



CMHC



SCHL

# EDMONTON

## housing outlook

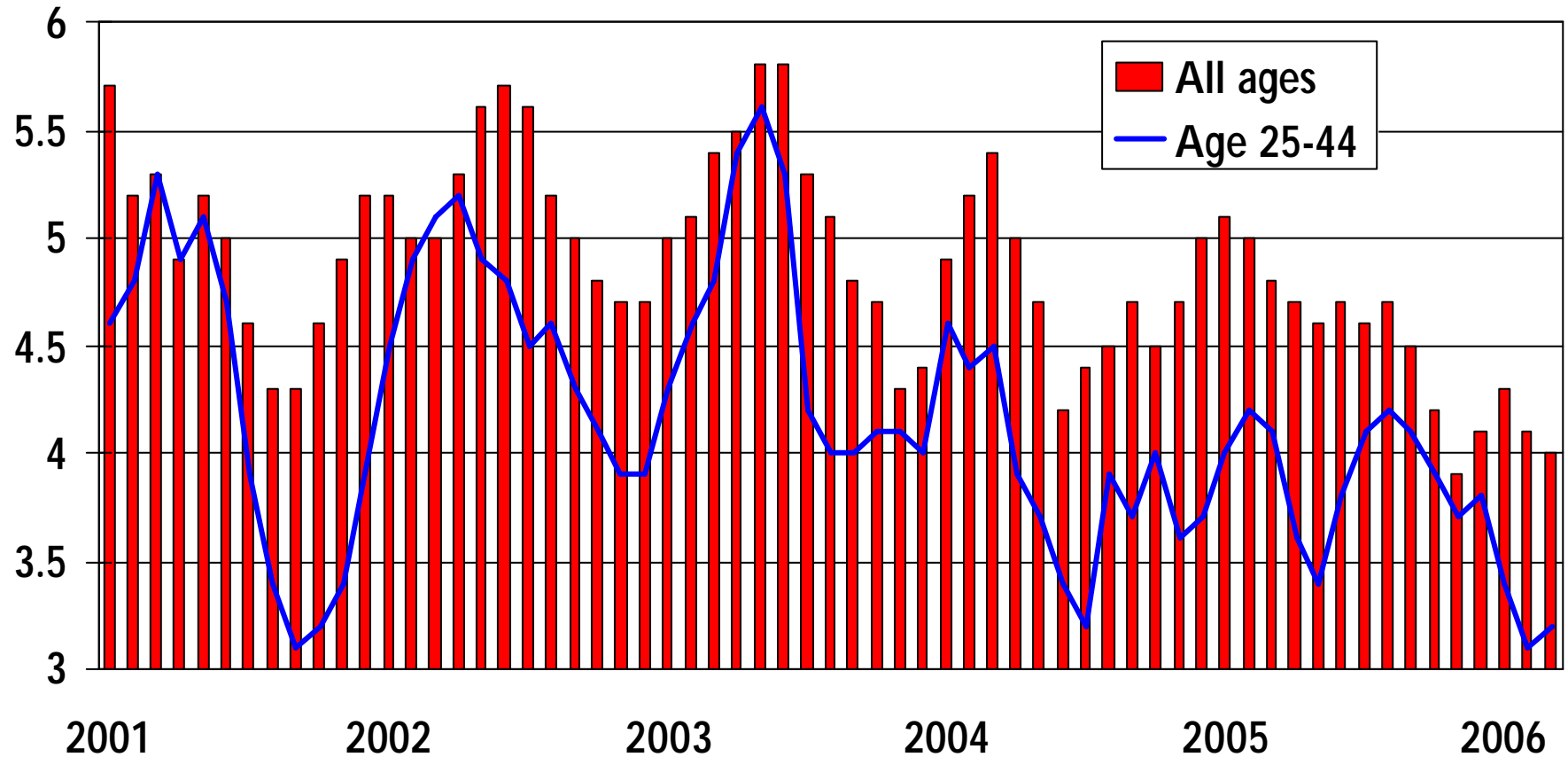
### Spring 2006

Richard Goatcher,  
Senior Market Analyst  
CMHC Edmonton



# Edmonton Unemployment Rate Remains at low levels

Per Cent (Unadjusted)

