HOUSING NOW

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation
www.cmhc.ca

Housing Starts Continue to Climb

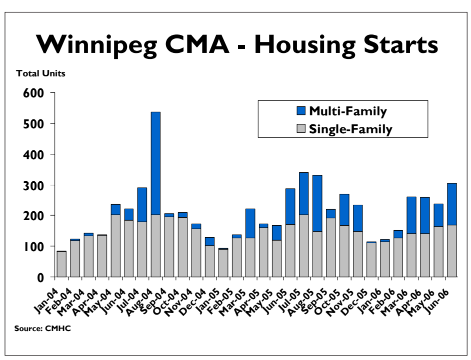
There were 304 housing starts of all types during the month of June in the Winnipeg Census Metropolitan Area (CMA), the best performance for a month of June since 1989. As a result of this strong showing so far in 2006, year-to-date starts have reached 1,334 new units, 24 per cent ahead of last year at this time. In fact, in the first six months of the year, activity in the Winnipeg CMA accounted for over 90 per cent of the urban housing starts in the province. In Manitoba's urban centres there were 1,469 housing starts in the first six months of 2006, a 23.5 percent increase over the same period in 2005.

Single-detached home builders in Manitoba's urban centres recorded 945 housing starts over the January to June 2006 period, a gain of 6.9 per cent compared to the same period a year ago. The CMA of Winnipeg accounted for about 90 per cent of the activity for urban centres with 853 single-detached starts year-to-date. Demand for new single-detached units in Winnipeg is being sustained by the combination of a strong job market and low levels of resale inventory.

During the month of June 2006 in Winnipeg CMA there were 225 single-detached completions, 14 per cent higher than in June of last year. However, as completions in previous months were lagging behind results observed in 2005, the number of homes completed so far this year is running eight per cent behind that seen after the first six months of 2005.

There were fewer homes absorbed this past month, only 194 absorptions in contrast with 207 one year earlier for a decrease of six per cent. The number of absorptions year-to-date are lower than the same period in 2005 by 12 per cent. With the number of absorptions dropping lower than the number of completions, the inventory of homes completed and not absorbed at the end of June 2006 is up 21 percent from where it stood at the end of June 2005. This represents an additional 38 units above the inventory of 181 units in June of last year.

The total supply of single-family homes totals 1,052 units year-to-date, which includes homes under construction and homes completed and unoccupied.



WINNIPEG

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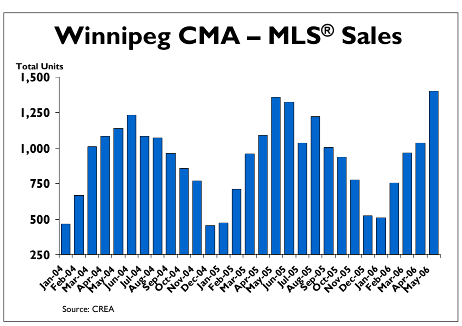
This corresponds to a seven per cent increase over the 986 units of supply at the end of June last year. At the current 12-month rate of absorption, there is just over seven months of supply available.

Across Manitoba's urban centres multi-family starts increased from 305 units during the first six months of 2005 to 524 units during the first six months of 2006. Of all the multi-family starts, which include semi-detached, row and apartment units, nearly 92 per cent of this year's occurred in the Winnipeg CMA. The 481 units recorded year-to-date in Winnipeg represent an increase of 66.4 per cent over last year's January to June performance, despite the slow start at the beginning of this year. This activity should continue throughout 2006 making this year the best performance for multi-family starts in Winnipeg since 1988.

Higher multi-family starts have led to a jump in the number of units under construction. In the month of June, 113 multiple-family units were completed leaving 949 units currently under construction. This is more than double the 410 units that were under construction at the end of June 2005. In the first half of 2006, 359 multi-units were completed. This is 28 per cent fewer than were completed by the end of June last year. The current inventory of multiple-family units sitting complete and unoccupied is 26 units, 79 per cent less than it was one year ago. However, with the current high level of construction, the total supply of multiple-family units, defined as the sum of units under construction and units completed and unoccupied, currently stands at 975 units 83 per cent greater than at the end of June last year.

