HOUSING NOW

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation
www.cmhc.ca

EDMONTON

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ANALYSIS

STATISTICAL TABLES

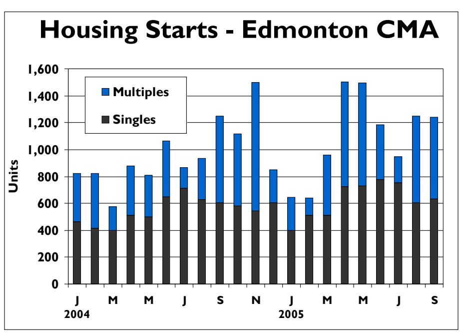
Housing Starts Remain Strong in September

New housing activity remained brisk across the Edmonton region during the month of September, with housing starts largely mirroring the performance reported in September 2004. Total housing starts throughout the Edmonton Census Metropolitan Area (CMA) reached 1,241 units compared with 1,250 total starts recorded in September 2004. A moderate gain in single-detached starts was countered by a modest drop in multi-family construction. After nine months of activity, total starts have increased by 23 per cent this year to 9,869 units.

Single-family home builders began work on 633 units in September, representing a gain of almost five per cent from the same month last year. Activity within Edmonton City outpaced the rest of the Capital region by a substantial margin in September. Inside the city, single-family starts rose by 10 per cent to 411 units compared with 374 in September 2004. In contrast, areas outside the City of Edmonton collectively experienced a 3.5 per cent drop. Gains in communities such as Beaumont, Fort Saskatchewan and Leduc City were erased by declines in Devon, Parkland County, Spruce Grove and Strathcona County.

The industry has started 5,640 units so far this year, up 15 per cent from the volumes recorded during the first three quarters of 2004. Barring the unforeseen, this should be the best year ever for new single-detached home construction throughout the region. As was the case in September, Edmonton City has garnered a larger share of the market this year, with single-detached starts up by 25 per cent over the same nine month period in 2004. Outside Edmonton, activity has improved by less than one per cent. Two-thirds of the singles started throughout Metro this year have been located within Edmonton compared with 61 per cent during January to September of last year.

Single-family dwelling completions increased by 29 per cent year-over-year in September to 631 units. A similar number of units were reported absorbed in September, representing a gain of 22 per cent over the same month last year. With absorptions on par with completions, the inventory of completed and unoccupied (including show homes) remained unchanged from the previous month at 568 units. Compared with this time last year, total inventories were up only three per cent. Units under construction, however, were up by 15.6 per cent in September indicative of the increase in starts recorded so far this year. Meanwhile, the 12-month moving average for single-detached absorptions (bottom of Table 3) stood at 570 units in September, up by six per cent from the 537 unit average reported one year ago.

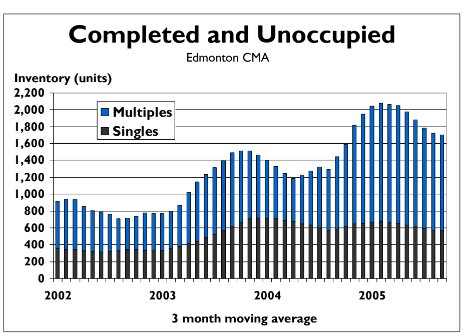


The average price of a new home absorbed during September rose by 13 per cent to a record high of $278,610. So far this year, new home prices have risen by 12 per cent due to surging input costs for building products, labour and serviced land. Rising energy prices and increased demand for building materials in the wake of hurricane damage in the Gulf States will contribute to continued upward price pressure going forward.

Following a strong surge in August, multiple unit starts backed-off slightly from the numbers posted across Metro in September of last year. Total starts for semi-detached, row and apartment units combined slipped by six per cent from last September's tally to 608 units. All of this September's new multiples were condominium tenure, the majority of which were apartments located within the city of Edmonton. Semi-detached and row unit starts failed to keep pace with production reported in September of 2004, declining by 21 and 43 per cent, respectively. However, apartment starts rose by five per cent year-over-year. A strong gain was realized in the condominium sector while there were no rental starts compared with 94 in September 2004.