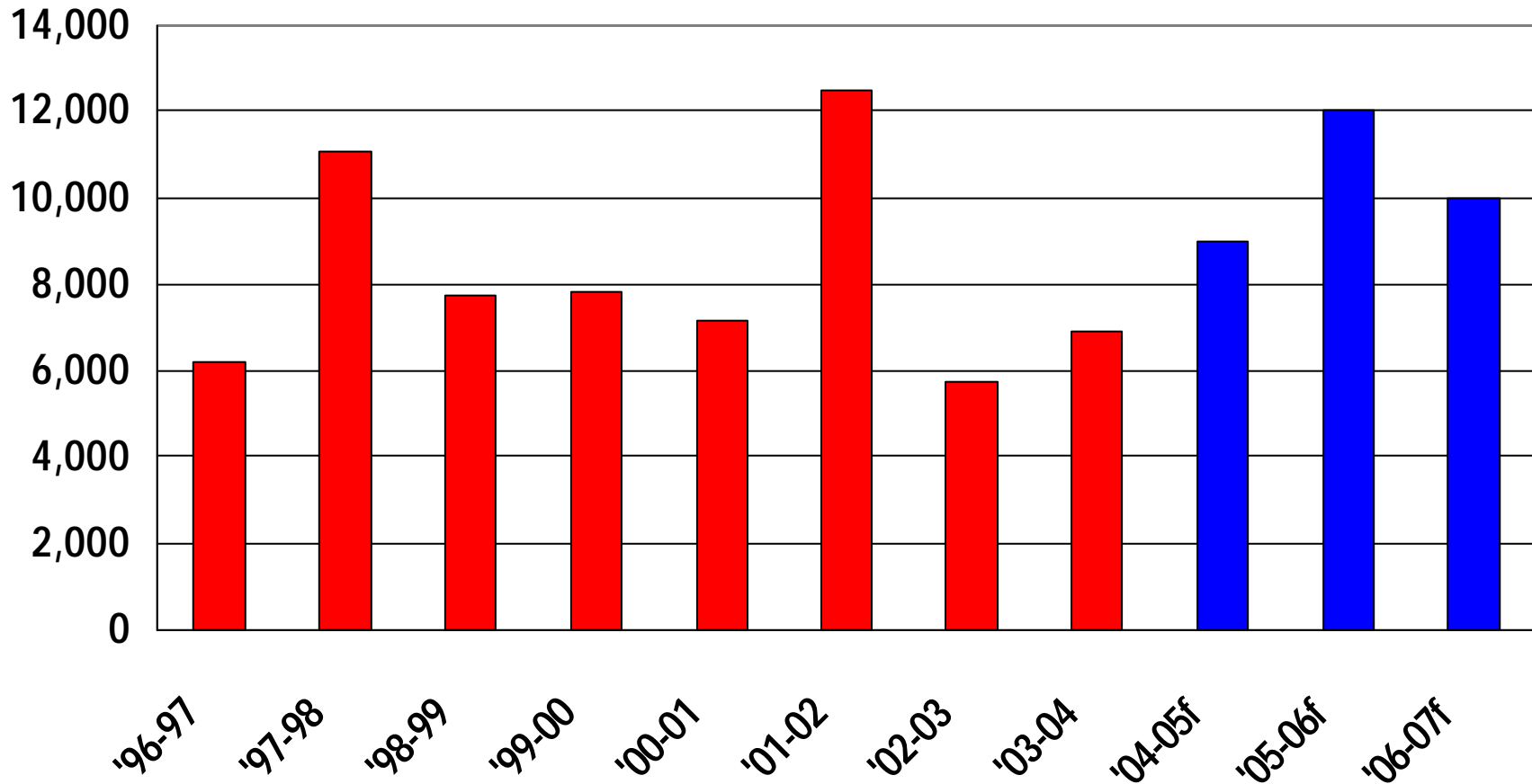


Source: Statistics Canada, LFS, Mar. 2005



# Edmonton CMA - Total Net Migration

Strong economy attracts more newcomers

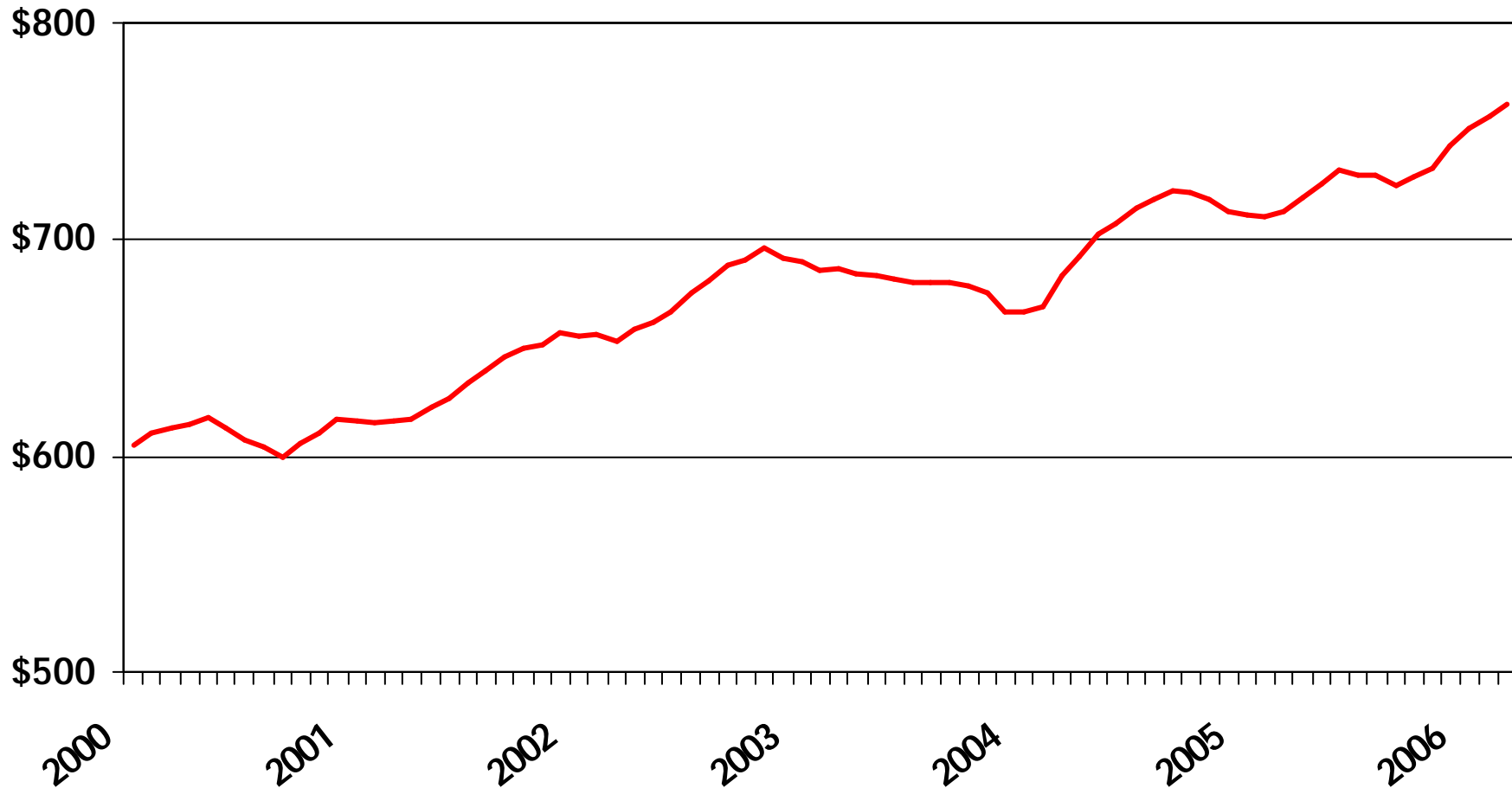


Source: Statistics Canada (tax filers)  
CMHC forecast



# Edmonton CMA - Average Weekly Earnings

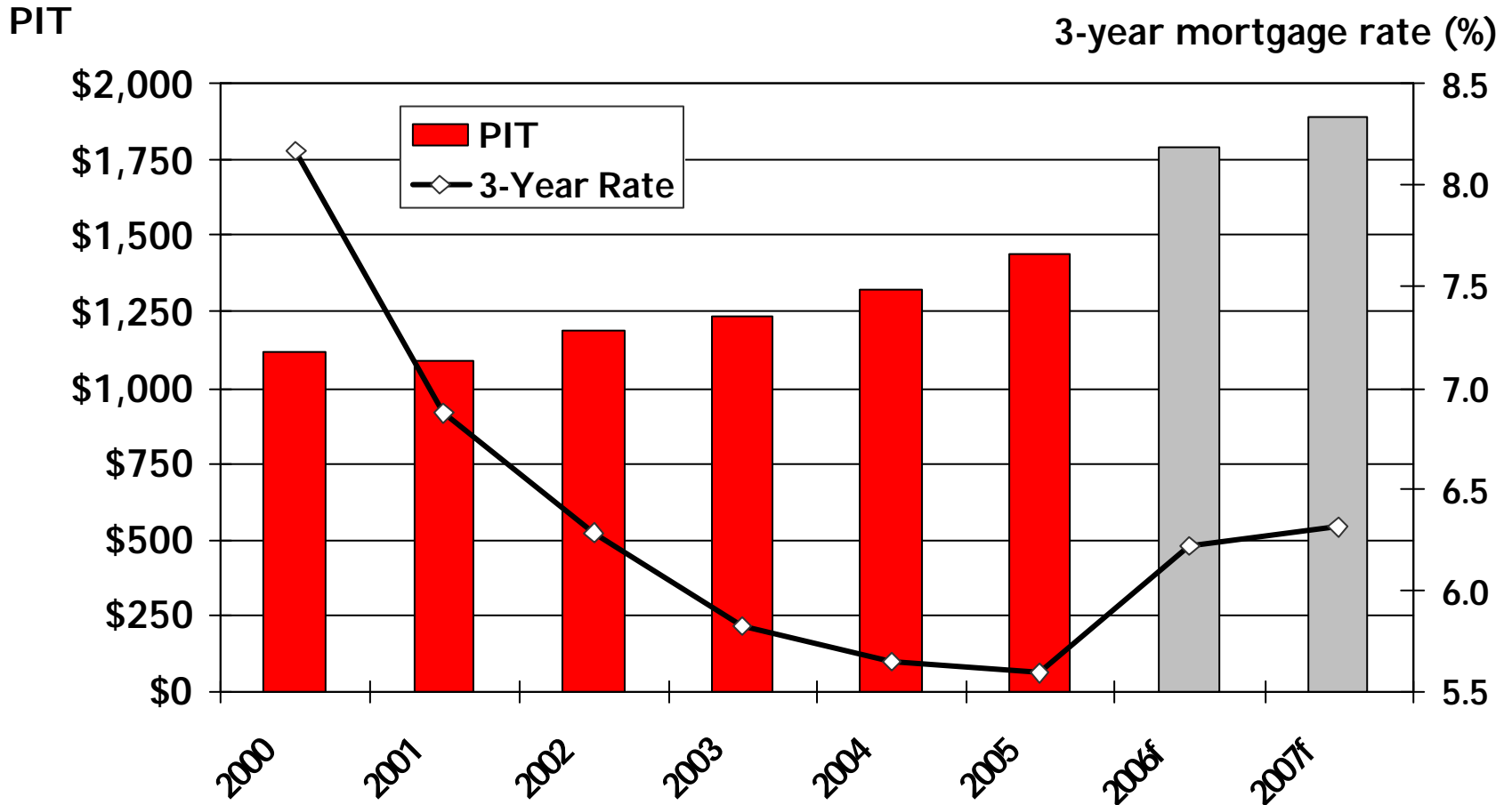
Strong income growth across the region



Source: Statistics Canada, LFS, Mar. 2006

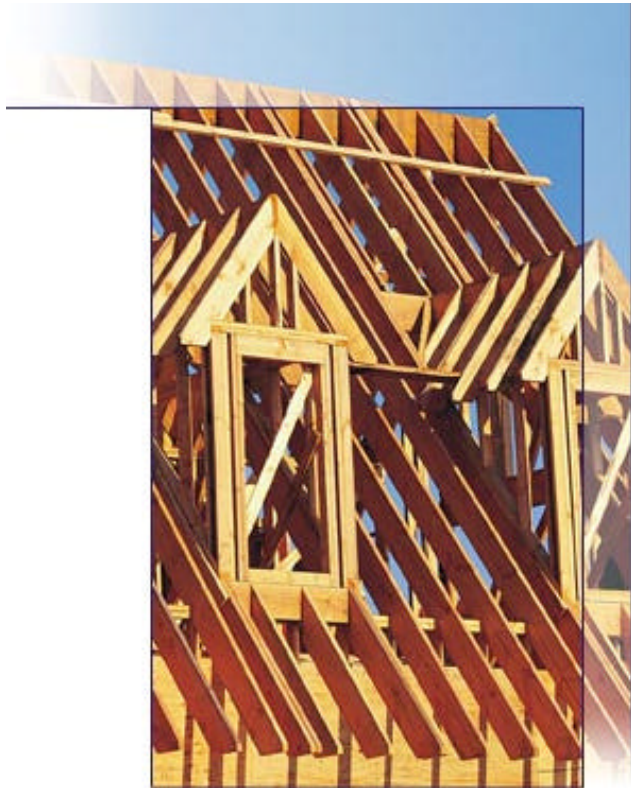
# Edmonton – Monthly Carrying Costs

## Rising mortgage rates magnify the impact of price gains in '06



Source: EREB, CMHC Calculation, CMHC Forecast, Average MLS Price, 10% down, 25 year amortization

# Edmonton's New Home Market

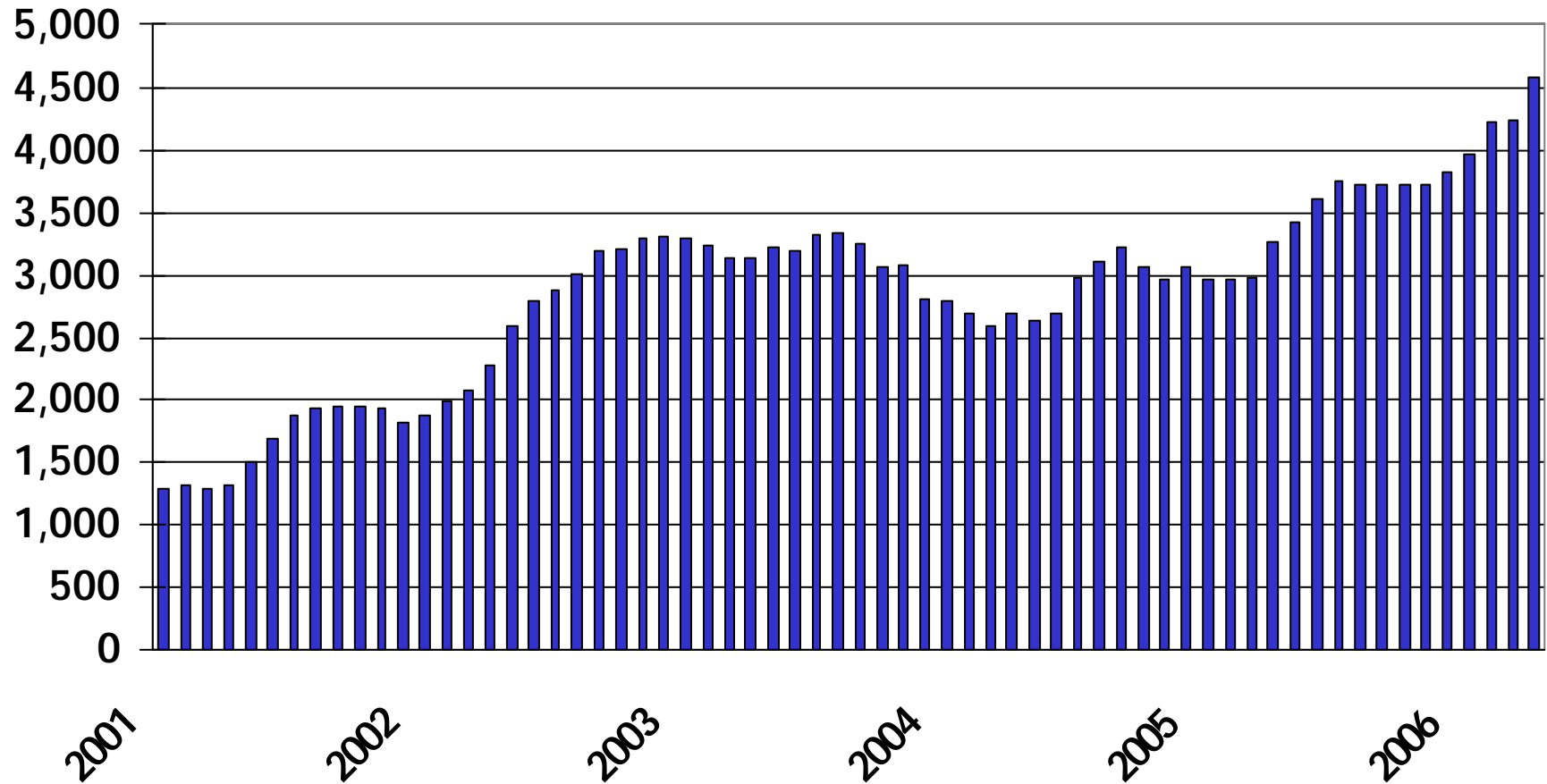


## Single-Detached Homes

# Edmonton CMA - Single-Detached New Homes

Under construction at record levels

Units



Source: CMHC, Apr. 2006

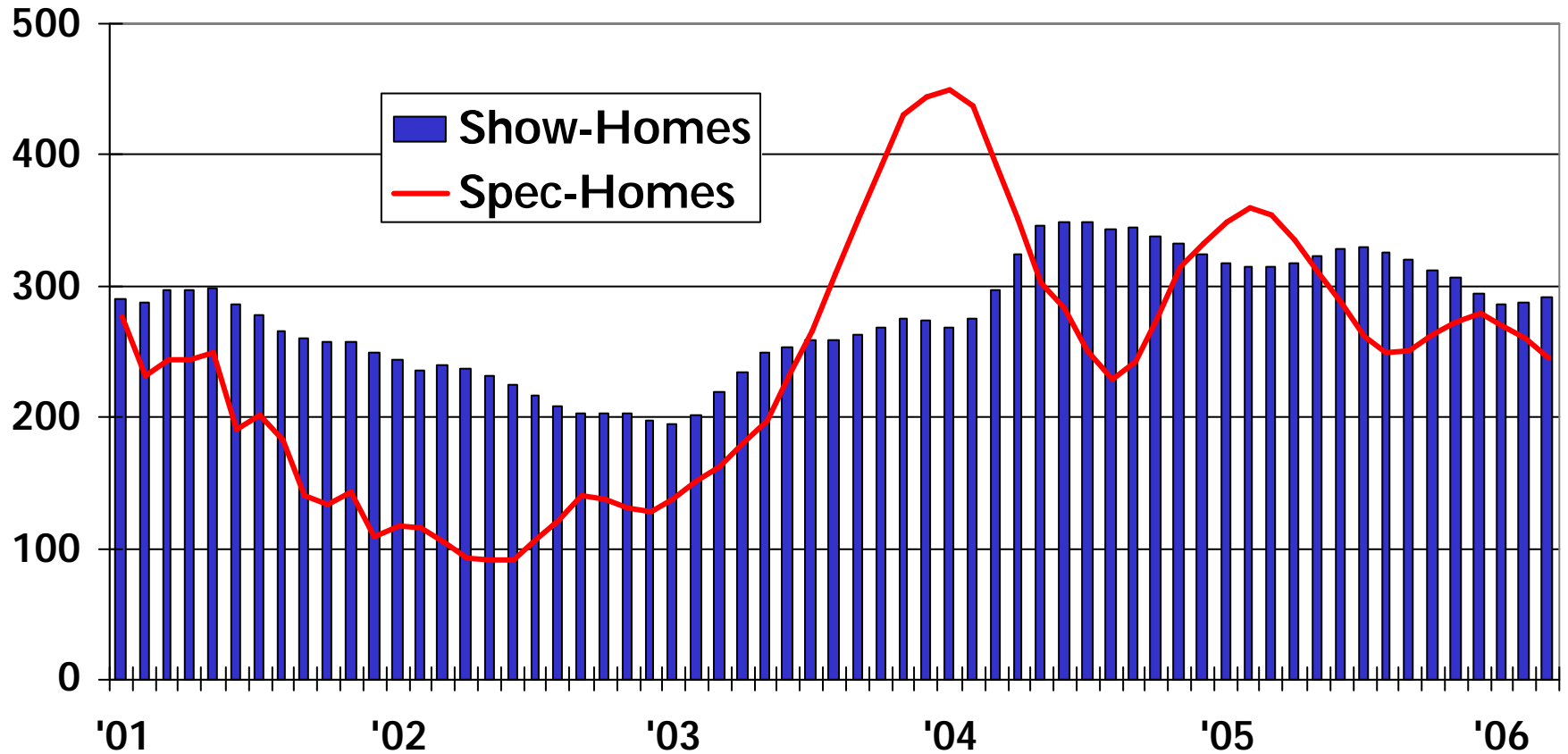




# Inventory of Completed & Unabsorbed

## Metro Edmonton

Units – 3 month moving ave.