Resale Market Remains Active

The Winnipeg resale market finished 2005 with 11,415 sales, an increase of almost six percent from 2004 and the highest number of sales on record. The first five months of 2006 indicate that activity is not slowing down. May 2006 is the best MLS® month in history for both sales and dollar volume. Record resale activity in Winnipeg this year and next will lead to records at a provincial level as Winnipeg accounts for about 90 per cent of the resale activity in Manitoba. In Winnipeg, to the end of May, sales are up three per cent over the same period in 2005. The number of new listings is also up registering a year-over-year gain of 14 per cent in May 2006 compared to May last year. It would appear that sustained demand and the resulting price gains have encouraged more people to list their existing home. In May 2006, there were 1,390 homes listed for sale, up 14 per cent from the number available at the end of May 2005. Despite the upturn in listings, supply levels remain low in Winnipeg. At the current pace of sales, there is still less than one month of supply in Winnipeg's resale market.



With demand exceeding available listings and higher sales at the top end of the market, the average price continues to increase. Since the beginning of 2006 the average price has kept pace with gains recorded last year. The year-to-date average price in May hit $154,243, up 14 per cent over the average price for the same period in 2005. The increase in average price in Winnipeg will continue to drive Manitoba's average price with the expectation that the provincial average MLS® price will surpass $150,000 in 2006.

Employment Gains in Service Sector

Over the past six months, the unemployment rate in Winnipeg was 4.5 per cent. This is down from the five per cent recorded in the first six months of 2005. Overall employment through the first six months of 2006 increased by 3,680 persons compared to the same period a year earlier.

Meanwhile, wages continue to rise in response to a tight labour market. Average weekly earnings at the end of June were up 2.7 per cent compared to the same period last year.

Table 1A

STARTS ACTIVITY BY AREA

Winnipeg CMA - June 2006

Area	Single 2006	Single 2005	Multiple Semi	Multiple Row	Multiple Apt	Total 2006	Total 2005	%Chg 2006/2005
EAST ST. PAUL R.M.	0	5	0	0	0	0	5	**
HEADINGLEY R.M.	1	1	0	0	0	1	1	0.0
RITCHOT R.M.	1	1	0	0	0	1	1	0.0
ROSSER R.M.	0	0	0	0	0	0	0	**
ST. CLEMENTS R.M.	4	13	0	0	0	4	13	-69.2
ST. FRANCOIS XAVIER R.M.	1	3	0	0	0	1	3	-66.7
SPRINGFIELD R.M.	12	4	0	0	0	12	4	**
TACHE R.M.	15	8	0	0	0	15	8	87.5
WEST ST. PAUL R.M.	6	0	0	0	0	6	0	**
WINNIPEG CITY	**129**	**135**	**6**	**12**	**117**	**264**	**251**	**5.2**
TOTAL	**169**	**170**	**6**	**12**	**117**	**304**	**286**	**6.3**

Table 1B

STARTS ACTIVITY BY AREA

Winnipeg CMA - Year to Date 2006

Area	Single 2006	Single 2005	Multiple Semi	Multiple Row	Multiple Apt	Total 2006	Total 2005	%Chg 2006/2005
EAST ST. PAUL R.M.	8	26	0	0	0	8	26	-69.2
HEADINGLEY R.M.	7	8	0	0	0	7	8	-12.5
RITCHOT R.M.	17	8	0	0	0	17	8	**
ROSSER R.M.	1	0	0	0	0	1	0	**
ST. CLEMENTS R.M.	17	25	0	0	0	17	25	-32.0
ST. FRANCOIS XAVIER R.M.	2	8	0	0	0	2	8	-75.0
SPRINGFIELD R.M.	35	34	0	0	0	35	34	2.9
TACHE R.M.	35	21	0	0	0	35	21	66.7
WEST ST. PAUL R.M.	27	5	0	0	0	27	5	**
WINNIPEG CITY	**704**	**656**	**62**	**24**	**395**	**1,185**	**945**	**25.4**
TOTAL	**853**	**791**	**62**	**24**	**395**	**1,334**	**1,080**	**23.5**

