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Single-detached units underpin housing starts in May

Total housing starts in the Edmonton Census Metropolitan Area (CMA) in May 2006 fell 20.3 per cent below May 2005 numbers to 1,193 units. The reduction was a result of fewer apartment starts. In spite of the decline, total housing starts through the first five months of 2006 were 10.6 per cent above the levels reported through the first five months of 2005.

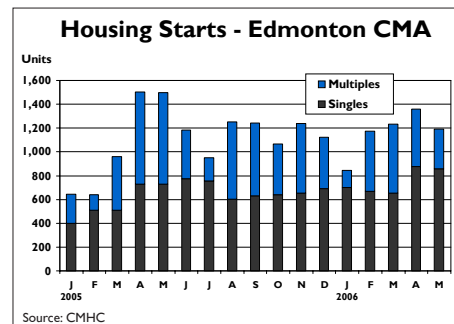
Single-detached home builders remained on their record-setting pace in May. Across the Capital region, builders started work on 858 units, representing an increase of 17.9 per cent over May 2005. Much of this increase came in the suburban communities outside of Edmonton, with strong year-over-year improvements reported in Fort Saskatchewan, Leduc City, Morinville, Parkland County and Spruce Grove. Within the City of Edmonton, single-detached starts were largely unchanged in May at 470 units compared with 469 in May 2005.

After five months, single-detached starts are 30.7 per cent ahead of last year's record-level performance. Continued low inventories for both new and resale units combined with low mortgage rates, a strong job market, and people moving to Edmonton from other parts of the country and abroad should keep this industry sector very active in the months ahead.

Single-detached completions came to 613 units in May, for an increase of 3.7 per cent over May 2005. Absorptions also improved over last May but fell short of completions by 14 units. As such, the inventory of completed and unoccupied singles increased moderately from the previous month but nonetheless remained well below the number of spec and show homes on hand in May of last year.

The average price of a new single-detached home absorbed in May reached a record \$309,387, representing an increase of 13.6 per cent from the average reported in May 2005. This compares with a 26 per cent year-over-year increase for existing single-detached homes, which sold in May for an average of \$282,208 – also a record.

For the second month in succession, multi-family starts across Greater Edmonton were primarily pulled down by weaker volumes of new apartments.



EDMONTON

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Edmonton CMA

Multi-family starts, which consist of semi-detached, row and apartment units, fell by 56.4 per cent from May 2005 to 335 units. The back-to-back slowdown has resulted in a five-month tally which is 13.8 per cent below the production levels reported in the first five months of 2005. Despite the decline year-to-date, CMHC expects the pace of multi-family starts to bounce back in the months ahead.

Multi-unit completions across the region fell substantially on a year-over-year basis in May. Absorptions dropped by a wider margin and this put some upward pressure on inventories which had been trending downward in recent months. While inventories were up by 130 units from April they were still down from May of last year by 26 per cent. As shown in Table 3, the big gap between completions and absorptions in May was found largely in apartments.

Table IA
STARTS ACTIVITY BY AREA
 Edmonton CMA - May2006

Area	Single		Multiple			Total		%Chg 2006/2005
	2006	2005	Semi	Row	Apt	2006	2005	
BEAUMONT TOWN	23	45	0	0	0	23	45	-48.9
CALMAR TOWN	2	0	0	4	0	6	0	**
DEVON TOWN	5	7	0	0	0	5	9	-44.4
EDMONTON CITY	470	469	50	4	235	759	1,206	-37.1
FORT SASKATCHEWAN CITY	29	9	10	0	0	39	11	**
GIBBONS TOWN	4	2	0	0	0	4	2	**
LEDUC CITY	37	18	6	0	0	43	20	**
LEDUC COUNTY	9	6	0	0	0	9	6	50.0
MORINVILLE TOWN	15	2	0	0	0	15	2	**
PARKLAND COUNTY	21	8	2	0	0	23	8	**
SPRUCE GROVE CITY	52	26	4	0	0	56	26	**
ST.ALBERT CITY	38	31	12	0	0	50	31	61.3
STONY PLAIN TOWN	21	12	2	0	0	23	14	64.3
STRATHCONA COUNTY	111	81	2	4	0	117	105	11.4
STURGEON COUNTY	12	10	0	0	0	12	10	20.0
OTHER CENTRES	9	2	0	0	0	9	2	**
TOTAL	858	728	88	12	235	1,193	1,497	-20.3

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

Area	Single		Multiple			Total		%Chg 2006/2005
	2006	2005	Semi	Row	Apt	2006	2005	
BEAUMONT TOWN	191	98	30	8	0	229	98	**
CALMAR TOWN	6	5	0	4	0	10	5	**
DEVON TOWN	13	29	0	0	0	13	35	-62.9
EDMONTON CITY	2,281	1,953	462	179	1,085	4,007	3,935	1.8
FORT SASKATCHEWAN CITY	93	46	26	0	0	119	105	13.3
GIBBONS TOWN	12	5	0	0	0	12	5	**
LEDUC CITY	133	51	44	0	0	177	55	**
LEDUC COUNTY	31	22	0	0	0	31	22	40.9
MORINVILLE TOWN	40	15	2	0	0	42	15	**
PARKLAND COUNTY	86	44	4	0	0	90	46	95.7
SPRUCE GROVE CITY	189	94	22	0	0	211	110	91.8
ST.ALBERT CITY	145	128	34	0	0	179	178	0.6
STONY PLAIN TOWN	73	54	6	0	0	79	62	27.4
STRATHCONA COUNTY	382	289	34	26	78	520	533	-2.4
STURGEON COUNTY	55	35	0	0	0	55	35	57.1
OTHER CENTRES	25	6	0	0	0	25	6	**
TOTAL	3,755	2,874	664	217	1,163	5,799	5,245	10.6