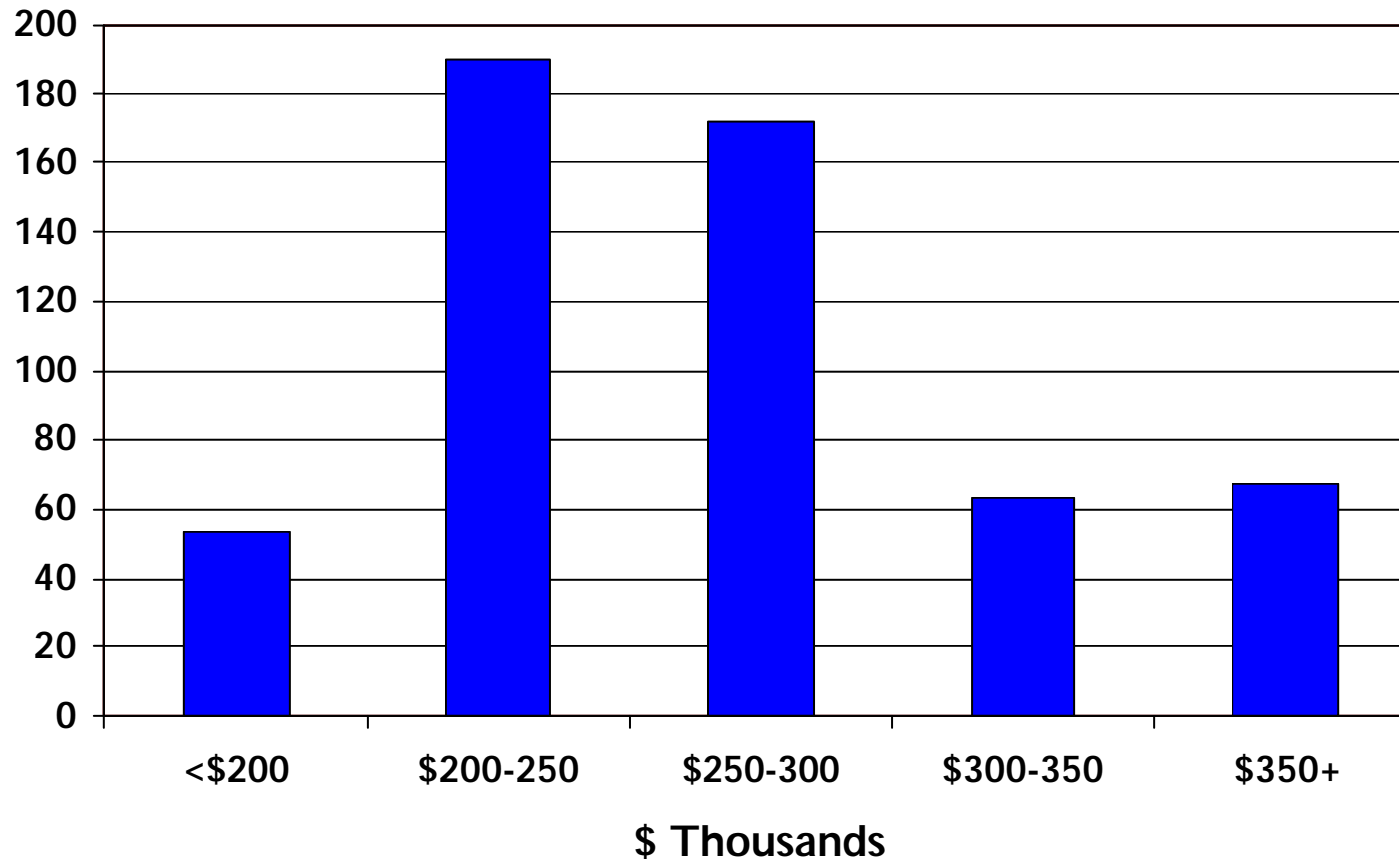


Source: CMHC, Mar. '06

# New Single-Detached Inventory

By price range – Metro Edmonton

Units



Source: CMHC, Mar. 2006

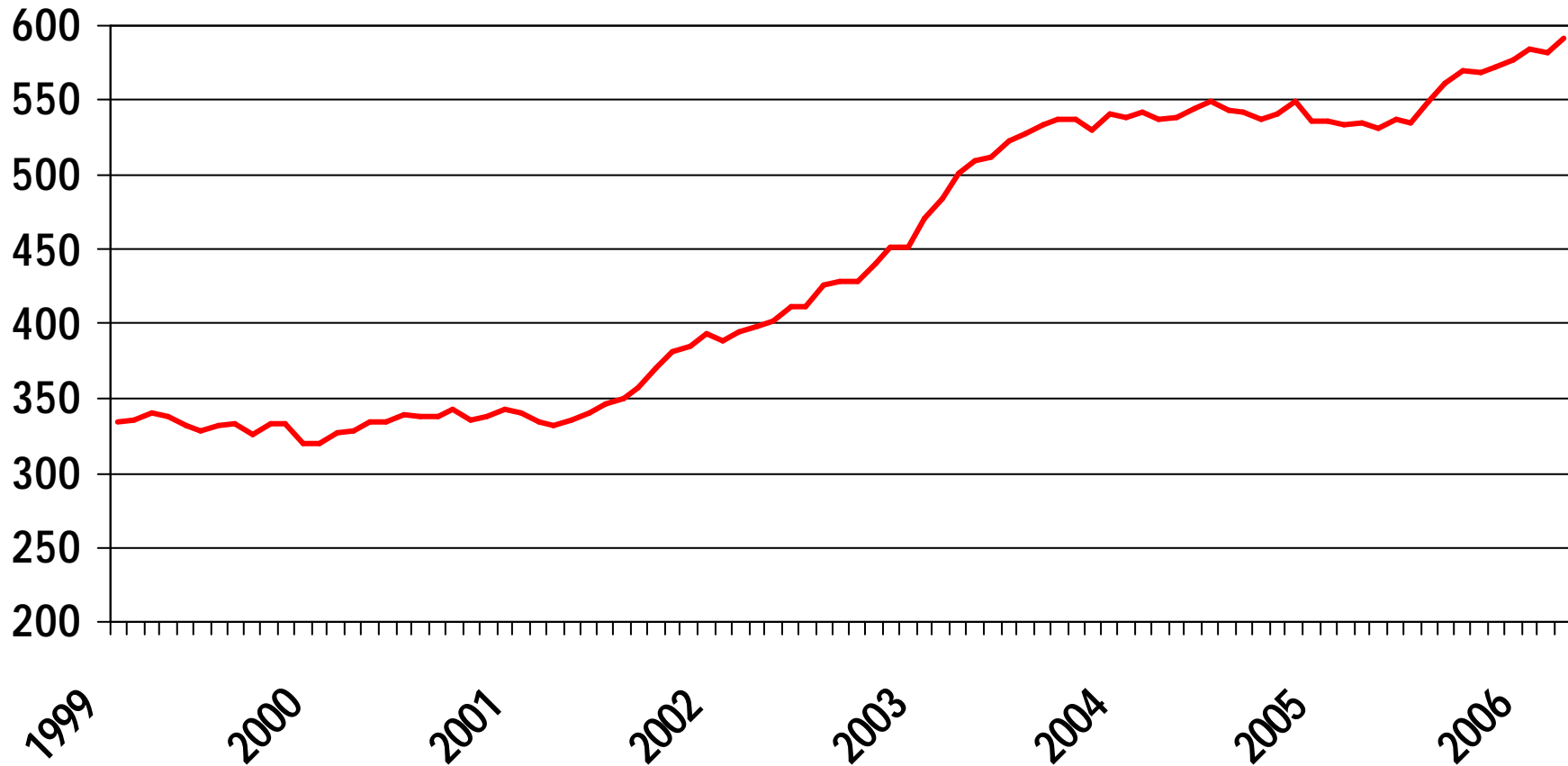
Show homes + specs



# Edmonton - Absorption Rate

*12-month moving average – Metro Edmonton*

Single-detached units

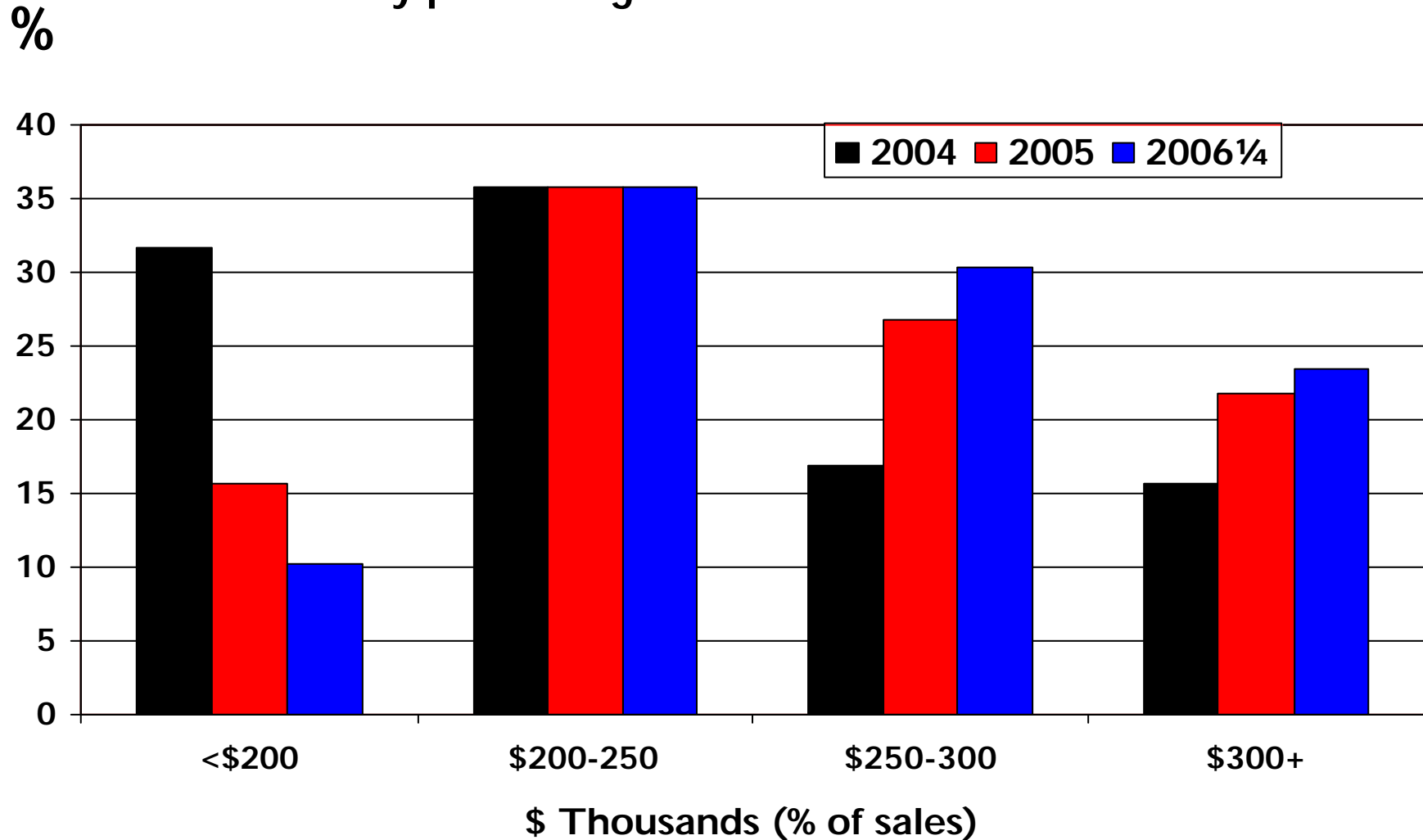


Source: CMHC, Mar. 2006



# New Single-Detached Absorptions

By price range – Metro Edmonton

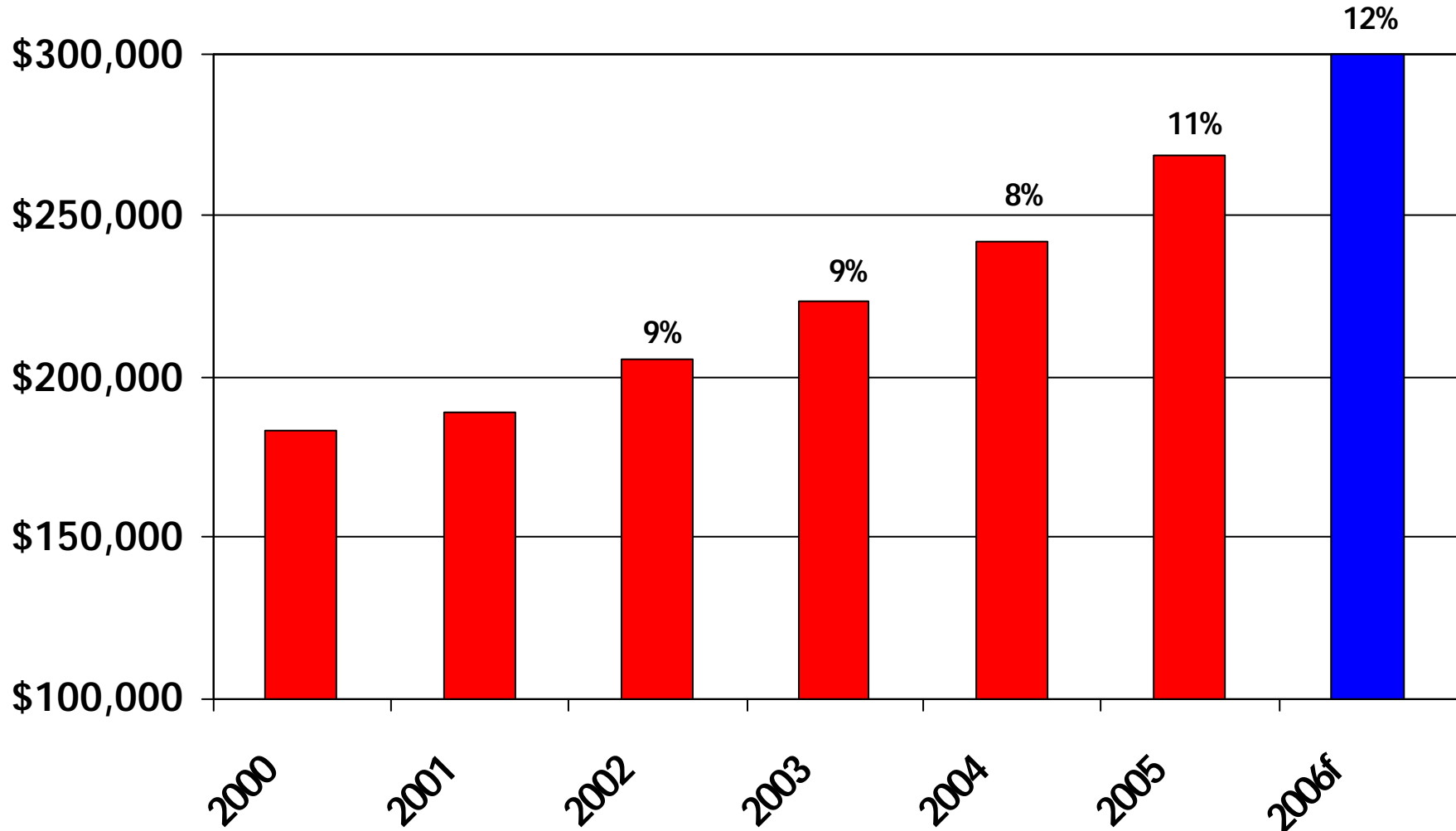


Source: CMHC, Mar. 2006

# New Single-Detached Average Prices

*Strong price growth continues in '06*

Annual average single-detached absorbed price