** 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.

Table 2A
HOUSING COMPLETIONS BY AREA
Winnipeg CMA - June 2006

Area	Single		Multiple			Total		%Chg
	2006	2005	Semi	Row	Apt	2006	2005	2006/2005
EAST ST. PAUL R.M.	6	11	0	0	0	6	11	-45.5
HEADINGLEY R.M.	1	2	0	0	0	1	2	-50.0
RITCHOT R.M.	0	4	0	0	0	0	4	**
ROSSER R.M.	1	1	0	0	0	1	1	0.0
ST. CLEMENTS R.M.	6	8	0	0	30	36	8	**
ST. FRANCOIS XAVIER R.M.	0	0	0	0	0	0	0	**
SPRINGFIELD R.M.	5	6	0	0	0	5	6	-16.7
TACHE R.M.	7	15	0	0	0	7	15	-53.3
WEST ST. PAUL R.M.	5	0	0	0	0	5	0	**
WINNIPEG CITY	**194**	**151**	**30**	**11**	**42**	**277**	**235**	**17.9**
TOTAL	**225**	**198**	**30**	**11**	**72**	**338**	**282**	**19.9**

Table 2B
HOUSING COMPLETIONS BY AREA
Winnipeg CMA - Year to Date 2006

Area	Single		Multiple			Total		%Chg
	2006	2005	Semi	Row	Apt	2006	2005	2006/2005
EAST ST. PAUL R.M.	16	36	0	0	0	16	36	-55.6
HEADINGLEY R.M.	3	10	0	0	0	3	10	-70.0
RITCHOT R.M.	10	20	0	0	0	10	22	-54.5
ROSSER R.M.	2	1	0	0	0	2	1	**
ST. CLEMENTS R.M.	31	26	0	0	30	61	58	5.2
ST. FRANCOIS XAVIER R.M.	4	5	0	0	0	4	5	-20.0
SPRINGFIELD R.M.	27	39	0	0	0	27	39	-30.8
TACHE R.M.	23	19	0	4	0	27	19	42.1
WEST ST. PAUL R.M.	13	7	0	0	0	13	7	85.7
WINNIPEG CITY	**577**	**595**	**40**	**48**	**237**	**902**	**1,059**	**-14.8**
TOTAL	**706**	**767**	**40**	**52**	**267**	**1,065**	**1,265**	**-15.8**

** Indicates a greater than 100 per cent change

Table 3
HOUSING ACTIVITY SUMMARY
Winnipeg CMA - June 2006

Activity	Ownership					Rental		Grand Total
	Freehold		Condominium					
	Single[1]	Semi[1]	Row	Row	Apt	Row	Apt	
Starts								
Current Month	169	6	0	12	117	0	0	304
Previous Year	170	2	0	20	0	0	94	286
Year-To-Date 2006	853	62	0	24	259	0	136	1,334
Year-To-Date 2005	791	4	0	37	48	0	200	1,080
Under Construction								
2006	833	52	0	44	492	0	361	1,782
2005	805	6	0	49	96	0	259	1,215
Completions								
Current Month	225	30	0	11	30	0	42	338
Previous Year	198	0	0	0	0	0	84	282
Year-To-Date 2006	706	40	0	48	37	4	230	1,065
Year-To-Date 2005	767	10	0	17	133	0	338	1,265
Completed & Not Absorbed								
2006	219	10	0	5	5	0	6	245
2005	181	4	0	5	51	0	63	304
Total Supply[2]								
2006	1,052	62	0	49	497	0	367	2,027
2005	986	10	0	54	147	0	322	1,519
Absorptions								
Current Month	194	28	0	9	29	0	81	341
Previous Year	207	0	0	0	13	0	38	258
Year-To-Date 2006	668	35	0	46	47	4	255	1,055
Year-To-Date 2005	755	20	0	12	122	0	275	1,184
3-month Average	139	11	0	15	14	0	61	240
12-month Average	146	4	0	8	7	0	31	196

1 May include units intended for condominium.
2 Sum of units under construction, complete and unoccupied.

CMHC – HOME TO CANADIANS

Canada Mortgage and Housing Corporation (CMHC) has been Canada's national housing agency for over 60 years.

Together with other housing stakeholders, we help ensure that Canada maintains one of the best housing systems in the world. We are committed to helping Canadians access a wide choice of quality, affordable homes, while making vibrant, healthy communities and cities a reality across the country.

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

You can also reach us by phone at 1 800 668-2642 or by fax at 1 800 245-9274.

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