

# HOUSING NOW

## YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

### Housing Starts Up Twofold in October

**M**etro Edmonton's new home construction in October maintained the sizzling pace observed throughout most of this year. Total housing starts reached 1,354 units in October, double the number started in the same month last year. With total starts across the region already above the 10,000 unit mark to the end of October, the home building industry is having its best year in over two decades.

Single-detached home builders maintained their record-breaking pace in October, with starts up by 48 per cent to 677 units. Edmonton City reported impressive gains, with 171 more single-detached units started this month than the same month last year - for an increase of 73 per cent. Strathcona County, Beaumont, Fort Saskatchewan, and Parkland also showed strength, with single starts higher than October 2001 by 81 units combined. Meanwhile, the communities of Devon, St. Albert and Stoney Plain reported fewer single starts in October.

After 10 months, single starts have moved closer to the 24-year record high of 6,202 units set in 1978. The favorable effects of low mortgage rates, a strong economy and

a shortage of both new and resale inventory for sale have sustained this surge in activity. Weather permitting, this will be the best year ever for new single-detached home building across the region.

Single-detached completions in October jumped 43 per cent from the same month last year to 663 units. On the demand side, 643 units were absorbed - one third more than last year's October figure. With completions outpacing absorptions by a modest 20 units, the inventory of completed and unoccupied (including show homes) increased from September but remained below last year's levels in October by 6.5 per cent. Single-detached homes under construction in October stood at 3,198 units, 65 per cent above the number of dwelling units in progress reported one year ago.

Multiple unit starts, which include semi-detached, row and apartment dwellings, increased by over 200 per cent in October to 677 units. This brought the year-to-date tally to 4,583 units - more than double last year's level to the end of October. With two months remaining in 2002, the industry has already produced the highest number of new multiples since 1982. Looking at October's multiple starts, condominium apartments in Edmonton City accounted for the largest proportion of the new multi-units, followed by rental apartments in Fort Saskatchewan, Edmonton City and Spruce Grove.

Multiple unit completions dipped this October from last year's by 13 per cent to 469 units. After ten months, multi-unit completions compared with last year were down by eight per cent to 2,524 units.

With the big surge in starts so far this year, units under construction have shot up by

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over 130 per cent to 4,509 units. Expect completions to ramp up in the months ahead, impacting both absorptions and inventories.

Multiple unit absorptions dipped this October by 32 per cent to 337 units compared with 498 units in October 2001. With completions ahead of absorptions by 132 units, the standing inventory moved higher from the levels reported in September. This said, the stock of completed and unoccupied multiples was still 20 per cent below the levels reported in October of last year.

The lion's share of October's unabsorbed multiple units were rental apartments - which were up by 39 per cent from levels reported last year. In contrast, the inventory of condominium apartments - which mirrored rental apartments this time last year - was well below levels recorded in October 2001.

**Housing Starts Edmonton CMA**

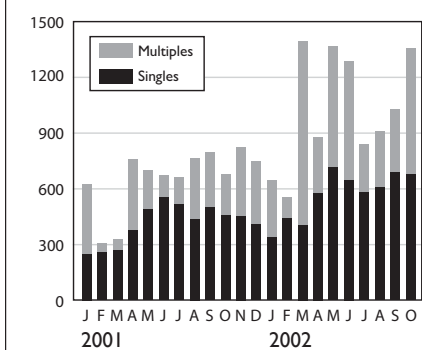


Table I  
EDMONTON CMA  
STARTS ACTIVITY BY AREA OCTOBER 2002

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
BEAUMONT TOWN	25	3	0	0	0	25	3	**
CALMAR TOWN	1	0	0	0	0	1	0	**
DEVON TOWN	16	18	0	0	0	16	18	-11.11
<b>EDMONTON CITY</b>	<b>404</b>	<b>233</b>	<b>38</b>	<b>19</b>	<b>472</b>	<b>933</b>	<b>349</b>	<b>**</b>
FORT SASKATCHEWAN CITY	17	5	0	0	94	111	5	**
GIBBONS TOWN	0	0	0	0	0	0	0	**
LEDUC CITY	12	10	4	0	0	16	103	-84.47
LEDUC COUNTY	7	4	0	0	0	7	4	75.00
MORINVILLE TOWN	2	0	0	0	0	2	0	**
PARKLAND COUNTY	37	27	0	0	0	37	27	37.04
SPRUCE GROVE CITY	16	16	0	0	32	48	16	**
ST.ALBERT CITY	23	52	0	0	0	23	58	-60.34
STONEY PLAIN TOWN	8	22	8	0	0	16	22	-27.27
STRATHCONA COUNTY	88	51	4	6	0	98	53	84.91
STURGEON COUNTY	15	13	0	0	0	15	13	15.38
OTHER CENTRES	6	2	0	0	0	6	6	0.00
<b>TOTAL</b>	<b>677</b>	<b>456</b>	<b>54</b>	<b>25</b>	<b>598</b>	<b>1354</b>	<b>677</b>	<b>**</b>