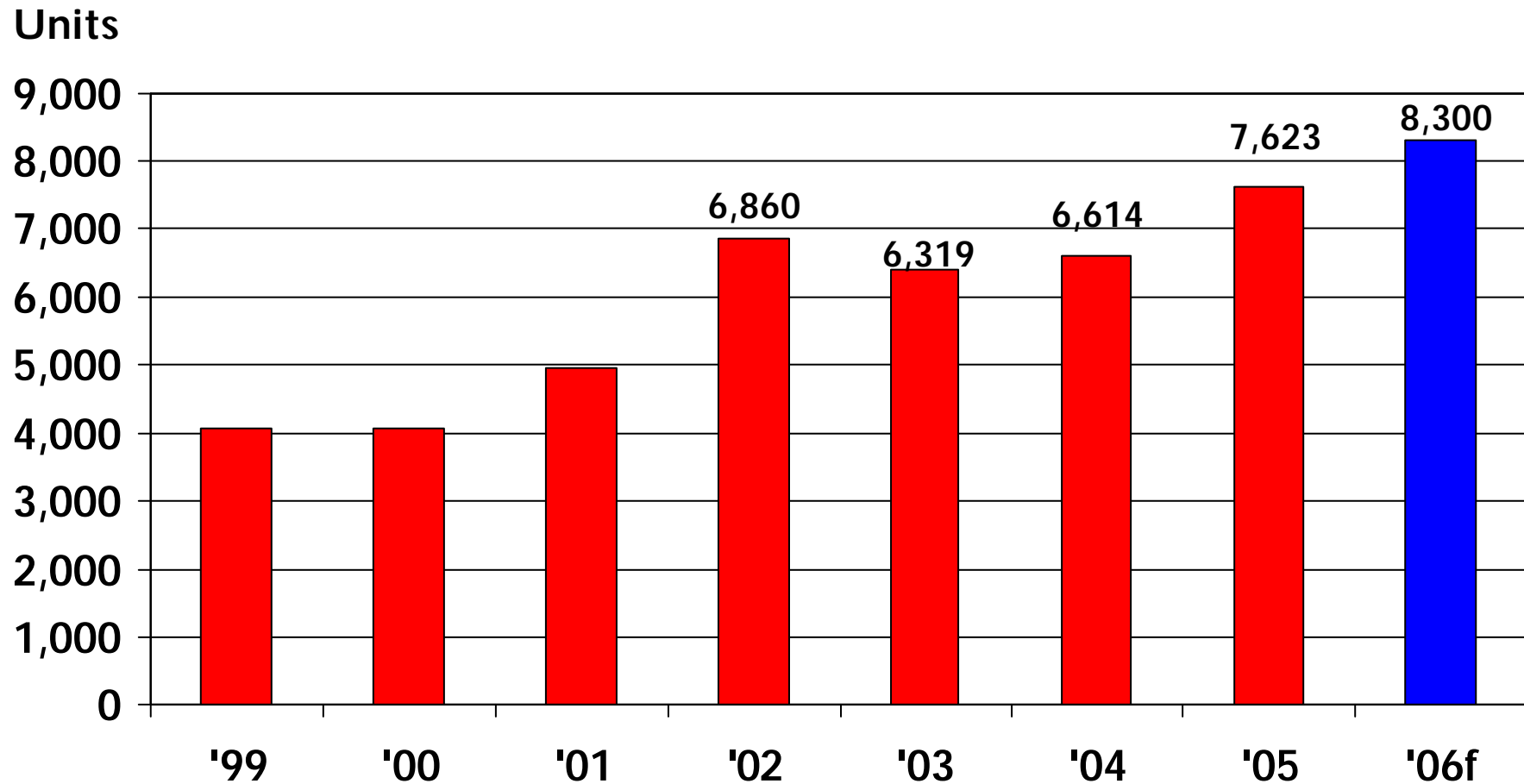


Source: CMHC



# Edmonton CMA - Single-Detached Starts

*Record performance in '05 & '06*



Source/Forecast: CMHC



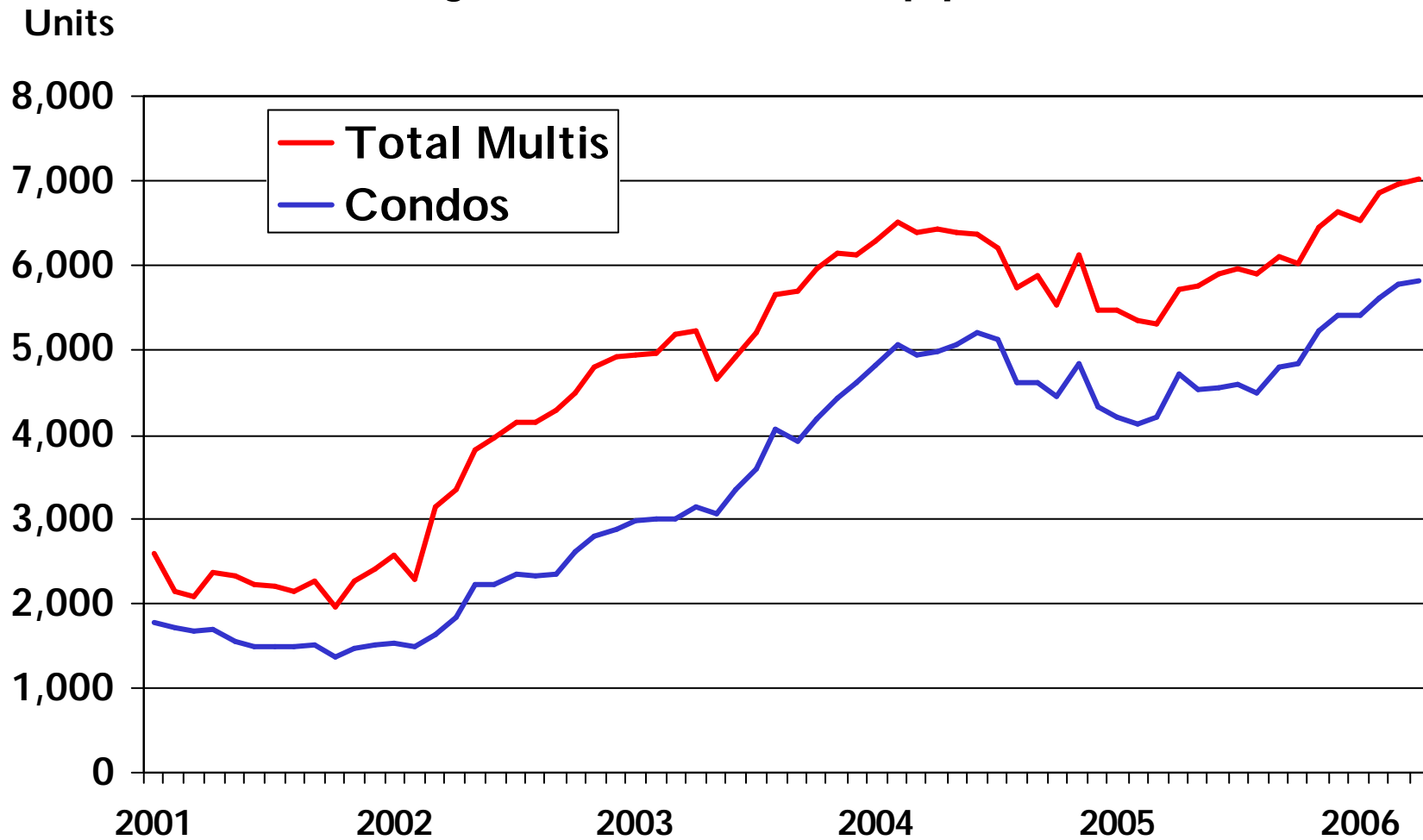
# Edmonton's New Home Market

## Multi-Unit Housing



# Multi-Units Under Construction

High volume still in the pipeline



Metro Edmonton

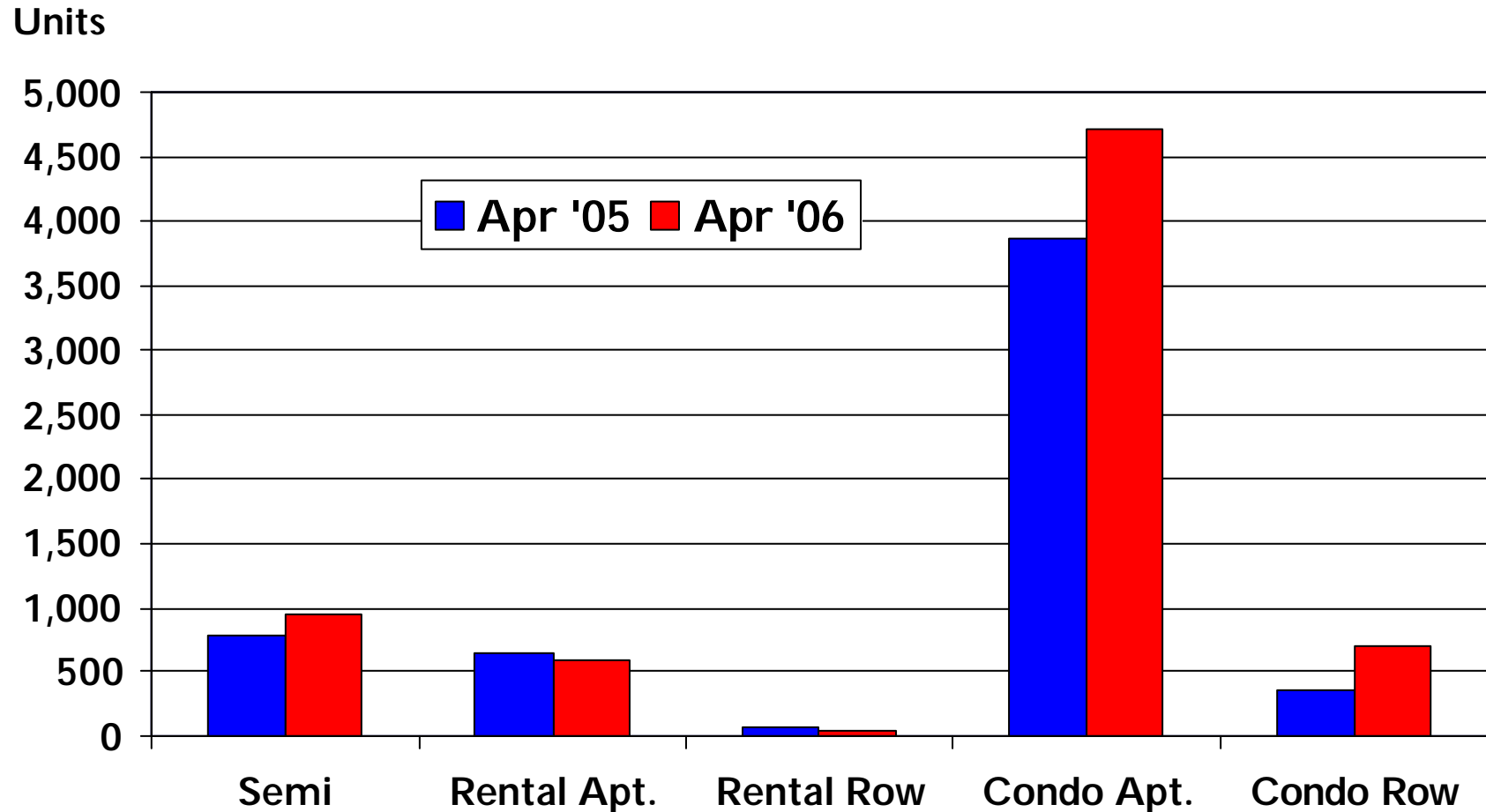
Source: CMHC, Apr. 2006





# Multi-Units Under Construction

Many condo apartments underway



Source: CMHC, Apr. 2006

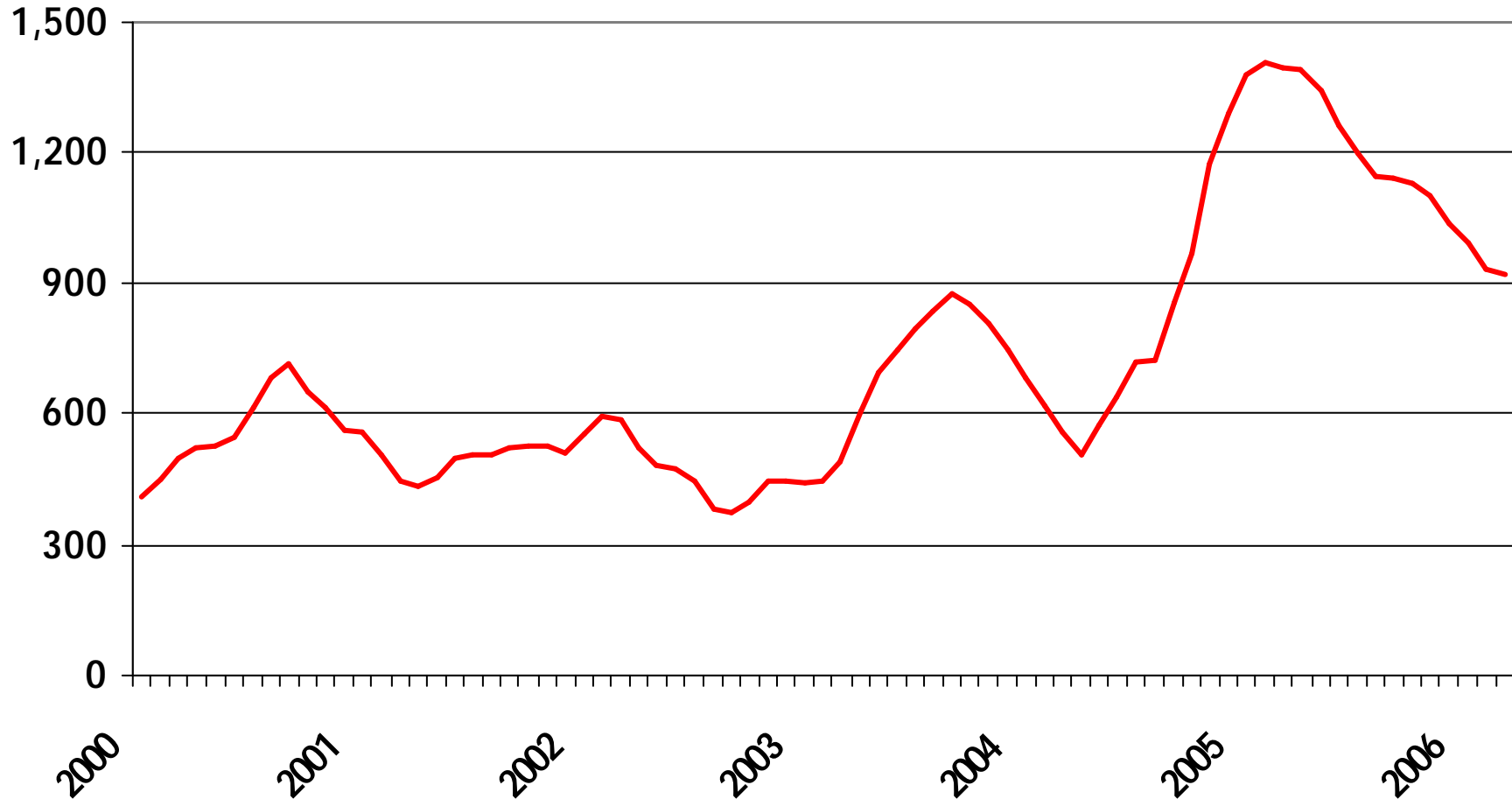
Metro Edmonton



# Edmonton CMA - Multi-Unit Inventory

## Down from record levels in March '05

Unabsorbed units (3 month moving average)

