

HOUSING NOW

YOUR LINK TO THE HOUSING MARKET

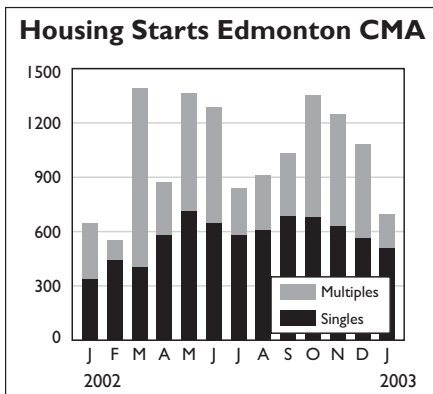
Canada Mortgage and Housing Corporation

Housing Starts Remain Strong In January

Despite the arrival of cold and snowy winter weather, Edmonton's home building industry maintained its upward momentum in January. Total housing starts across the Capital Region increased by just under eight per cent to 699 units compared with 648 in January 2002. January's performance represented the 18th consecutive month of year-over-year gains.

Single-detached housing was the main source of the improvements in January, with activity up by 50 per cent over the first month of 2002 to 506 units. Strong price increases for resale homes combined with low mortgage rates, good job creation numbers this fall and a shortage of standing inventory have all favoured continued growth in the new house market.

Edmonton City accounted for 71 per cent of Metro's single starts in January, up from 68 per cent in January 2002. The majority of the new activity in the suburbs was found in St. Albert, Strathcona County and Spruce Grove. The total number of single-detached homes under construction in January stood at 3,282 units across Metro, representing an increase of 75 per cent over the same month last year.



At 521 units, absorptions of new single detached homes were down from the 589 unit per month average witnessed during the fourth quarter of 2002, but still well ahead of the 296 absorptions reported in January of last year. Prices for new singles continue to surge. Following an 8.6 per cent gain for all of last year, the average price for new units absorbed in January increased by 11.7 per cent over January 2002 to \$214,061.

With completions of new singles outpacing absorptions by 11 units, the inventory of completed and unoccupied units moved up from December to 329 units. While January's inventory remained below the number of unsold units a year ago, the mix between show homes and spec units has shifted. Compared with last January, the number of show homes across the region has fallen by 21 per cent in the past year to 188 units. Meanwhile, the number of spec homes for sale has moved up in recent months and was 15 per cent above the spec inventory on hand in January 2002.

In contrast to single starts, new multi-family construction - including semi-detached, row and apartment units - took a breather in January. Multiple unit starts fell by 38 per cent from January 2002 to 193 units. The bulk of January's activity occurred in the condominium market within the city of Edmonton.

Despite the cooling-off in January, multiple units in progress remained well above the count of new units underway in the first month of 2002. Across the region, there were 4,941 multis under construction, representing an increase of 92 per cent over January 2002. Meanwhile, absorptions continue to improve, up 11 per cent in January to 179 units compared with 162 in January 2002. Multi-

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unit absorptions averaged just over 350 units per month during the fourth quarter of 2002. With just under 5,000 units in the pipeline, absorption rates will have to increase in the months ahead to avoid an inventory run-up.

January inventories of completed an unoccupied multiple units stood at 443 unit, down 13 per cent from the same month last year. Inventories were also down from December as absorptions exceeded completions by 10 units. New rental apartments in downtown Edmonton made up the lion's share of January's unabsorbed multiples.



Table I
EDMONTON CMA
STARTS ACTIVITY BY AREA JANUARY 2003

AREA	Single		Multiple			Total		% Chg 2003/2002
	2003	2002	Semi	Row	Apt	2003	2002	
BEAUMONT TOWN	4	5	0	0	0	4	5	-20.00
CALMAR TOWN	2	0	0	0	0	2	0	**
DEVON TOWN	8	3	0	0	0	8	3	**
EDMONTON CITY	360	229	28	80	73	541	522	3.64
FORT SASKATCHEWAN CITY	3	3	2	0	0	5	3	66.67
GIBBONS TOWN	0	0	0	0	0	0	0	**
LEDUC CITY	0	7	8	0	0	8	11	-27.27
LEDUC COUNTY	1	3	0	0	0	1	3	-66.67
MORINVILLE TOWN	0	6	0	0	0	0	6	**
PARKLAND COUNTY	6	6	0	0	0	6	6	0.00
SPRUCE GROVE CITY	19	9	0	0	0	19	11	72.73
ST.ALBERT CITY	32	16	2	0	0	34	19	78.95
STONEY PLAIN TOWN	8	7	0	0	0	8	7	14.29
STRATHCONA COUNTY	52	39	0	0	0	52	49	6.12
STURGEON COUNTY	8	3	0	0	0	8	3	**
OTHER CENTRES	3	0	0	0	0	3	0	**
TOTAL	506	336	40	80	73	699	648	7.87