New multi-family activity on a year-to-date basis has outpaced production during the first nine months of 2004 by a substantial 35 per cent. As shown in Table 3, the big gains have come from row and apartment condominiums while private rental unit activity has retreated. This has, however, been shored-up by assisted row and apartment starts which were not seen last year.

Multiple unit completions dropped by 34 per cent in September to 410 units compared with 620 multis completed last September. Absorptions subsequently fell as well, slipping from 608 units last year to 434 units this September. Despite absorptions managing to outpace completions, inventories remained high compared with the same time last year. A total of 1,124 completed and unoccupied multi-family units were on hand in September, representing a 49 per cent increase over this time last year. The lion's share (86%) of the inventory was in the apartment category, and these were evenly split between condominiums and rental units.

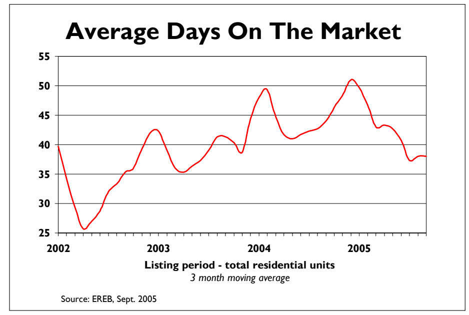


Edmonton's Resale Market on Record Pace

Sales of existing homes in Edmonton have remained on a record-setting pace so far this year. According to the Edmonton Real Estate Board (EREB), MLS® sales to the end of September reached 14,948 units, representing a five per cent increase over last year's benchmark of 14,249 sales in the same nine month period. Inventories have fallen this year due to a combination of robust demand and a moderate pullback in new listings entering the market place. As of September, total new listings for the year have decreased by two per cent. Inventories for all residential units were off by 13 per cent in September and the average listing period (days on market) was down by seven per cent year-over-year to 40 days. Average sale prices have increased by 7.4 per cent this year to just under $193,000 amid market conditions that have largely favored sellers.

Single-detached sales increased by 4.3 per cent in September and 2.8 per cent for the year-to-date. New MLS® listings have fallen by almost one per cent so far this year. In September, the sales-to-active listings ratio stood at 42 per cent, firmly in the sellers' range. Average sale prices have responded accordingly, rising by seven per cent in September to $216,490. For the year-to-date, single-detached average sale prices have risen by nine per cent to $219,023. The proportion of existing single-family homes sold on the MLS® for over $250,000 has increased from 18 per cent in the first nine months of 2004 to 24 per cent so far this year.

Condominium sales have out-paced the overall resale market this year, rising by almost eight per cent in the first nine months of 2005. For a growing number of buyers, the price of a single-family home, either new or existing, has become too expensive. Prices for resale condos have grown more moderately so far this year. In contrast to the single-detached category, the proportion of condo units sold for over $200,000 has not grown substantially from the first nine months of 2005. As such, the average resale price reported this year by EREB has risen by only 3.5 per cent to $139,937. However, market balance has shifted in recent months due to fewer new listings. Inventory levels were down by 14 per cent year-over-year in September and this could put some upward pressure on prices in the months ahead. On the flip side, a large inventory of new units on the market is providing a larger level of competition for the resale market than is the case for single-family units. As such, vendors may be tempering their expectations out of fear that the sale may be lost to a new unit in the same price point.