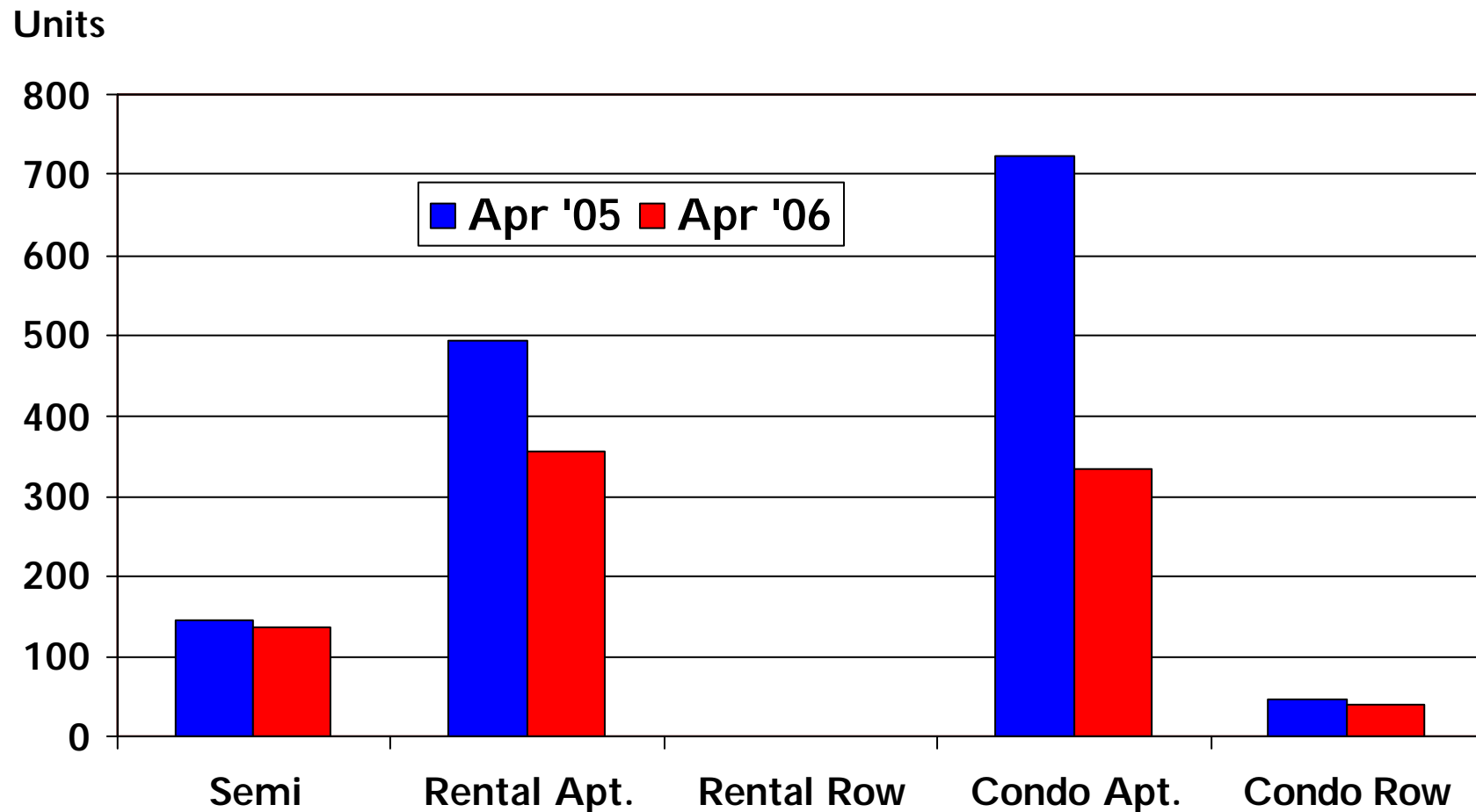


Source: CMHC, Mar. 2006



# Edmonton CMA - Multi-Unit Inventory

Supply of unoccupied new apartments has fallen



Source: CMHC, Apr. 2006

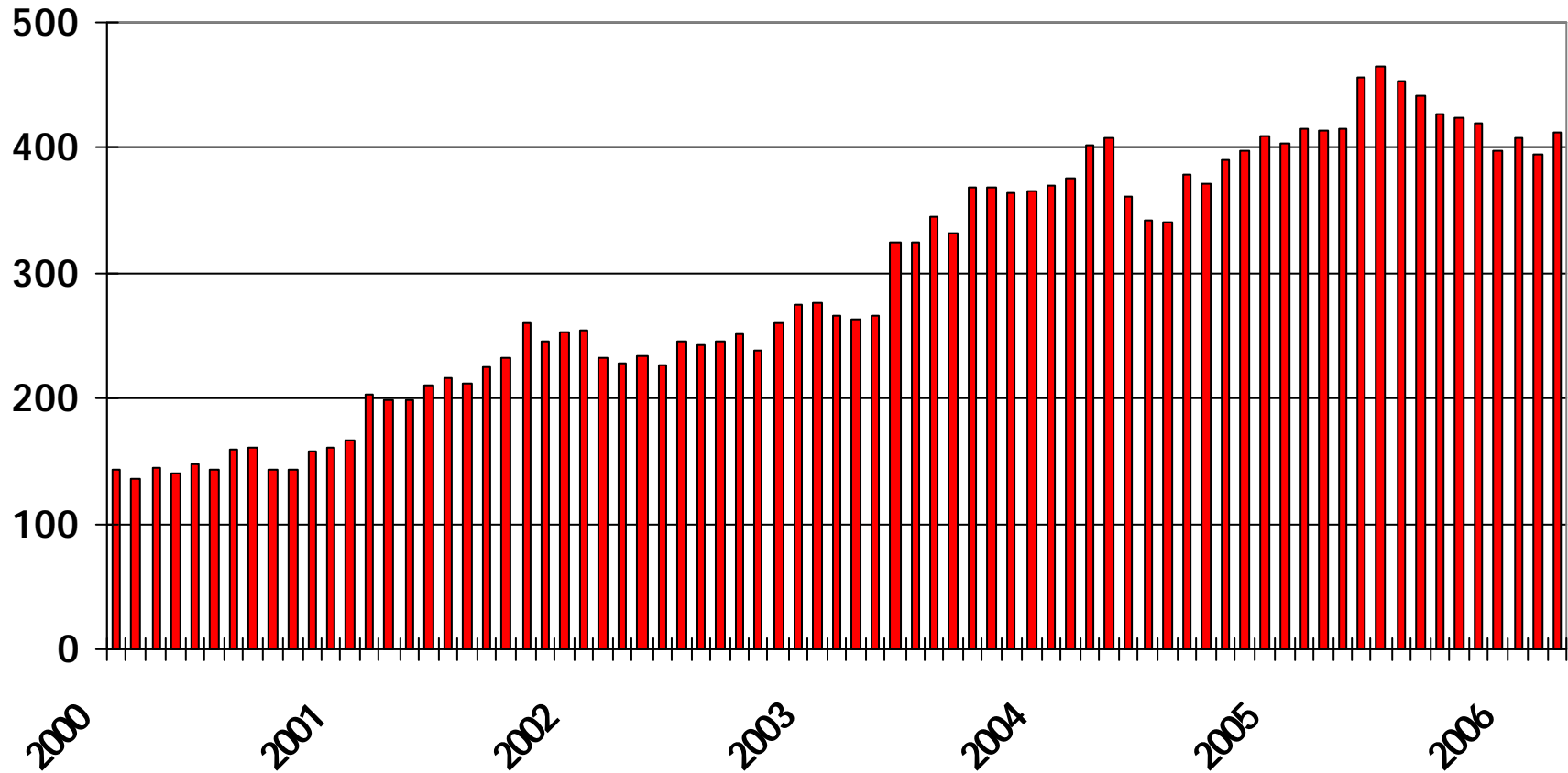
Metro Edmonton



# Edmonton CMA - Multi-Unit Absorption Rate

Currently just over 400 units/month

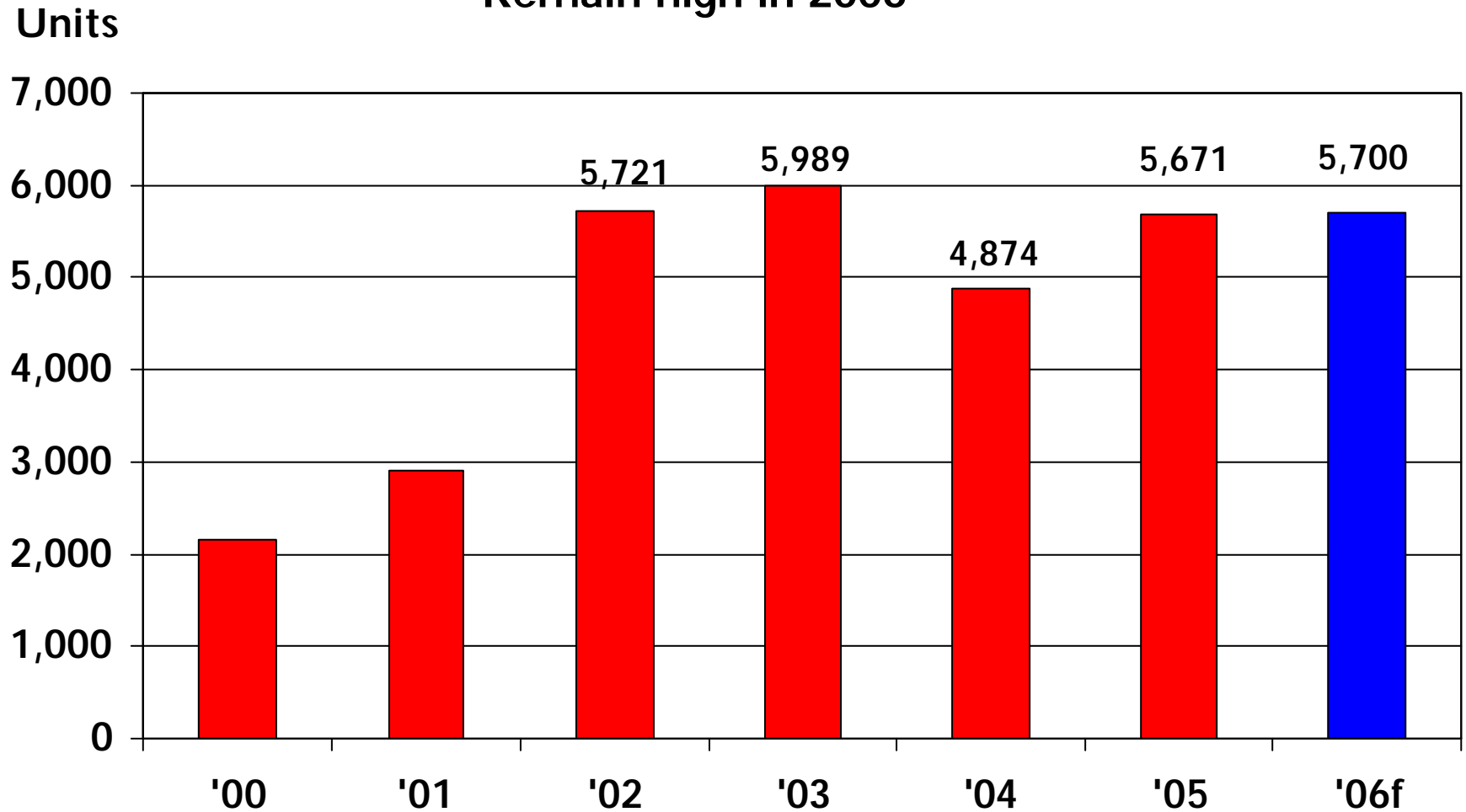
Absorbed Units (12 month moving average)



Source: CMHC, Mar. 2005

# Edmonton - Multi-Unit Starts

Remain high in 2006



Source/Forecast: CMHC



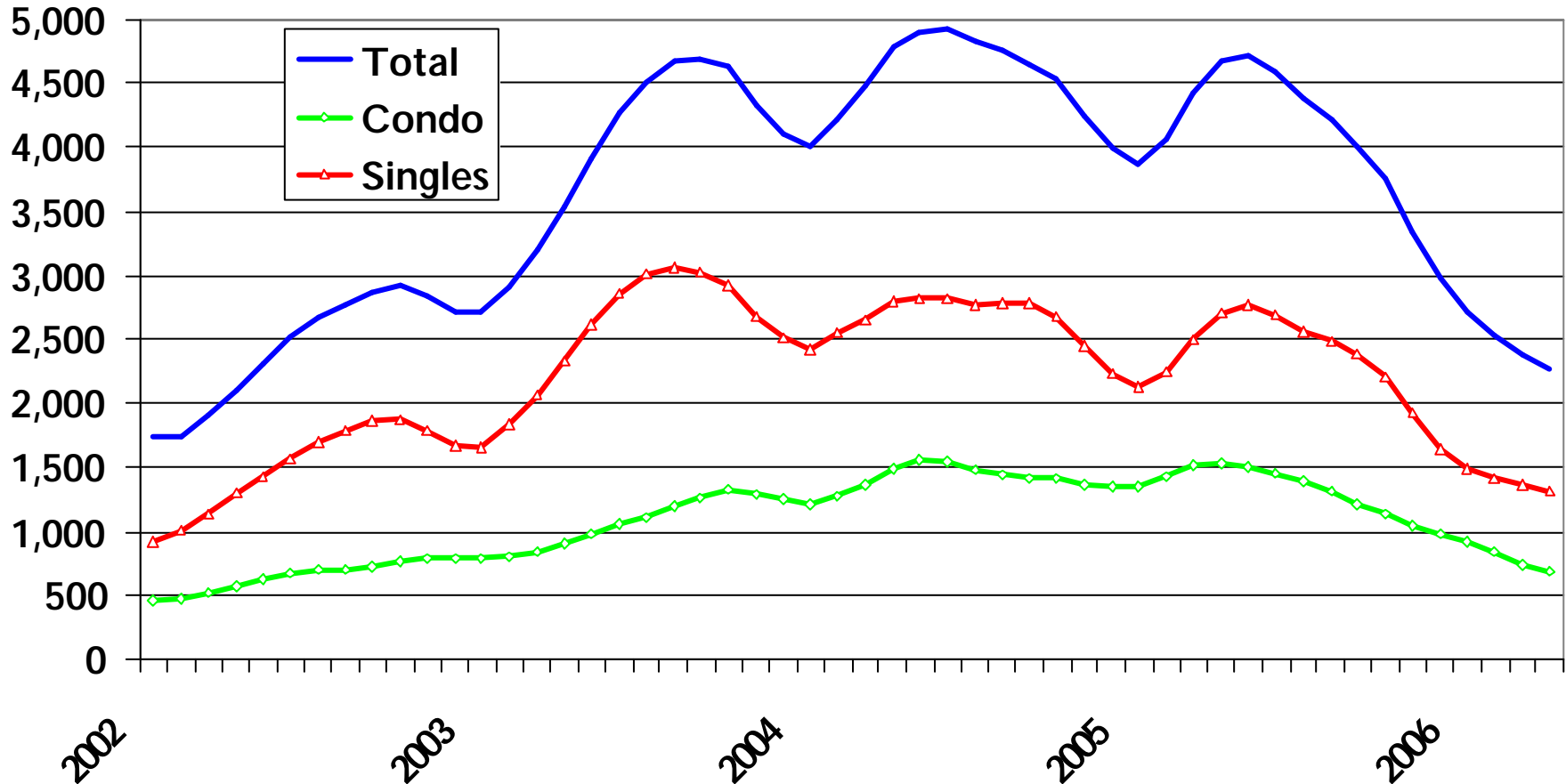
# Edmonton's Existing Home Market



# Edmonton – Residential Active Listings

Inventories down from 2005Q1

Units (3 month moving ave.)