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	4	5	0	0	0	4	5	-20.00
CALMAR TOWN	2	0	0	0	0	2	0	**
DEVON TOWN	8	3	0	0	0	8	3	**
EDMONTON CITY	360	229	28	80	73	541	522	3.64
FORT SASKATCHEWAN CITY	3	3	2	0	0	5	3	66.67
GIBBONS TOWN	0	0	0	0	0	0	0	**
LEDUC CITY	0	7	8	0	0	8	11	-27.27
LEDUC COUNTY	1	3	0	0	0	1	3	-66.67
MORINVILLE TOWN	0	6	0	0	0	0	6	**
PARKLAND COUNTY	6	6	0	0	0	6	6	0.00
SPRUCE GROVE CITY	19	9	0	0	0	19	11	72.73
ST.ALBERT CITY	32	16	2	0	0	34	19	78.95
STONEY PLAIN TOWN	8	7	0	0	0	8	7	14.29
STRATHCONA COUNTY	52	39	0	0	0	52	49	6.12
STURGEON COUNTY	8	3	0	0	0	8	3	**
OTHER CENTRES	3	0	0	0	0	3	0	**
TOTAL	506	336	40	80	73	699	648	7.87

** 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 JANUARY 2003

AREA	Single		Multiple			Total		% Chg 2003/2002
	2003	2002	Semi	Row	Apt	2003	2002	
BEAUMONT TOWN	13	15	0	0	0	13	15	-13.33
CALMAR TOWN	0	1	0	0	0	0	1	**
DEVON TOWN	14	1	0	0	0	14	1	**
EDMONTON CITY	302	144	58	20	71	451	294	53.40
FORT SASKATCHEWAN CITY	6	4	0	0	0	6	4	50.00
GIBBONS TOWN	0	0	0	0	0	0	0	**
LEDUC CITY	15	6	0	0	4	19	14	35.71
LEDUC COUNTY	2	3	0	0	0	2	3	-33.33
MORINVILLE TOWN	3	0	0	0	0	3	4	-25.00
PARKLAND COUNTY	12	17	0	0	0	12	17	-29.41
SPRUCE GROVE CITY	6	14	8	0	0	14	14	0.00
ST.ALBERT CITY	30	20	8	0	0	38	20	90.00
STONEY PLAIN TOWN	2	5	0	0	0	2	5	-60.00
STRATHCONA COUNTY	109	34	0	0	0	109	34	**
STURGEON COUNTY	16	7	0	0	0	16	7	**
OTHER CENTRES	2	2	0	0	0	2	2	0.00
TOTAL	532	273	74	20	75	701	435	61.15

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	13	15	0	0	0	13	15	-13.33
CALMAR TOWN	0	1	0	0	0	0	1	**
DEVON TOWN	14	1	0	0	0	14	1	**
EDMONTON CITY	302	144	58	20	71	451	294	53.40
FORT SASKATCHEWAN CITY	6	4	0	0	0	6	4	50.00
GIBBONS TOWN	0	0	0	0	0	0	0	**
LEDUC CITY	15	6	0	0	4	19	14	35.71
LEDUC COUNTY	2	3	0	0	0	2	3	-33.33
MORINVILLE TOWN	3	0	0	0	0	3	4	-25.00
PARKLAND COUNTY	12	17	0	0	0	12	17	-29.41
SPRUCE GROVE CITY	6	14	8	0	0	14	14	0.00
ST.ALBERT CITY	30	20	8	0	0	38	20	90.00
STONEY PLAIN TOWN	2	5	0	0	0	2	5	-60.00
STRATHCONA COUNTY	109	34	0	0	0	109	34	**
STURGEON COUNTY	16	7	0	0	0	16	7	**
OTHER CENTRES	2	2	0	0	0	2	2	0.00
TOTAL	532	273	74	20	75	701	435	61.15

** 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	
STARTS										
January 2002	506	40	28	52	61	0	12	0	0	699
Year-To-Date 2003	336	62	0	31	69	0	150	0	0	648
Year-To-Date 2002	506	40	28	52	61	0	12	0	0	699
Year-To-Date 2002	336	62	0	31	69	0	150	0	0	648
UNDER CONSTRUCTION										
2003	3282	584	31	237	2294	18	1777	0	0	8223
2002	1879	318	8	104	1190	0	950	0	0	4449
COMPLETIONS										
January 2002	532	74	0	20	0	0	75	0	0	701
Year-To-Date 2003	273	32	4	4	83	10	29	0	0	435
Year-To-Date 2002	532	74	0	20	0	0	75	0	0	701
Year-To-Date 2002	273	32	4	4	83	10	29	0	0	435
COMPLETED & NOT ABSORBED										
2003	329	63	0	13	73	3	291	0	0	772
2002	347	80	1	20	210	3	193	0	0	854
TOTAL SUPPLY										
2003	3611	647	31	250	2367	21	2068	0	0	8995
2002	2226	398	9	124	1400	3	1143	0	0	5303
ABSORPTIONS										
January	521	79	0	20	9	4	67	0	0	700
3-month Average	548	68	0	34	41	18	137	0	0	846
12-month Average	469	67	1	21	94	12	82	0	0	746

RESIDENTIAL CONSTRUCTION DIGEST

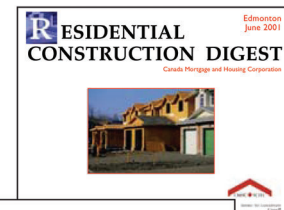
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