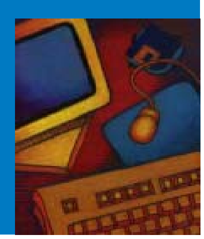


Table 1A
STARTS ACTIVITY BY AREA
Edmonton CMA - September 2005

Area	Single		Multiple			Total		%Chg
	2005	2004	Semi	Row	Apt	2005	2004	2005/2004
BEAUMONT TOWN	14	10	0	0	0	14	10	40.00
CALMAR TOWN	0	1	0	0	0	0	1	**
DEVON TOWN	2	8	0	0	0	2	8	-75.00
EDMONTON CITY	**411**	**374**	**42**	**29**	**487**	**969**	**850**	**14.00**
FORT SASKATCHEWAN CITY	14	5	6	18	0	38	74	-48.65
GIBBONS TOWN	3	0	0	0	0	3	0	**
LEDUC CITY	16	1	0	14	0	30	37	-18.92
LEDUC COUNTY	8	9	0	0	0	8	9	-11.11
MORINVILLE TOWN	9	6	0	0	0	9	35	-74.29
PARKLAND COUNTY	6	18	0	0	0	6	18	-66.67
SPRUCE GROVE CITY	29	35	0	0	0	29	41	-29.27
ST. ALBERT CITY	35	36	8	0	0	43	46	-6.52
STONY PLAIN TOWN	14	13	2	0	0	16	17	-5.88
STRATHCONA COUNTY	53	71	2	0	0	55	87	-36.78
STURGEON COUNTY	13	15	0	0	0	13	15	-13.33
OTHER CENTRES	6	2	0	0	0	6	2	**
TOTAL	**633**	**604**	**60**	**61**	**487**	**1241**	**1250**	**-0.72**

Table 1B
STARTS ACTIVITY BY AREA
Edmonton CMA - Year to Date 2005

Area	Single		Multiple			Total		%Chg
	2005	2004	Semi	Row	Apt	2005	2004	2005/2004
BEAUMONT TOWN	195	142	0	0	41	236	142	66.20
CALMAR TOWN	6	10	2	0	0	8	10	-20.00
DEVON TOWN	43	58	6	0	0	49	66	-25.76
EDMONTON CITY	**3727**	**2991**	**598**	**472**	**2352**	**7149**	**5634**	**26.89**
FORT SASKATCHEWAN CITY	101	60	20	18	47	186	205	-9.27
GIBBONS TOWN	13	5	0	0	0	13	5	**
LEDUC CITY	109	103	2	21	0	132	182	-27.47
LEDUC COUNTY	67	43	0	0	0	67	43	55.81
MORINVILLE TOWN	50	26	0	0	0	50	71	-29.58
PARKLAND COUNTY	94	155	4	0	0	98	167	-41.32
SPRUCE GROVE CITY	204	170	40	0	94	338	221	52.94
ST. ALBERT CITY	272	241	40	0	70	382	271	40.96
STONY PLAIN TOWN	104	147	22	0	74	200	155	29.03
STRATHCONA COUNTY	536	594	148	0	158	842	710	18.59
STURGEON COUNTY	96	103	0	0	0	96	103	-6.80
OTHER CENTRES	23	39	0	0	0	23	39	-41.03
TOTAL	**5640**	**4887**	**882**	**511**	**2836**	**9869**	**8024**	**22.99**

** 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 Goatcher at (780) 423-8729

Table 2A

HOUSING COMPLETIONS BY AREA

Edmonton CMA - September 2005

Area	Single 2005	Single 2004	Multiple Semi	Multiple Row	Multiple Apt	Total 2005	Total 2004	%Chg 2005/2004
BEAUMONT TOWN	6	2	0	0	0	6	2	**
CALMAR TOWN	3	1	0	0	0	3	1	**
DEVON TOWN	8	9	2	0	0	10	9	11.11
EDMONTON CITY	**438**	**319**	**88**	**54**	**234**	**814**	**792**	**2.78**
FORT SASKATCHEWAN CITY	8	6	2	0	0	10	10	0.00
GIBBONS TOWN	2	1	0	0	0	2	1	**
LEDUC CITY	10	13	0	0	0	10	17	-41.18
LEDUC COUNTY	6	7	0	0	0	6	7	-14.29
MORINVILLE TOWN	3	2	4	0	0	7	2	**
PARKLAND COUNTY	6	5	0	0	0	6	5	20.00
SPRUCE GROVE CITY	15	5	0	0	0	15	64	-76.56
ST. ALBERT CITY	33	27	6	0	0	39	33	18.18
STONY PLAIN TOWN	10	8	2	0	0	12	64	-81.25
STRATHCONA COUNTY	73	71	18	0	0	91	89	2.25
STURGEON COUNTY	8	10	0	0	0	8	10	-20.00
OTHER CENTRES	2	2	0	0	0	2	2	0.00
TOTAL	**631**	**488**	**122**	**54**	**234**	**1041**	**1108**	**-6.05**