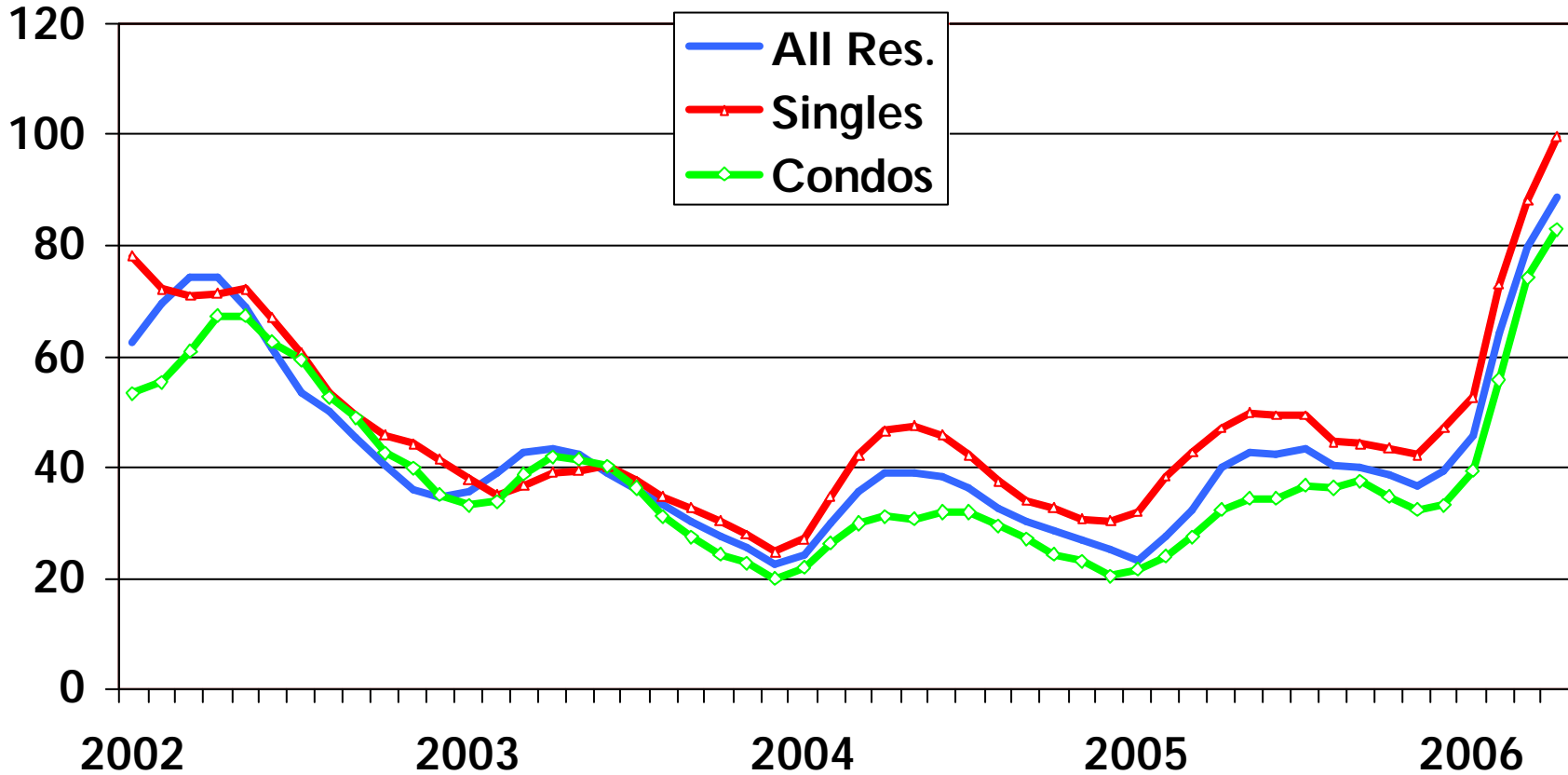
Source: EREB, Apr. 2006



# Sales-To-Active-Listings Ratio

All indices soaring in 2006

Per Cent (3 month moving ave.)



Source: EREB, Apr. 2006

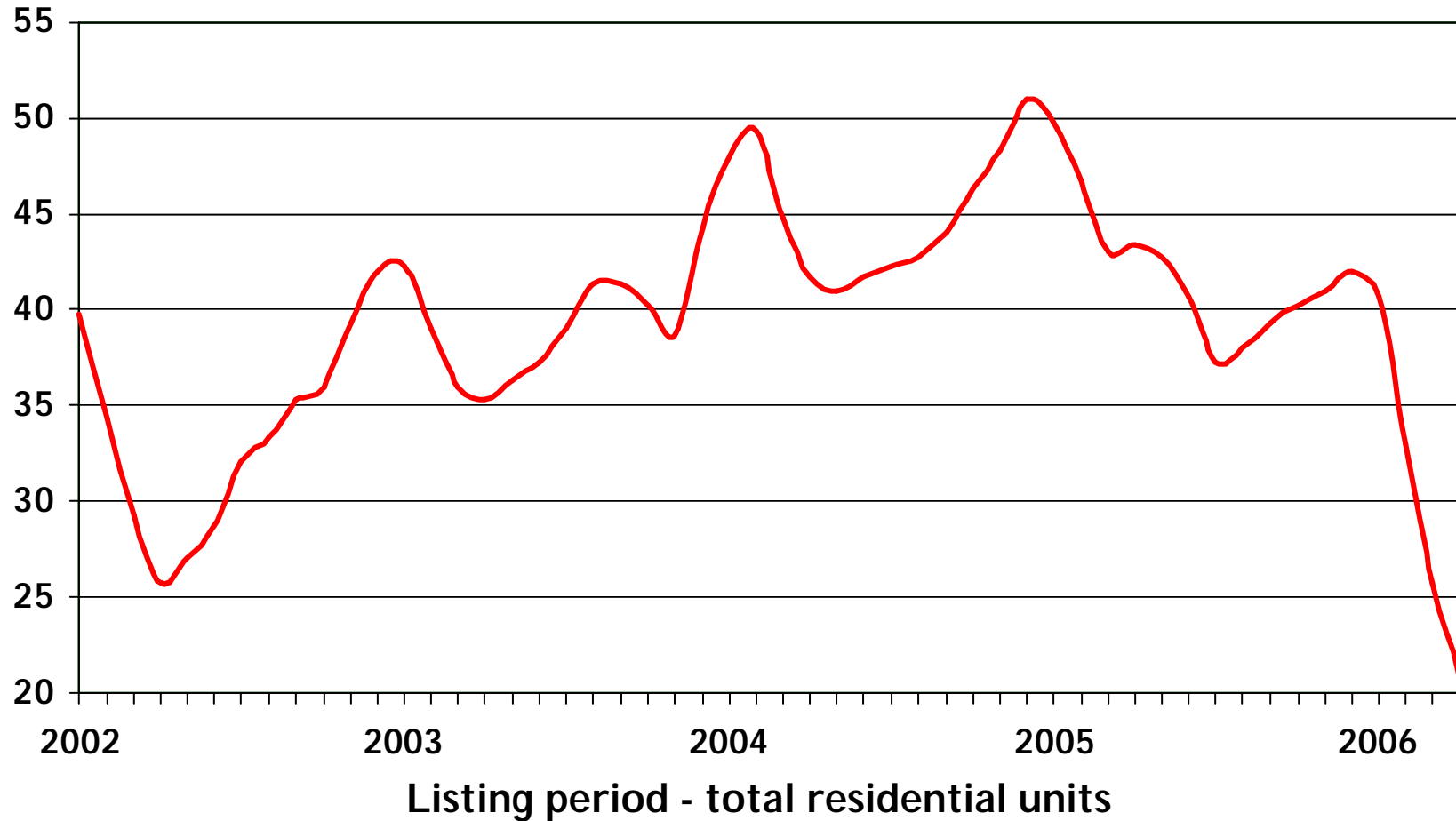




# Average Days On The Market

## Record low of 19 days in March

3 month moving ave.

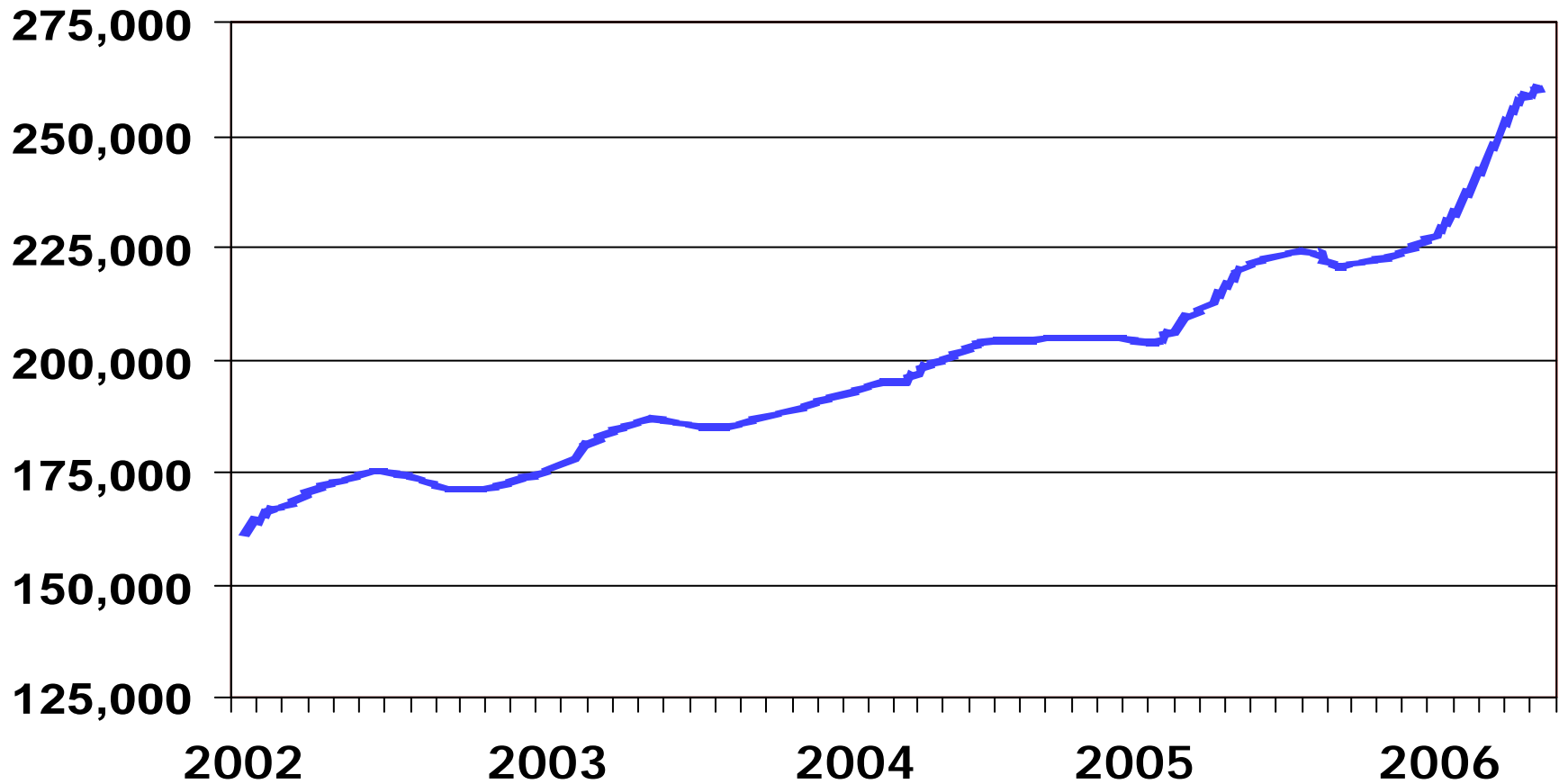


Source: EREB, Mar. 2006



# Single-Detached Resale Price

3-month mvg. ave.



