

H

HOUSING NOW

Edmonton

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

2002 A Banner Year For Edmonton's New Housing

Edmonton's new home construction industry ended 2002 as it began, on a strong note. Total starts Metro-wide in December increased by 45 per cent over December 2001 figures to 1,085 units. This was the seventeenth consecutive month of a year-over-year increase in total housing starts across the Capital Region. Total starts for the entire year reached 12,581 units, representing the best performance since the record year of 1978.

Single-detached home builders experienced their best year ever in 2002. Production for the year totaled 6,860 units, up 38 per cent from the previous year and eclipsing the old benchmark set in 1978 by 658 units. In Edmonton City, single starts in 2002 reached 4,157 units, representing a 48 per cent gain over 2001.

Single starts in December tallied 561 units, for a gain of 38 per cent over the final month of 2001. New home builders were given a substantial boost from a combination of low mortgage rates, a strong economy and a thin standing inventory of both new and existing (resale) homes. Unabsorbed inventories of new single-detached units

inched lower in December as absorptions exceeded completions by 10 units. The number of completed and unoccupied singles (including show homes) stood at 318 units in December, down 14 per cent from December 2001.

As 2003 progresses, expect new single-detached construction to throttle-back as builders see their unsold inventories start to creep upward. Increased competition from higher numbers of resale homes for sale combined with an expected rise in mortgage rates by the summer will cool demand. This said, the number of new single-family starts will remain high in 2003 when compared with the volumes produced in years prior to 2002's record-setting pace.

Multiple unit starts also ended the year with a flurry of activity. Semi-detached, row and apartment starts combined totaled 524 units, 53 per cent above construction levels reported in December 2001.

Multiple starts in 2002 advanced by 98 per cent over 2001 levels to 5,721 units - representing the highest output in two decades. Apartment starts were exceptional in 2002, thanks to strong take-up of both rental and condominium units, particularly in Edmonton's downtown.

Looking across the region, multi-unit activity experienced big increases in Spruce Grove, St. Albert and Stoney Plain in 2002, as well as Edmonton City. Meanwhile, production levels faltered in Strathcona County and Leduc City - both of which put up big numbers in 2001.

The number of completed and unoccupied multiple units across Metro inched upward in December as completions exceeded absorptions by 16 units. However, the 453 unit inventory was still 11 per cent lower

DECEMBER 2002

IN THIS ISSUE :

Analysis	1
STATISTICAL TABLES	
Starts	2
Completions	3
Activity Summary.....	4

than the unoccupied new stock on hand in December 2001. Rental apartments within Edmonton City accounted for the majority of these unabsorbed new multis.

There were 4,917 multiple units under construction across Metro in December, representing an increase of over 100 per cent from the end of 2001. CMHC expects multi-unit construction to also fall back across Metro in the months head as completions outpace absorptions, resulting in a rise in the unoccupied inventory - in particular new apartments. Multi-unit starts will nonetheless remain high in 2003 due to continued firm demand for both rental and condominium units across the region.

