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Canada Mortgage and Housing Corporation  
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### Calgary New Home Construction Soars in May

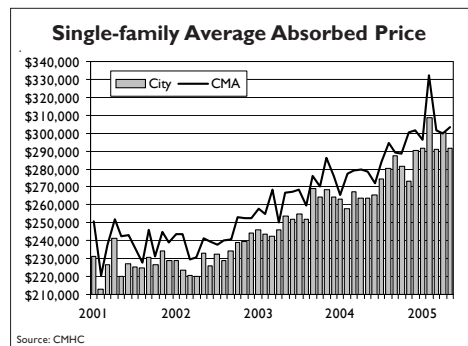
In May 2005, total housing starts in the Calgary Census Metropolitan Area (CMA) recorded the best performance in 11 months. Local builders started 1,404 units of all types, up an impressive 62 per cent from corresponding levels in 2004. May's activity nullified the six per cent year-to-date shortfall that existed to the end of April. Total housing starts after five months are now six per cent ahead of the pace set in 2004.

Following a relatively slow start to the year, multi-family starts, including semi-detached, row, and apartment units exploded in May with their best performance of the year thus far. A total of 578 multi-family units began construction in May, eclipsing the previous year's activity by nearly 200 per cent. Apartment condominiums led the surge in construction, as the 383 starts in May towered over only 10 units reported in 2004. After five months, 2,041 multi-family units have begun construction in the Calgary CMA, representing a seven per cent gain from the same period a year ago. This represents a significant departure from the first quarter of the year, when year-to-date starts were down by 22 per cent. However, it may be difficult to remain ahead of 2004's pace after June's figures are recorded. June of last year recorded an amazing 1,069 multi-family starts, the best monthly performance in the last 23 years.

Interestingly, the recovery in multi-family starts is coinciding with an escalation of complete and unabsorbed units. The number of multi-family units in inventory increased to 783 in May, the highest total in 20 years and a 35 per cent jump over 2004. The gains can be attributed to the semi-detached and

apartment markets, where complete and unabsorbed units are 77 and 42 per cent higher than May 2004, respectively. Those active in the apartment condominium market should be aware that 310 of the 493 apartment units in inventory are for condominium tenure, up from 137 of the 346 apartment units last year. Complete and unabsorbed rental apartments, meanwhile, totaled 183 units in May. Though this represents a 12 per cent decline from the previous year, they still remain historically high. The elevated number of rental units in inventory also justifies the absence of any starts for rental tenure in the last 14 months.

While the multi-family market in May nearly tripled 2004's activity, single-family builders



were busy working toward an impressive performance of their own. A total of 826 single-family homes began construction in May, representing a 23 per cent gain from the previous year. May's increase also represents the fourth consecutive year-over-year gain and the strongest increase in more than two years. After five months, a total of 3,435 single-family units have begun construction in the Calgary CMA, five per cent more than the corresponding

### CALGARY

MAY 2005

#### IN THIS ISSUE:

#### ANALYSIS

#### 1 Calgary New Home Construction Soars in May

#### STATISTICAL TABLES

#### 2 Starts

Starts Activity by Area

#### 3 Completions

Housing Completions by Area

#### 4 Housing Activity Summary Calgary CMA

period in 2004. The last time the single-family market was up by this magnitude was in early 2003. Of the centres comprising the CMA, Airdrie has recorded the largest gain to-date, up 16 per cent from the previous year. Cochrane, on the other hand, has seen single-family construction cut by 41 per cent after five months.

Unlike the multi-family market, single-family units in inventory remain lower than the previous year. Despite a 53-unit increase over April, the number of complete and unabsorbed singles in May was 10 per cent lower than the previous year, totaling 720 units. As was the case for much of the last 12 months, spec (non-show home) units are responsible for the year-over-year decline in inventory. At 248 units in May, the number of specs was 15 per cent lower than May 2004. Show homes, meanwhile, remain near record highs thanks to the multitude of new show home parades in the Calgary market. This said, the number of show homes in the Calgary CMA totaled 472 in May, seven per cent lower than the previous year.

Table IA  
**STARTS ACTIVITY BY AREA**  
 Calgary CMA - May 2005

Area	Single		Multiple			Total		%Chg 2005/2004
	2005	2004	Semi	Row	Apt	2005	2004	
AIRDRIE	45	38	6	4	0	55	54	1.85
BEISEKER	0	0	0	0	0	0	0	**
<b>CALGARY CITY</b>	<b>712</b>	<b>559</b>	<b>48</b>	<b>121</b>	<b>383</b>	<b>1264</b>	<b>732</b>	<b>72.68</b>
CHESTERMERE LAKE	37	37	6	0	0	43	41	4.88
COCHRANE	6	10	0	0	0	6	10	-40.00
CROSSFIELD	2	1	2	0	0	4	1	**
IRRICANA	0	3	0	0	0	0	3	**
MD ROCKYVIEW	24	24	8	0	0	32	24	33.33
<b>TOTAL</b>	<b>826</b>	<b>672</b>	<b>70</b>	<b>125</b>	<b>383</b>	<b>1404</b>	<b>865</b>	<b>62.31</b>