Table 2B

HOUSING COMPLETIONS BY AREA

Edmonton CMA - Year to Date 2005

Area	Single 2005	Single 2004	Multiple Semi	Multiple Row	Multiple Apt	Total 2005	Total 2004	%Chg 2005/2004
BEAUMONT TOWN	137	83	0	0	0	137	83	65.06
CALMAR TOWN	14	7	0	0	0	14	7	**
DEVON TOWN	61	42	10	0	0	71	52	36.54
EDMONTON CITY	**3194**	**2780**	**556**	**319**	**1973**	**6042**	**5607**	**7.76**
FORT SASKATCHEWAN CITY	64	53	12	6	105	187	79	**
GIBBONS TOWN	6	6	0	0	0	6	6	0.00
LEDUC CITY	88	93	2	41	110	241	143	68.53
LEDUC COUNTY	53	45	0	0	0	53	45	17.78
MORINVILLE TOWN	29	26	8	0	0	37	50	-26.00
PARKLAND COUNTY	136	114	4	0	0	140	118	18.64
SPRUCE GROVE CITY	163	129	40	0	0	203	310	-34.52
ST. ALBERT CITY	245	221	32	0	124	401	275	45.82
STONY PLAIN TOWN	91	105	12	0	0	103	214	-51.87
STRATHCONA COUNTY	560	617	132	6	0	698	821	-14.98
STURGEON COUNTY	106	98	0	0	0	106	98	8.16
OTHER CENTRES	26	40	0	0	0	26	44	-40.91
TOTAL	**4973**	**4459**	**808**	**372**	**2312**	**8465**	**7952**	**6.45**

** Indicates a greater than 100 per cent change

Table 3

HOUSING ACTIVITY SUMMARY

Edmonton CMA

Activity	Ownership					Rental				Grand
	Freehold			Condominium		Private		Assisted		
	Single[1]	Semi[1]	Row	Row	Apt	Row	Apt	Row	Apt	Total
Starts										
Current Month	633	60	0	61	487	0	0	0	0	1241
Previous Year	604	76	0	45	369	62	94	0	0	1250
Year-To-Date 2005	5640	882	0	449	2245	6	403	56	188	9869
Year-To-Date 2004	4887	814	4	251	1473	62	533	0	0	8024
Under Construction										
2005	3729	786	8	500	3929	8	746	56	60	9822
2004	3225	638	20	279	3945	70	926	0	0	9103
Completions										
Current Month	631	122	0	54	131	0	103	0	0	1041
Previous Year	488	122	0	20	427	0	51	0	0	1108
Year-To-Date 2005	4973	808	4	257	1771	111	371	0	170	8465
Year-To-Date 2004	4459	822	19	355	1405	57	835	0	0	7952
Completed & Not Absorbed										
2005	568	109	0	45	498	0	472	0	0	1692
2004	551	143	0	44	181	0	386	0	0	1305
Total Supply[2]										
2005	4297	895	8	545	4427	8	1218	56	60	11514
2004	3776	781	20	323	4126	70	1312	0	0	10408
Absorptions										
Current Month	631	126	0	57	214	0	29	0	8	1065
Previous Year	516	106	1	18	411	0	72	0	0	1124
Year-To-Date 2005	5059	854	7	257	1952	111	372	0	113	8725
Year-To-Date 2004	4644	789	25	334	1371	57	892	0	0	8112
3-month Average	637	108	0	47	211	1	25	0	12	1041
12-month Average	570	93	1	28	246	9	46	0	9	1002

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