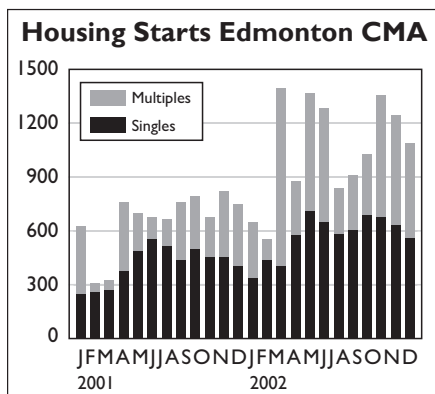


Table I
EDMONTON CMA
STARTS ACTIVITY BY AREA DECEMBER 2002

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
BEAUMONT TOWN	8	16	0	0	0	8	16	-50.00
CALMAR TOWN	0	1	0	0	0	0	1	**
DEVON TOWN	5	12	0	0	0	5	12	-58.33
EDMONTON CITY	381	226	130	7	346	864	544	58.82
FORT SASKATCHEWAN CITY	8	10	0	0	0	8	10	-20.00
GIBBONS TOWN	0	0	0	0	0	0	0	**
LEDUC CITY	11	10	4	0	0	15	10	50.00
LEDUC COUNTY	2	1	0	0	0	2	1	**
MORINVILLE TOWN	1	0	2	0	0	3	0	**
PARKLAND COUNTY	22	16	0	0	0	22	16	37.50
SPRUCE GROVE CITY	16	9	0	3	0	19	9	**
ST.ALBERT CITY	27	29	0	0	28	55	45	22.22
STONEY PLAIN TOWN	14	8	4	0	0	18	8	**
STRATHCONA COUNTY	52	60	0	0	0	52	68	-23.53
STURGEON COUNTY	13	6	0	0	0	13	6	**
OTHER CENTRES	1	2	0	0	0	1	2	-50.00
TOTAL	561	406	140	10	374	1085	748	45.05

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	142	85	0	0	0	142	88	61.36
CALMAR TOWN	5	5	0	0	0	5	5	0.00
DEVON TOWN	103	81	2	0	0	105	111	-5.41
EDMONTON CITY	4157	2815	748	312	3604	8821	4811	83.35
FORT SASKATCHEWAN CITY	105	73	6	0	137	248	217	14.29
GIBBONS TOWN	5	3	0	0	0	5	3	66.67
LEDUC CITY	135	96	12	12	39	198	337	-41.25
LEDUC COUNTY	59	66	0	0	0	59	66	-10.61
MORINVILLE TOWN	27	18	16	11	0	54	30	80.00
PARKLAND COUNTY	290	200	0	0	0	290	200	45.00
SPRUCE GROVE CITY	194	144	30	105	48	377	203	85.71
ST.ALBERT CITY	402	382	132	6	200	740	464	59.48
STONEY PLAIN TOWN	153	125	58	0	98	309	190	62.63
STRATHCONA COUNTY	912	737	70	63	0	1045	997	4.81
STURGEON COUNTY	136	94	0	0	0	136	94	44.68
OTHER CENTRES	35	35	0	4	0	47	39	20.51
TOTAL	6860	4959	1082	513	4126	12581	7855	60.17

** 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 DECEMBER 2002

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
BEAUMONT TOWN	2	0	0	0	0	2	0	**
CALMAR TOWN	0	2	0	0	0	0	2	**
DEVON TOWN	5	7	0	0	0	5	15	-66.67
EDMONTON CITY	277	276	26	9	317	629	442	42.31
FORT SASKATCHEWAN CITY	12	4	0	0	0	12	4	**
GIBBONS TOWN	1	1	0	0	0	1	1	0.00
LEDUC CITY	8	9	0	8	0	16	15	6.67
LEDUC COUNTY	6	7	0	0	0	6	7	-14.29
MORINVILLE TOWN	2	2	2	0	0	4	2	**
PARKLAND COUNTY	20	21	0	0	0	20	21	-4.76
SPRUCE GROVE CITY	16	10	0	0	0	16	10	60.00
ST.ALBERT CITY	28	20	2	0	0	30	24	25.00
STONEY PLAIN TOWN	13	10	0	0	0	13	10	30.00
STRATHCONA COUNTY	128	129	4	22	0	154	135	14.07
STURGEON COUNTY	12	8	0	0	0	12	8	50.00
OTHER CENTRES	6	4	0	4	0	10	4	**
TOTAL	536	510	34	43	317	930	700	32.86