Table IB  
**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	186	160	10	53	0	249	236	5.51
BEISEKER	0	0	0	0	0	0	0	**
<b>CALGARY CITY</b>	<b>2942</b>	<b>2797</b>	<b>290</b>	<b>480</b>	<b>1145</b>	<b>4857</b>	<b>4583</b>	<b>5.98</b>
CHESTERMERE LAKE	134	142	20	13	0	167	174	-4.02
COCHRANE	26	44	0	0	0	26	48	-45.83
CROSSFIELD	4	4	2	0	0	6	4	50.00
IRRICANA	0	3	2	0	0	2	7	-71.43
MD ROCKYVIEW	143	115	26	0	0	169	123	37.40
<b>TOTAL</b>	<b>3435</b>	<b>3265</b>	<b>350</b>	<b>546</b>	<b>1145</b>	<b>5476</b>	<b>5175</b>	<b>5.82</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 - May 2005

Area	Single		Multiple			Total		%Chg 2005/2004
	2005	2004	Semi	Row	Apt	2005	2004	
AIRDRIE	32	21	0	12	0	44	23	91.30
BEISEKER	0	0	0	0	0	0	0	**
<b>CALGARY CITY</b>	<b>674</b>	<b>518</b>	<b>44</b>	<b>39</b>	<b>382</b>	<b>1139</b>	<b>969</b>	<b>17.54</b>
CHESTERMERE LAKE	24	27	0	5	0	29	31	-6.45
COCHRANE	13	9	0	0	50	63	9	**
CROSSFIELD	0	0	2	0	0	2	0	**
IRRICANA	1	0	0	0	0	1	0	**
MD ROCKYVIEW	37	24	8	4	0	49	24	**
<b>TOTAL</b>	<b>781</b>	<b>599</b>	<b>54</b>	<b>60</b>	<b>432</b>	<b>1327</b>	<b>1056</b>	<b>25.66</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	184	150	4	30	112	330	201	64.18
BEISEKER	1	0	0	0	0	1	4	-75.00
<b>CALGARY CITY</b>	<b>2560</b>	<b>2627</b>	<b>364</b>	<b>268</b>	<b>995</b>	<b>4187</b>	<b>4456</b>	<b>-6.04</b>
CHESTERMERE LAKE	129	112	10	5	0	144	138	4.35
COCHRANE	52	31	4	3	50	109	56	94.64
CROSSFIELD	6	6	6	0	0	12	12	0.00
IRRICANA	4	4	2	4	0	10	8	25.00
MD ROCKYVIEW	160	142	26	4	0	190	166	14.46
<b>TOTAL</b>	<b>3096</b>	<b>3072</b>	<b>416</b>	<b>314</b>	<b>1157</b>	<b>4983</b>	<b>5041</b>	<b>-1.15</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	826	70	9	116	381	0	2	0	0	1404
Previous Year	672	74	0	109	10	0	0	0	0	865
Year-To-Date 2005	3435	350	9	537	1143	0	2	0	0	5476
Year-To-Date 2004	3265	352	4	385	705	0	332	0	132	5175
<b>Under Construction</b>										
2005	3801	580	20	851	4165	0	124	0	132	9673
2004	3717	616	8	802	2699	0	332	0	132	8306
<b>Completions</b>										
Current Month	781	54	6	54	326	0	106	0	0	1327
Previous Year	599	60	7	81	309	0	0	0	0	1056
Year-To-Date 2005	3096	416	9	305	947	0	210	0	0	4983
Year-To-Date 2004	3072	290	27	432	975	4	241	0	0	5041
<b>Completed &amp; Not Absorbed</b>										
2005	720	214	0	76	310	0	183	0	0	1503
2004	799	121	3	109	137	0	209	0	0	1378
<b>Total Supply</b>										
2005	4521	794	20	927	4475	0	307	0	132	11176
2004	4516	737	11	911	2836	0	541	0	132	9684
<b>Absorptions</b>										
Current Month	728	101	0	57	244	0	80	0	0	1210
Previous Year	572	60	4	93	307	0	6	0	0	1042
Year-To-Date 2005	3082	395	3	341	815	0	149	0	0	4785
Year-To-Date 2004	2992	291	24	429	1035	9	105	0	0	4885
3-month Average	680	92	1	64	162	0	44	0	0	1043
12-month Average	700	72	1	88	188	0	20	0	0	1069

1 May include units intended for condominium.

2 Sum of units under construction, complete and unoccupied.

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