

HOUSING NOW

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

Warm Weather Aids Calgary's Builders in November

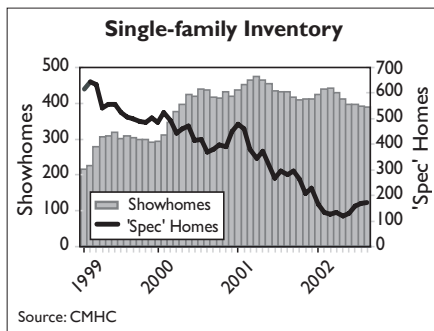
November 2002's housing starts registered the best performance for any November since 1980. Total housing starts in the Calgary Census Metropolitan Area (CMA) reached 1,296 units, 27 per cent above levels reported one year ago. With a backlog of orders facing Calgary's home builders, the warm weather in November gave them a much-needed opportunity to catch up to market demand. November's starts pushed year-to-date construction to 13,420 units, 30 per cent above activity reported in the first eleven months of 2001.

Following record starts activity in September and October, Calgary's single-family builders put in another strong performance in November. Work began on 797 single-family homes, representing an increase of 39 per cent over levels reported in November 2001. November's activity pushed the year-to-date total to 8,709 units, an increase of 26 per cent over the corresponding period in 2001. Unless extraordinary circumstances occur in December, a new record for single-family construction in 2002 appears to be in the bag. The current record for single-family construction sits at 9,219 units in 1998. To the end of November, single-family starts in Cochrane are up an impressive 80 per cent, the largest gain among municipalities comprising the Calgary CMA. This was followed by respective 45 and 43 per cent gains in Chestermere Lake and Airdrie. Only Irricana has failed to outperform the previous year's construction, with starts down 63 per cent to the end of November.

At 813 units, single-family absorptions in November were 51 per cent higher than the previous year. November's strong absorptions have pushed the year-to-date total to 7,791 units, 25 per cent ahead of the pace set in 2001. While the surge in absorptions is a product of robust demand, it is also indicative of builders completing long-awaited units for

possession. From September to November, an average 817 units have been completed per month, allowing patient buyers to take possession of their homes before Christmas. Of units absorbed, the average price in the Calgary CMA was one of the highest on record. At an average of \$252,642, November's single-detached price was second only to October's record high of \$253,350. Despite lofty prices in recent months, the year-to-date average price increase remains modest by historical standards. At \$241,460, the average price to the end of November is only 0.8 per cent higher than the previous year.

Meanwhile, multi-family construction, which includes semi-detached, row, and apartment units, continues to outshine last year's activity. Multi-unit starts totalled 499 units in November, representing an 11 per cent increase over November 2001. After eleven months, work has begun on 4,711 units, 37 per cent ahead of the pace set last year. With persistently low mortgage rates, condominium construction continues to dominate the marketplace. Only four rental units were started in November, boosting year-to-date starts for rental tenure to 297 units. By type, apartments continue to power Calgary's multi-family market, as the 2,948 apartment starts to the end of November are 52 per cent higher than the corresponding



NOVEMBER 2002

IN THIS ISSUE :

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

period in 2001. Row units, meanwhile, have posted a 30 per cent gain thus far, while semi-detached units are up a comparatively weak four per cent.

At 156 units in November, multi-family absorptions recorded the poorest monthly performance since August 1999. After 11 months of the year, absorptions are three per cent behind 2001's pace, somewhat surprising considering multi-family starts to the end of November are up 37 per cent. However, the comparatively weaker pace of absorptions should not panic the industry at this time. With many of November's 5,104 units under construction near completion, expect a corresponding surge in absorptions in the coming months. The number of complete and unabsorbed units should also moderate concerns, as it has fallen for the third consecutive month. At the end of November, multi-family inventories totalled 296 units, the lowest level in over three years and 42 per cent lower than November 2001.



