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Record Pace of Single-detached Housing Starts Continues

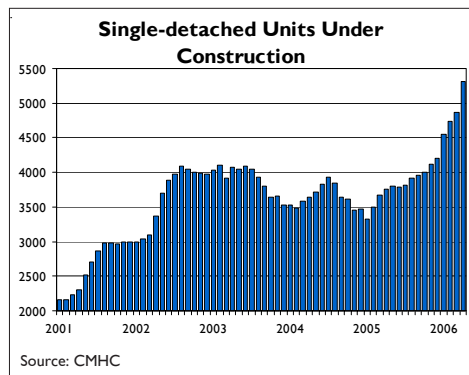
Led by a sustained surge in single-detached construction, total housing starts in the Calgary Census Metropolitan Area (CMA) in April were 11 per cent higher than the previous year. Builders started 1,286 units in April, up from 1,161 one year earlier. So far in 2006, total housing starts in every month have outperformed the previous year. As a result, total home construction after four months is 26 per cent higher than corresponding levels in 2005, reaching 5,130 units.

After recording a historical high for single-detached starts in March, Calgary builders maintained their momentum by posting a record number of starts for the month of April. Work began on 968 single-detached units, representing a 17 per cent gain over April 2005. April's activity pushed the year-to-date total for single-detached starts to 3,455 units, 32 per cent above corresponding levels in 2005 and the best January-to-April performance on record. Given the pace of activity after four months, a new record for single-detached starts appears inevitable. Chestermere Lake and Cochrane have led the gain in single-detached construction to-date, as each are up by more than 100 per cent.

While single-detached starts continue their record-setting pace, absorptions after four months have recorded a mere one per cent gain. In April, only 535 units were absorbed, down 40 per cent from the previous year. Rather than weaker

demand, however, the decline in absorptions merely reflects extended construction periods and subsequent lack of completions. With a record 5,314 units under construction at the end of April, the summer building season should enable builders to complete a multitude of product in the coming months. For all single-detached units absorbed to-date, the average price was \$327,121, up 7.2 per cent from corresponding levels in 2005.

Meanwhile, following an impressive year-over-year gain of 171 per cent in March, multi-family starts, which include semi-detached, row, and apartment units, fell slightly in April. Construction began on a total of 318 units, down less than four per cent from April 2005. Despite the decline, April's activity brings the year-to-date total to 1,675 units, 15 per cent higher than corresponding levels in 2005. As expected, apartment units have been responsible for the gain in multi-family construction to-date. After dropping 28



CALGARY

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Calgary CMA

per cent from 2004 to 2005, apartment starts after four months have jumped 47 per cent. Semi-detached starts have increased 14 per cent after four months, whereas row construction has fallen 43 per cent.

Mirroring the single-detached market, multi-family absorptions have also been flat on a year-over-year basis. To the end of April, 1,266 multi-family units were absorbed, four per cent above corresponding levels in 2005. A lack of completions is also to blame for this phenomenon, as year-to-date the number of units completed is down 22 per cent. With a 23-year high of 6,453 units under construction at the end of April, the market can look forward to a flurry of completions over the duration of the year.

Table IA
STARTS ACTIVITY BY AREA
 Calgary CMA - April 2006

Area	Single		Multiple			Total		%Chg 2006/2005
	2006	2005	Semi	Row	Apt	2006	2005	
AIRDRIE	70	53	0	25	0	95	62	53.2
BEISEKER	0	0	0	0	0	0	0	**
CALGARY CITY	795	713	60	51	172	1,078	1,025	5.2
CHESTERMERE LAKE	60	20	0	10	0	70	30	**
COCHRANE	10	6	0	0	0	10	6	66.7
CROSSFIELD	4	1	0	0	0	4	1	**
IRRICANA	0	0	0	0	0	0	0	**
MD ROCKYVIEW	29	37	0	0	0	29	37	-21.6
TOTAL	968	830	60	86	172	1,286	1,161	10.8