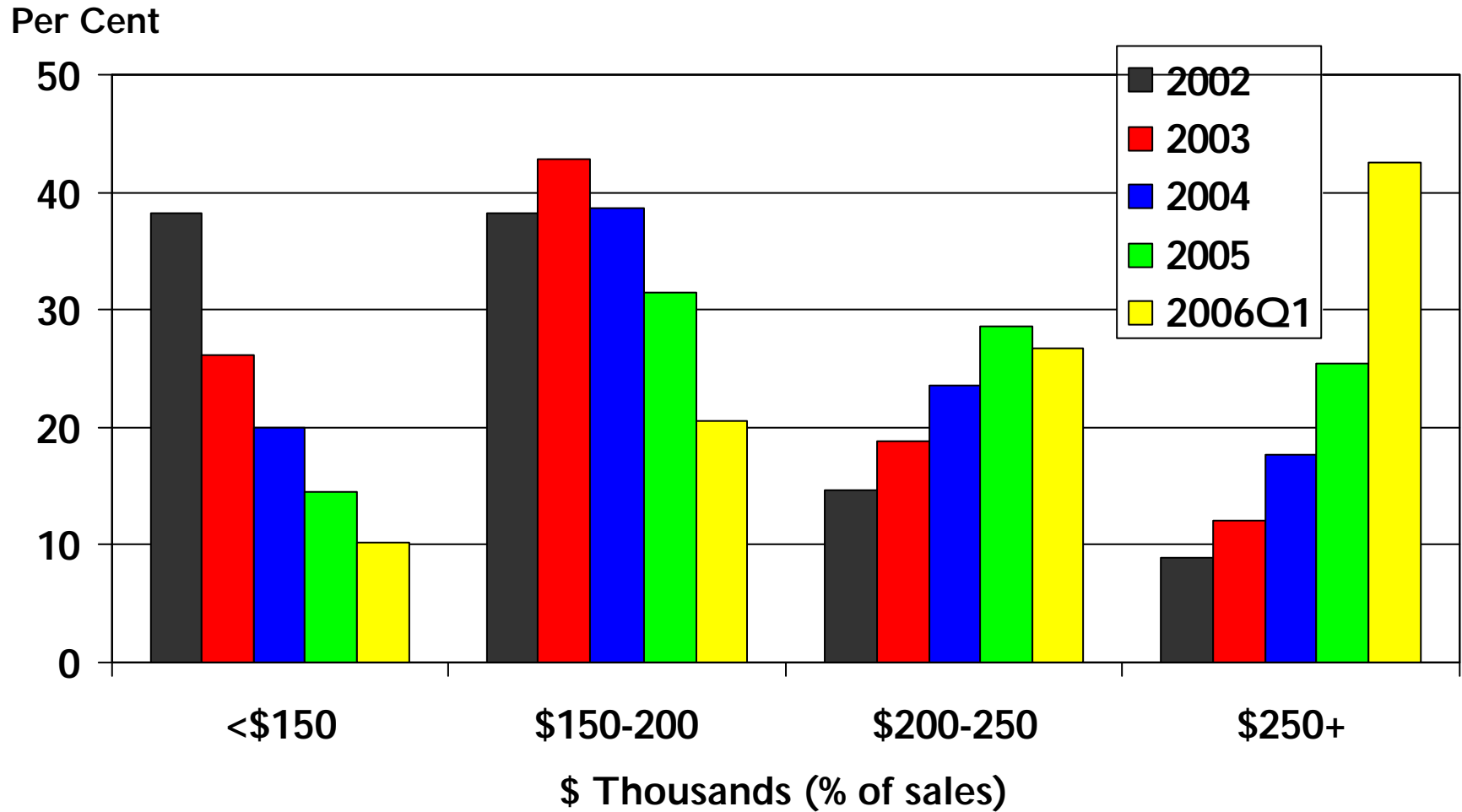
**Average Sale Price (\$)**

Source: EREB  
Apr. '05



# Single-Detached MLS® Sales

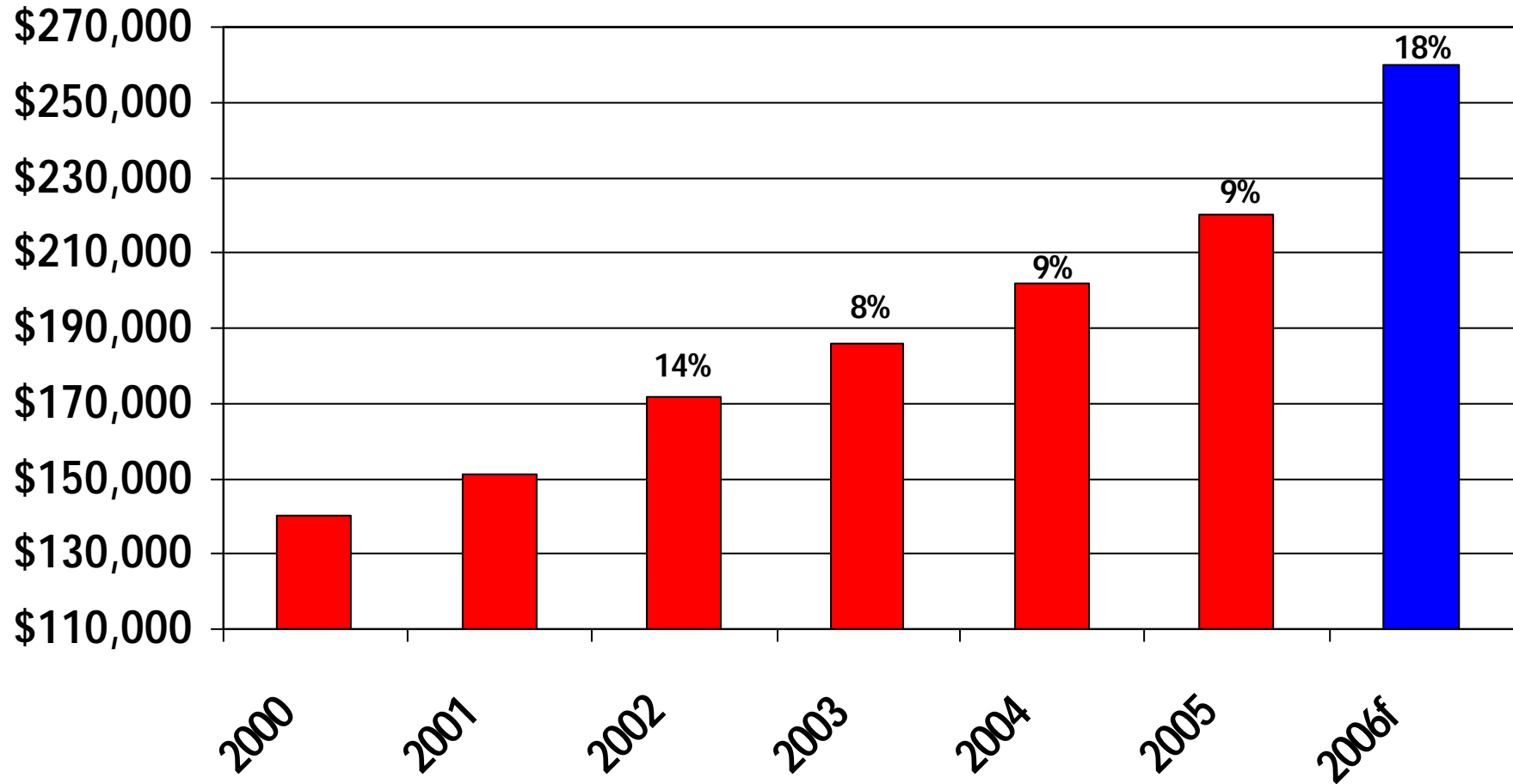
Few units available for <\$150K



Source: EREB, Mar. 2006

# Single-Detached MLS® Price

Prices jump in '06



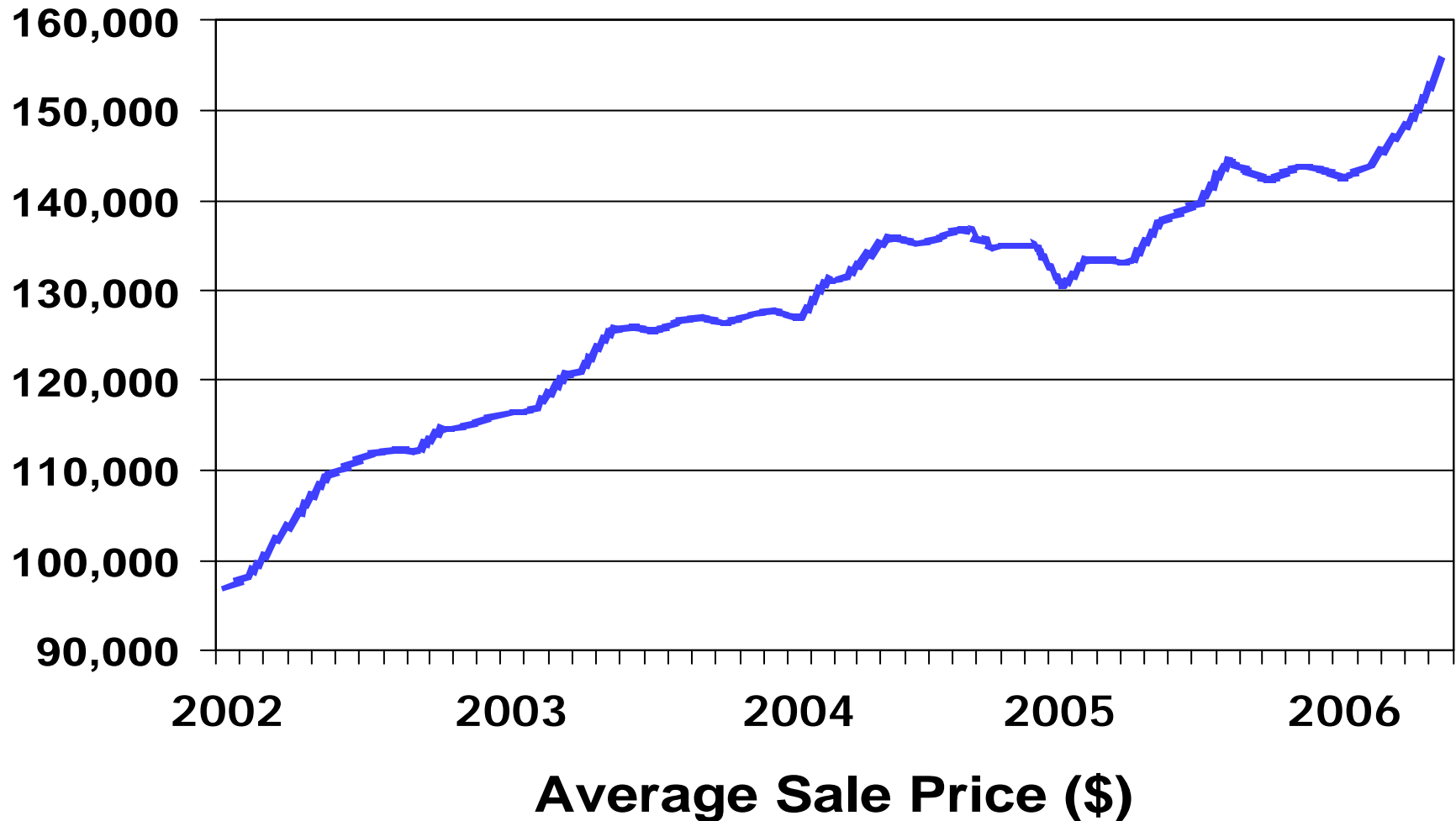
Source: EREB  
Forecast: CMHC

Metro Edmonton - Annual Average (\$)



# Condominium Resale Price

3-month mvg. ave.