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	95	65	0	0	0	95	99	-4.04
CALMAR TOWN	4	7	0	0	0	4	7	-42.86
DEVON TOWN	86	59	4	0	8	98	89	10.11
EDMONTON CITY	3152	2488	512	219	1819	5702	4424	28.89
FORT SASKATCHEWAN CITY	77	64	2	0	44	123	164	-25.00
GIBBONS TOWN	5	2	0	0	0	5	2	**
LEDUC CITY	111	83	6	16	135	268	175	53.14
LEDUC COUNTY	56	73	0	0	0	56	73	-23.29
MORINVILLE TOWN	17	21	4	8	0	29	29	0.00
PARKLAND COUNTY	233	191	0	0	0	233	191	21.99
SPRUCE GROVE CITY	155	127	16	94	27	292	159	83.65
ST.ALBERT CITY	370	327	112	3	0	485	463	4.75
STONEY PLAIN TOWN	134	99	38	0	79	251	179	40.22
STRATHCONA COUNTY	733	806	50	42	0	825	1323	-37.64
STURGEON COUNTY	104	83	0	0	0	104	83	25.30
OTHER CENTRES	34	33	6	4	0	44	33	33.33
TOTAL	5366	4528	750	386	2112	8614	7493	14.96

** Indicates 100% change or greater

The information, analysis and opinions contained in this publication are based on various sources believed to be reliable, but their accuracy cannot be guaranteed. The information, analysis and opinions shall not be taken as representations for which CMHC or any of its employees shall incur responsibility. **HOUSING NOW** is published by Canada Mortgage and Housing Corporation. Duplication of this report in whole or in part is strictly prohibited without permission of the authors and/or the Corporation. © 2003 All rights reserved

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										
December 2001	561	140	0	10	88	0	286	0	0	1085
2001	406	54	0	8	133	0	147	0	0	748
Year-To-Date 2002	6860	1082	3	352	2096	158	2030	0	0	12581
Year-To-Date 2001	4959	586	20	80	1070	10	1130	0	0	7855
UNDER CONSTRUCTION										
2002	3308	618	3	205	2233	18	1840	0	0	8225
2001	1818	286	12	77	1204	10	829	0	0	4236
COMPLETIONS										
December 2001	536	34	0	21	89	22	228	0	0	930
2001	510	44	4	0	142	0	0	0	0	700
Year-To-Date 2002	5366	750	12	224	1072	150	1040	0	0	8614
Year-To-Date 2001	4528	466	12	50	1095	114	1228	0	0	7493
COMPLETED & NOT ABSORBED										
2002	318	68	0	13	82	7	283	0	0	771
2001	370	79	1	19	205	7	196	0	0	877
TOTAL SUPPLY										
2002	3626	686	3	218	2315	25	2123	0	0	8996
2001	2188	365	13	96	1409	17	1025	0	0	5113
ABSORPTIONS										
December	546	34	0	14	67	18	245	0	0	924
3-month Average	589	71	0	40	79	25	136	0	0	940
12-month Average	451	63	1	19	100	13	79	0	0	726

RESIDENTIAL CONSTRUCTION DIGEST

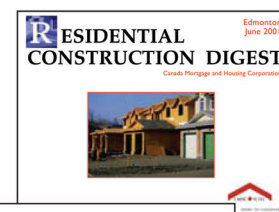
CMHC's monthly **Residential Construction Digest** delivers all the housing statistics you asked for, right down to the local market level! We have designed this product with your input, to meet your needs. You told us you wanted a detailed breakdown each month of housing statistics for single and multi-family markets, broken down by price range and by area of the city.

The Residential Construction Digest delivers!

Each month, over 60 tables reveal the housing market in great detail: Housing trends made crystal clear, to help you identify new opportunities. For added convenience each report is distributed electronically in PDF format with hotlinks allowing you to quickly get the information you need with a click of your mouse.

Each Report is Available for the
Low Annual Price of \$350.00 plus GST

To subscribe to, or receive a free sample of, the Residential Construction Digest, please call (877) 722-2642.



© 2003 Canada Mortgage and Housing Corporation. All rights reserved. No portion of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, mechanical, electronic, photocopying, recording or otherwise without the prior written permission

of Canada Mortgage and Housing Corporation. Without limiting the generality of the foregoing, no portion of this publication may be translated from English into any other language without the prior written permission of Canada Mortgage and Housing Corporation. The information, analyses and opinions

contained in this publication are based on various sources believed reliable, but their accuracy cannot be guaranteed. The information, analyses and opinions shall not be taken as representations for which Canada Mortgage and Housing Corporation or any of its employees shall incur responsibilities.