** 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
 Edmonton CMA - May2006

Area	Single		Multiple			Total		%Chg 2006/2005
	2006	2005	Semi	Row	Apt	2006	2005	
BEAUMONT TOWN	19	8	0	0	0	19	8	**
CALMAR TOWN	1	0	0	0	0	1	0	**
DEVON TOWN	4	8	0	0	0	4	8	-50.0
EDMONTON CITY	420	376	50	52	287	809	1,084	-25.4
FORT SASKATCHEWAN CITY	11	9	0	0	0	11	9	22.2
GIBBONS TOWN	1	0	0	0	0	1	0	**
LEDUC CITY	11	13	10	6	0	27	13	**
LEDUC COUNTY	4	1	0	0	0	4	1	**
MORINVILLE TOWN	7	4	0	0	0	7	4	75.0
PARKLAND COUNTY	15	19	2	0	0	17	19	-10.5
SPRUCE GROVE CITY	9	16	6	0	0	15	16	-6.3
ST.ALBERT CITY	25	29	8	0	0	33	29	13.8
STONY PLAIN TOWN	4	12	2	0	74	80	12	**
STRATHCONA COUNTY	70	80	12	0	0	82	106	-22.6
STURGEON COUNTY	5	14	0	0	0	5	14	-64.3
OTHER CENTRES	7	2	0	0	0	7	2	**
TOTAL	613	591	90	58	361	1,122	1,325	-15.3

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

Area	Single		Multiple			Total		%Chg 2006/2005
	2006	2005	Semi	Row	Apt	2006	2005	
BEAUMONT TOWN	100	71	0	0	0	100	71	40.8
CALMAR TOWN	4	7	2	3	0	9	7	28.6
DEVON TOWN	19	38	0	0	0	19	44	-56.8
EDMONTON CITY	1,831	1,600	290	177	982	3,280	3,248	1.0
FORT SASKATCHEWAN CITY	54	31	8	6	0	68	71	-4.2
GIBBONS TOWN	11	4	0	0	0	11	4	**
LEDUC CITY	65	48	14	11	35	125	199	-37.2
LEDUC COUNTY	36	30	0	0	0	36	30	20.0
MORINVILLE TOWN	27	14	4	0	0	31	16	93.8
PARKLAND COUNTY	56	98	6	0	0	62	98	-36.7
SPRUCE GROVE CITY	106	84	22	0	98	226	118	91.5
ST.ALBERT CITY	114	131	18	0	30	162	277	-41.5
STONY PLAIN TOWN	31	48	16	0	74	121	50	**
STRATHCONA COUNTY	227	233	58	0	0	285	287	-0.7
STURGEON COUNTY	61	70	0	0	0	61	70	-12.9
OTHER CENTRES	27	21	2	0	0	29	21	38.1
TOTAL	2,769	2,528	440	197	1,219	4,625	4,611	0.3

** Indicates a greater than 100 per cent change

Table 3
HOUSING ACTIVITY SUMMARY
 Edmonton CMA - May 2006

Activity	Ownership					Rental				Grand Total
	Freehold		Condominium			Private		Assisted		
	Single ¹	Semi ¹	Row	Row	Apt	Row	Apt	Row	Apt	
Starts										
Current Month	858	88	4	4	235	4	0	0	0	1,193
Previous Year	728	118	0	27	406	0	218	0	0	1,497
Year-To-Date 2006	3,755	664	24	189	1,060	4	83	0	20	5,799
Year-To-Date 2005	2,874	498	0	159	1,272	6	248	0	188	5,245
Under Construction										
2006	4,825	954	27	652	4,728	12	375	42	69	11,684
2005	3,408	828	8	334	3,684	44	694	0	168	9,168
Completions										
Current Month	613	90	0	58	218	0	143	0	0	1,122
Previous Year	591	74	0	55	584	21	0	0	0	1,325
Year-To-Date 2006	2,769	440	8	175	851	0	326	14	42	4,625
Year-To-Date 2005	2,528	382	4	133	1,159	75	268	0	62	4,611
Completed & Not Absorbed										
2006	517	133	3	45	351	0	453	0	0	1,502
2005	645	123	0	69	698	0	444	0	0	1,979
Total Supply²										
2006	5,342	1,087	30	697	5,079	12	828	42	69	13,186
2005	4,053	951	8	403	4,382	44	1,138	0	168	11,147
Absorptions										
Current Month	599	80	0	53	201	0	45	0	0	978
Previous Year	584	94	2	33	595	21	50	0	16	1,395
Year-To-Date 2006	2,823	413	5	163	936	0	351	7	42	4,740
Year-To-Date 2005	2,537	414	7	109	1,140	75	297	0	78	4,657
3-month Average	600	83	2	40	255	0	93	2	0	1,075
12-month Average	601	99	0	35	182	3	48	1	13	982

1 May include units intended for condominium.

2 Sum of units under construction, complete and unoccupied.

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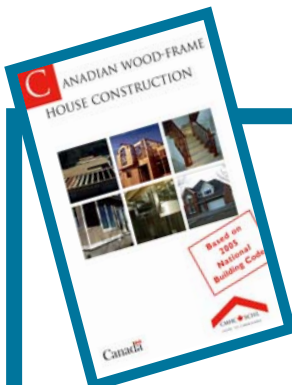
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