To-Date 2005	767	10	0	17	133	0	338	0	0	1265
Year-To-Date 2004	649	6	0	13	130	4	164	0	0	966
Completed & Not Absorbed										
2005	181	4	0	5	51	0	63	0	0	304
2004	131	3	0	8	32	4	104	0	0	282
Total Supply²										
2005	986	10	0	54	147	0	228	0	94	1519
2004	998	41	0	18	265	4	291	0	0	1617
Absorptions										
Current Month	207	0	0	0	13	0	38	0	0	258
Previous Year	177	7	0	1	81	0	17	0	0	283
Year-To-Date 2005	755	20	0	12	122	0	275	0	0	1184
Year-To-Date 2004	647	7	0	8	106	0	122	0	0	890
3-month Average	159	3	0	1	36	0	57	0	0	256
12-month Average	153	5	0	2	22	0	47	0	0	229

1 May include units intended for condominium.

2 Sum of units under construction, complete and unoccupied.

QUESTIONS ABOUT HOUSING?

Let CMHC be your one stop information source. If you have questions about how to plan, finance, build or renovate your home CMHC has the answers.

www.cmhc.ca
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