Table I
CALGARY CMA
STARTS ACTIVITY BY AREA NOVEMBER 2002

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
AIRDRIE	39	38	6	16	0	61	102	-40.20
BEISEKER	1	0	0	0	0	1	0	**
CALGARY CITY	660	468	50	105	296	1111	848	31.01
CHESTERMERE LAKE	35	22	4	12	0	51	24	**
COCHRANE	28	14	2	2	0	32	18	77.78
CROSSFIELD	1	3	2	0	0	3	3	0.00
IRRICANA	0	0	0	0	0	0	0	**
MD ROCKYVIEW	33	27	4	0	0	37	27	37.04
TOTAL	797	572	68	135	296	1296	1022	26.81

Table IB
CALGARY CMA
STARTS ACTIVITY BY AREA YEAR TO DATE

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
AIRDRIE	473	331	62	114	114	763	608	25.49
BEISEKER	5	1	2	0	0	7	3	**
CALGARY CITY	7367	5890	496	895	2834	11592	8924	29.90
CHESTERMERE LAKE	340	235	12	62	0	414	255	62.35
COCHRANE	170	94	28	24	0	222	138	60.87
CROSSFIELD	13	13	2	0	0	15	21	-28.57
IRRICANA	3	8	4	0	0	7	8	-12.50
MD ROCKYVIEW	338	336	42	20	0	400	380	5.26
TOTAL	8709	6908	648	1115	2948	13420	10337	29.82

** 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 Corriveau in Market Analysis at (403) 515-3005 or by fax at (403) 515-3036.

Table 2
CALGARY CMA
HOUSING COMPLETIONS BY AREA NOVEMBER 2002

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
AIRDRIE	36	41	4	0	0	40	52	-23.08
BEISEKER	1	0	2	0	0	3	0	**
CALGARY CITY	670	443	30	63	4	767	648	18.36
CHESTERMERE LAKE	44	20	0	6	0	50	20	**
COCHRANE	13	11	0	4	0	17	17	0.00
CROSSFIELD	4	0	0	0	0	4	0	**
IRRICANA	0	1	2	0	0	2	1	**
MD ROCKYVIEW	48	29	2	8	0	58	37	56.76
TOTAL	816	545	40	81	4	941	775	21.42

Table 2B
CALGARY CMA
HOUSING COMPLETIONS BY AREA YEAR TO DATE

AREA	Single		Multiple			Total		% Chg 2002/2001
	2002	2001	Semi	Row	Apt	2002	2001	
AIRDRIE	418	276	42	67	231	758	418	81.34
BEISEKER	2	2	4	0	0	6	2	**
CALGARY CITY	6556	5230	492	854	1914	9816	8963	9.52
CHESTERMERE LAKE	289	168	4	26	0	319	196	62.76
COCHRANE	112	110	16	14	0	142	153	-7.19
CROSSFIELD	12	14	0	0	0	12	22	-45.45
IRRICANA	3	13	2	0	0	5	13	-61.54
MD ROCKYVIEW	318	325	20	12	0	350	399	-12.28
TOTAL	7710	6138	580	973	2145	11408	10166	12.22

** 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
CALGARY CMA
HOUSING ACTIVITY SUMMARY

Activity	Ownership					Rental				Total
	Freehold			Condominium		Private		Assisted		
	Single	Semi	Row	Row	Apt	Row	Apt	Row	Apt	
STARTS										
November 2001	797	68	0	135	292	0	4	0	0	1296
Year-To-Date 2002	8709	648	22	1093	2651	0	297	0	0	13420
Year-To-Date 2001	6908	624	4	857	1719	0	225	0	0	10337
UNDER CONSTRUCTION										
2002	3986	504	22	854	3043	0	681	0	0	9090
2001	2992	478	3	771	2585	0	237	0	0	7066
COMPLETIONS										
November 2001	816	40	0	81	0	0	4	0	0	941
Year-To-Date 2002	7710	580	9	964	2000	0	145	0	0	11408
Year-To-Date 2001	6138	628	0	830	2553	5	12	0	0	10166
COMPLETED & NOT ABSORBED										
2002	563	91	1	41	148	0	15	0	0	859
2001	715	134	0	57	319	0	0	0	0	1225
TOTAL SUPPLY										
2002	4549	595	23	895	3191	0	696	0	0	9949
2001	3707	612	3	828	2904	0	237	0	0	8291
ABSORPTIONS										
November 2001	813	48	1	75	21	0	11	0	0	969
3-month Average	805	70	3	94	88	0	10	0	0	1070
12-month Average	707	58	1	87	190	0	11	0	0	1054

RESIDENTIAL CONSTRUCTION DIGEST

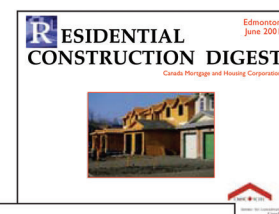
CMHC's monthly **Residential Construction Digest** delivers all the housing statistics you asked for, right down to the local market level! We have designed this product with your input, to meet your needs. You told us you wanted a detailed breakdown each month of housing statistics for single and multi-family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