Table IB
STARTS ACTIVITY BY AREA
 Calgary CMA - Year to Date 2006

Area	Single		Multiple			Total		%Chg 2006/2005
	2006	2005	Semi	Row	Apt	2006	2005	
AIRDRIE	230	141	8	80	0	318	194	63.9
BEISEKER	0	0	0	0	0	0	0	**
CALGARY CITY	2,882	2,230	274	144	1,032	4,332	3,593	20.6
CHESTERMERE LAKE	195	97	24	15	0	234	124	88.7
COCHRANE	46	20	8	0	86	140	20	**
CROSSFIELD	8	2	0	0	0	8	2	**
IRRICANA	2	0	2	0	0	4	2	**
MD ROCKYVIEW	92	119	2	0	0	94	137	-31.4
TOTAL	3,455	2,609	318	239	1,118	5,130	4,072	26.0

** 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
 Calgary CMA - April 2006

Area	Single		Multiple			Total		%Chg 2006/2005
	2006	2005	Semi	Row	Apt	2006	2005	
AIRDRIE	22	56	4	0	0	26	168	-84.5
BEISEKER	0	0	0	0	0	0	0	**
CALGARY CITY	481	716	34	136	102	753	1,016	-25.9
CHESTERMERE LAKE	17	20	6	0	0	23	22	4.5
COCHRANE	0	7	0	0	21	21	7	**
CROSSFIELD	1	2	0	0	0	1	2	-50.0
IRRICANA	0	2	0	0	0	0	4	**
MD ROCKYVIEW	3	31	2	0	0	5	35	-85.7
TOTAL	524	834	46	136	123	829	1,254	-33.9

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

Area	Single		Multiple			Total		%Chg 2006/2005
	2006	2005	Semi	Row	Apt	2006	2005	
AIRDRIE	158	152	16	38	1	213	286	-25.5
BEISEKER	0	1	0	0	0	0	1	**
CALGARY CITY	2,010	1,886	206	287	430	2,933	3,048	-3.8
CHESTERMERE LAKE	105	105	20	3	0	128	115	11.3
COCHRANE	13	39	2	0	21	36	46	-21.7
CROSSFIELD	4	6	2	0	0	6	10	-40.0
IRRICANA	2	3	6	0	0	8	9	-11.1
MD ROCKYVIEW	47	123	12	0	0	59	141	-58.2
TOTAL	2,339	2,315	264	328	452	3,383	3,656	-7.5

** Indicates a greater than 100 per cent change

Table 3
HOUSING ACTIVITY SUMMARY
 Calgary CMA - April 2006

Activity	Ownership					Rental				Grand Total
	Freehold		Condominium			Private		Assisted		
	Single ¹	Semi ¹	Row	Row	Apt	Row	Apt	Row	Apt	
Starts										
Current Month	968	60	0	86	172	0	0	0	0	1,286
Previous Year	830	120	0	140	71	0	0	0	0	1,161
Year-To-Date 2006	3,455	318	0	239	1,118	0	0	0	0	5,130
Year-To-Date 2005	2,609	280	0	421	762	0	0	0	0	4,072
Under Construction										
2006	5,314	760	19	822	4,850	0	2	0	0	11,767
2005	3,756	564	17	789	4,110	0	228	0	132	9,596
Completions										
Current Month	524	46	3	133	102	0	21	0	0	829
Previous Year	834	134	0	28	154	0	104	0	0	1,254
Year-To-Date 2006	2,339	264	3	325	428	0	24	0	0	3,383
Year-To-Date 2005	2,315	362	3	251	621	0	104	0	0	3,656
Completed & Not Absorbed										
2006	526	98	0	10	4	0	0	0	0	638
2005	667	261	0	79	228	0	157	0	0	1,392
Total Supply²										
2006	5,840	858	19	832	4,854	0	2	0	0	12,405
2005	4,423	825	17	868	4,338	0	385	0	132	10,988
Absorptions										
Current Month	535	67	3	136	102	0	21	0	0	864
Previous Year	895	106	0	43	163	0	49	0	0	1,256
Year-To-Date 2006	2,377	297	3	349	490	0	127	0	0	3,643
Year-To-Date 2005	2,354	294	3	284	571	0	69	0	0	3,575
3-month Average	614	75	1	105	138	0	35	0	0	968
12-month Average	679	82	1	78	220	2	46	0	0	1,108

1 May include units intended for condominium.

2 Sum of units under construction, complete and unoccupied.

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