Table IB  
EDMONTON CMA  
STARTS ACTIVITY BY AREA YEAR TO DATE

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
BEAUMONT TOWN	120	65	0	0	0	120	68	76.47
CALMAR TOWN	5	4	0	0	0	5	4	25.00
DEVON TOWN	91	60	2	0	0	93	88	5.68
<b>EDMONTON CITY</b>	<b>3372</b>	<b>2321</b>	<b>578</b>	<b>255</b>	<b>2750</b>	<b>6955</b>	<b>3691</b>	<b>88.43</b>
FORT SASKATCHEWAN CITY	88	59	4	0	137	229	203	12.81
GIBBONS TOWN	5	2	0	0	0	5	2	**
LEDUC CITY	114	75	8	12	39	173	308	-43.83
LEDUC COUNTY	55	54	0	0	0	55	54	1.85
MORINVILLE TOWN	25	18	14	11	0	50	26	92.31
PARKLAND COUNTY	233	168	0	0	0	233	168	38.69
SPRUCE GROVE CITY	161	124	24	102	48	335	154	**
ST.ALBERT CITY	343	310	128	6	172	649	358	81.28
STONEY PLAIN TOWN	120	105	50	0	98	268	170	57.65
STRATHCONA COUNTY	793	628	70	63	0	926	880	5.23
STURGEON COUNTY	108	78	0	0	0	108	78	38.46
OTHER CENTRES	34	29	0	4	0	46	33	39.39
<b>TOTAL</b>	<b>5667</b>	<b>4100</b>	<b>886</b>	<b>453</b>	<b>3244</b>	<b>10250</b>	<b>6285</b>	<b>63.09</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 OCTOBER 2002

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
BEAUMONT TOWN	20	15	0	0	0	20	15	33.33
CALMAR TOWN	1	2	0	0	0	1	2	-50.00
DEVON TOWN	22	10	0	0	0	22	14	57.14
<b>EDMONTON CITY</b>	<b>382</b>	<b>252</b>	<b>60</b>	<b>36</b>	<b>288</b>	<b>766</b>	<b>730</b>	<b>4.93</b>
FORT SASKATCHEWAN CITY	12	7	0	0	0	12	7	71.43
GIBBONS TOWN	1	0	0	0	0	1	0	**
LEDUC CITY	29	10	0	0	18	47	57	-17.54
LEDUC COUNTY	8	16	0	0	0	8	16	-50.00
MORINVILLE TOWN	3	3	2	0	0	5	7	-28.57
PARKLAND COUNTY	28	13	0	0	0	28	13	**
SPRUCE GROVE CITY	8	9	4	14	0	26	9	**
ST.ALBERT CITY	27	29	6	3	0	36	29	24.14
STONEY PLAIN TOWN	17	5	6	0	0	23	5	**
STRATHCONA COUNTY	84	82	12	20	0	116	90	28.89
STURGEON COUNTY	14	9	0	0	0	14	9	55.56
OTHER CENTRES	7	3	0	0	0	7	3	**
<b>TOTAL</b>	<b>663</b>	<b>465</b>	<b>90</b>	<b>73</b>	<b>306</b>	<b>1132</b>	<b>1006</b>	<b>12.52</b>

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

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
BEAUMONT TOWN	81	63	0	0	0	81	97	-16.49
CALMAR TOWN	4	5	0	0	0	4	5	-20.00
DEVON TOWN	72	48	4	0	8	84	70	20.00
<b>EDMONTON CITY</b>	<b>2575</b>	<b>1970</b>	<b>402</b>	<b>145</b>	<b>1363</b>	<b>4485</b>	<b>3714</b>	<b>20.76</b>
FORT SASKATCHEWAN CITY	61	52	2	0	44	107	152	-29.61
GIBBONS TOWN	3	1	0	0	0	3	1	**
LEDUC CITY	97	70	6	8	135	246	148	66.22
LEDUC COUNTY	45	57	0	0	0	45	57	-21.05
MORINVILLE TOWN	12	18	2	4	0	18	26	-30.77
PARKLAND COUNTY	175	133	0	0	0	175	133	31.58
SPRUCE GROVE CITY	125	99	14	74	27	240	125	92.00
ST.ALBERT CITY	302	271	102	3	0	407	401	1.50
STONEY PLAIN TOWN	110	75	32	0	79	221	155	42.58
STRATHCONA COUNTY	509	597	46	20	0	575	1104	-47.92
STURGEON COUNTY	85	68	0	0	0	85	68	25.00
OTHER CENTRES	27	22	4	0	0	31	22	40.91
<b>TOTAL</b>	<b>4283</b>	<b>3549</b>	<b>614</b>	<b>254</b>	<b>1656</b>	<b>6807</b>	<b>6278</b>	<b>8.43</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>										
October 2001	677	54	0	25	416	0	182	0	0	1354
Year-To-Date 2002	5667	886	3	302	1714	148	1530	0	0	10250
Year-To-Date 2001	4100	476	20	39	867	6	777	0	0	6285
<b>UNDER CONSTRUCTION</b>										
2002	3198	558	3	241	1986	54	1667	0	0	7707
2001	1938	252	16	44	1131	6	494	0	0	3881
<b>COMPLETIONS</b>										
October 2001	663	90	0	39	127	34	179	0	0	1132
Year-To-Date 2002	4283	614	12	138	943	104	713	0	0	6807
Year-To-Date 2001	3549	390	8	42	947	114	1228	0	0	6278
<b>COMPLETED &amp; NOT ABSORBED</b>										
2002	358	58	0	8	67	11	300	0	0	802
2001	383	88	2	19	217	13	216	0	0	938
<b>TOTAL SUPPLY</b>										
2002	3556	616	3	249	2053	65	1967	0	0	8509
2001	2321	340	18	63	1348	19	710	0	0	4819
<b>ABSORPTIONS</b>										
October 2001	643	88	0	38	124	24	63	0	0	980
3-month Average	534	99	0	27	115	28	64	0	0	867
12-month Average	440	60	2	13	103	9	52	0	0	679

## RESIDENTIAL CONSTRUCTION DIGEST

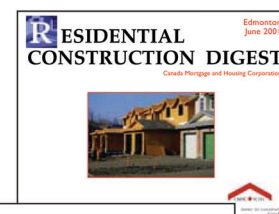
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