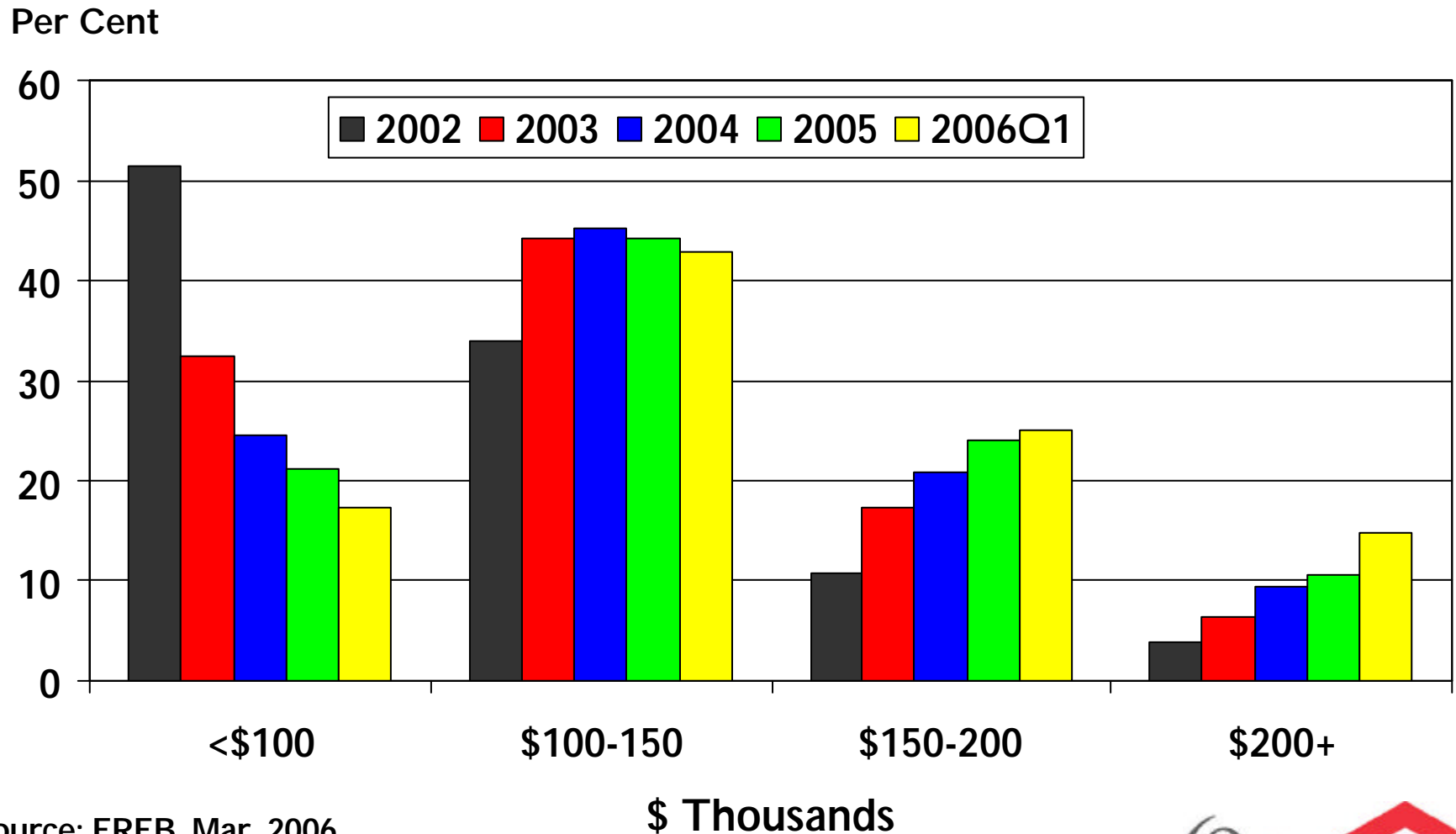


Source: EREB  
Apr. '05



# Edmonton Condo MLS® Sales

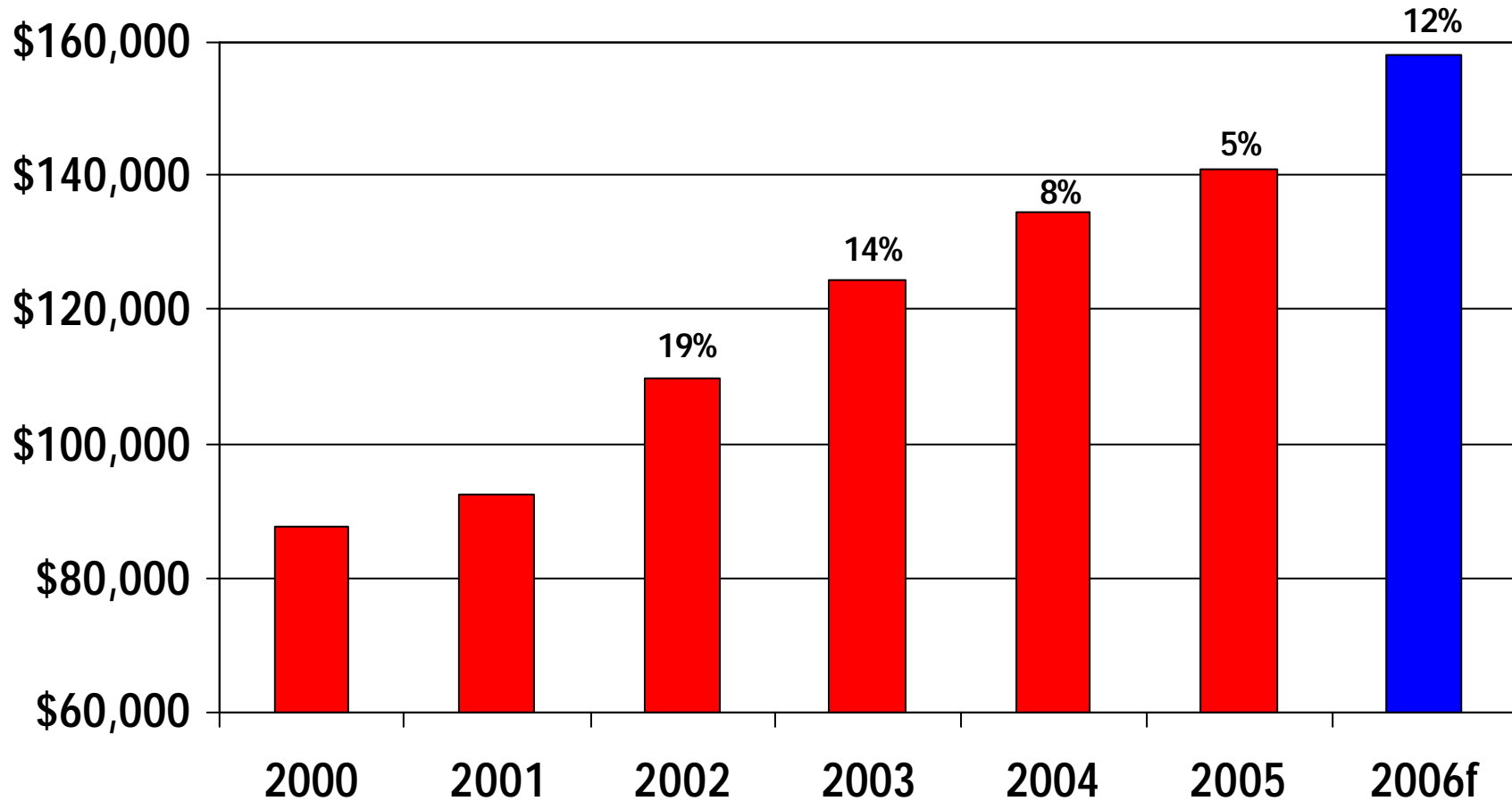
\$200K+ a small but growing market segment



Source: EREB, Mar. 2006

# Edmonton - Condo MLS<sup>®</sup> Price

Average price exceeds \$150,000 in 2006



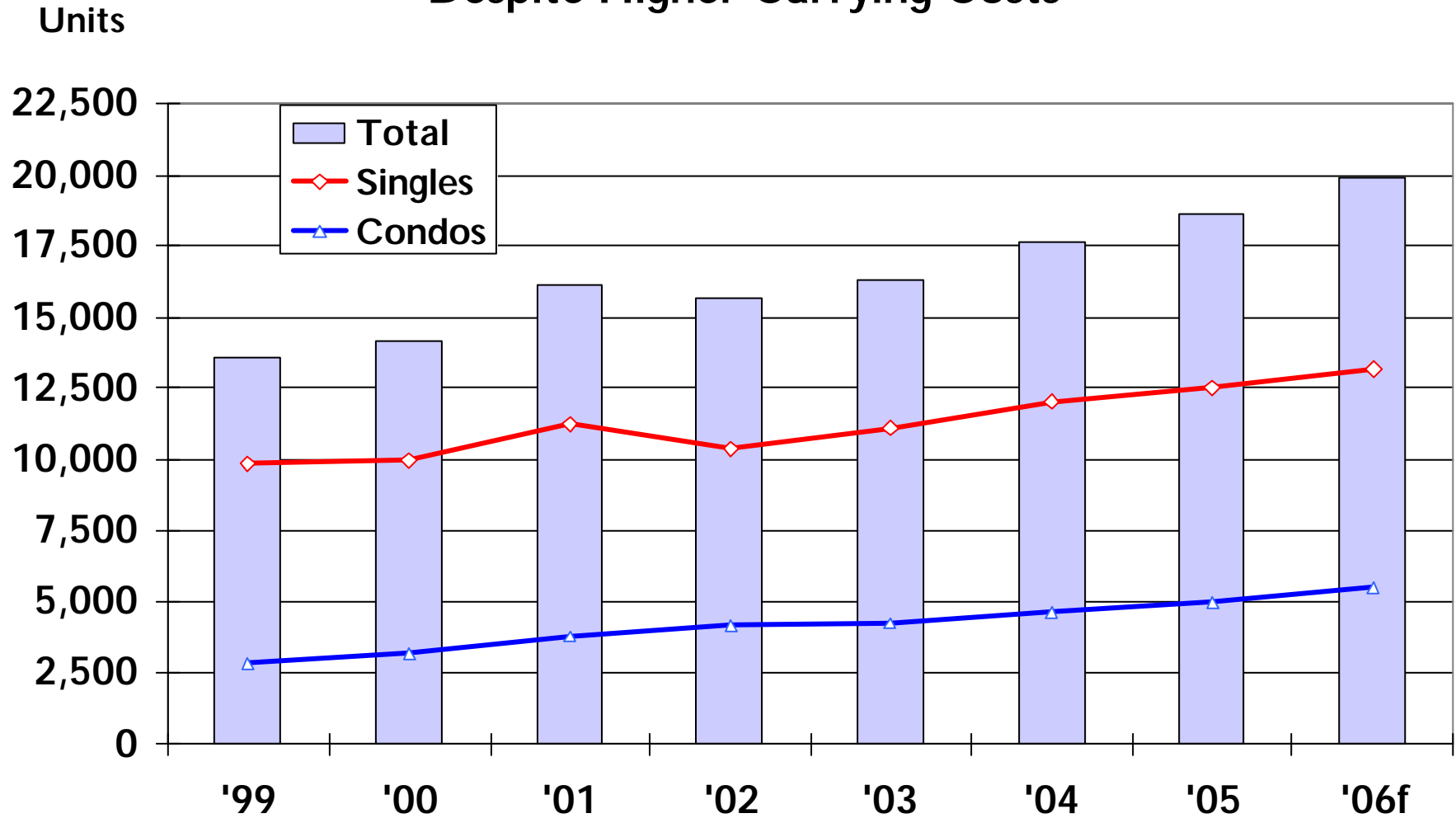
Source: EREB, CMHC Forecast

Annual Average (\$)



# Record MLS<sup>®</sup> Sales In '06

## Despite Higher Carrying Costs

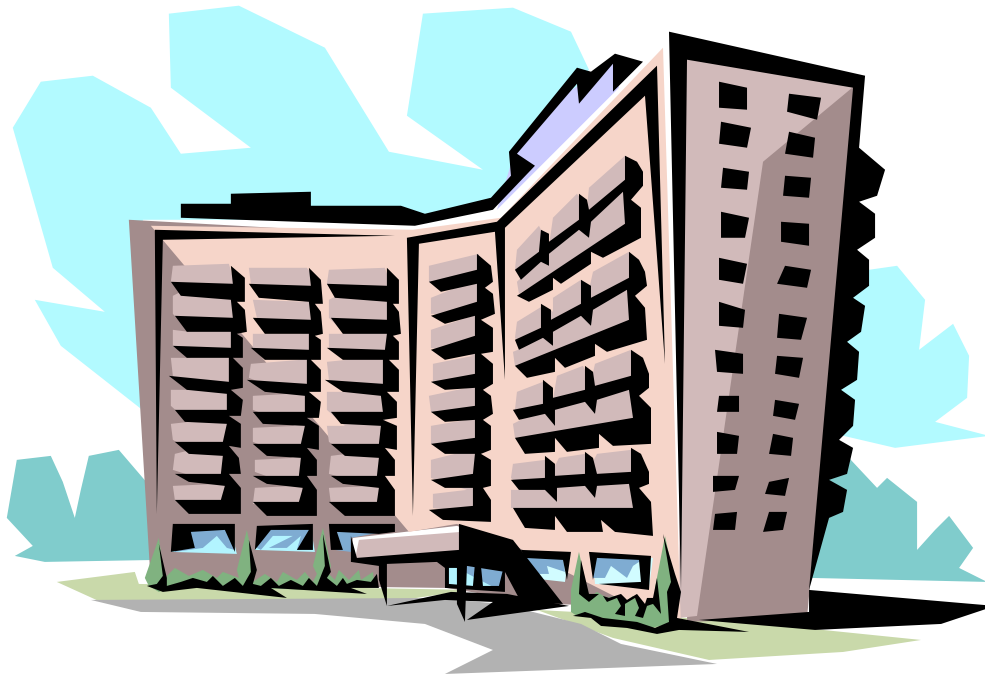


Source: EREB, Forecast: CMHC



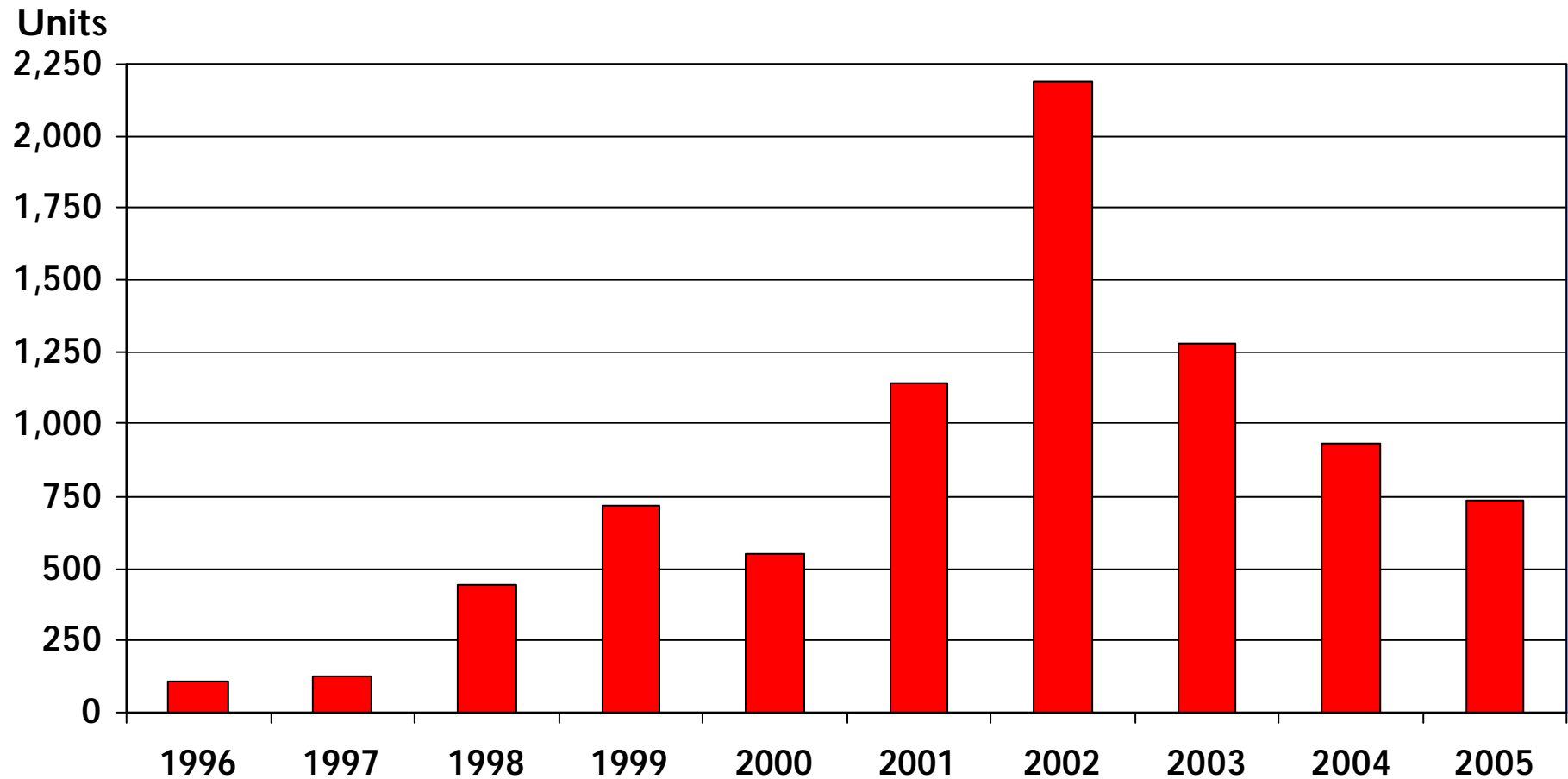


# Edmonton's Rental Market



# Edmonton CMA - Rental Housing Starts

*High vacancies discourage new construction*



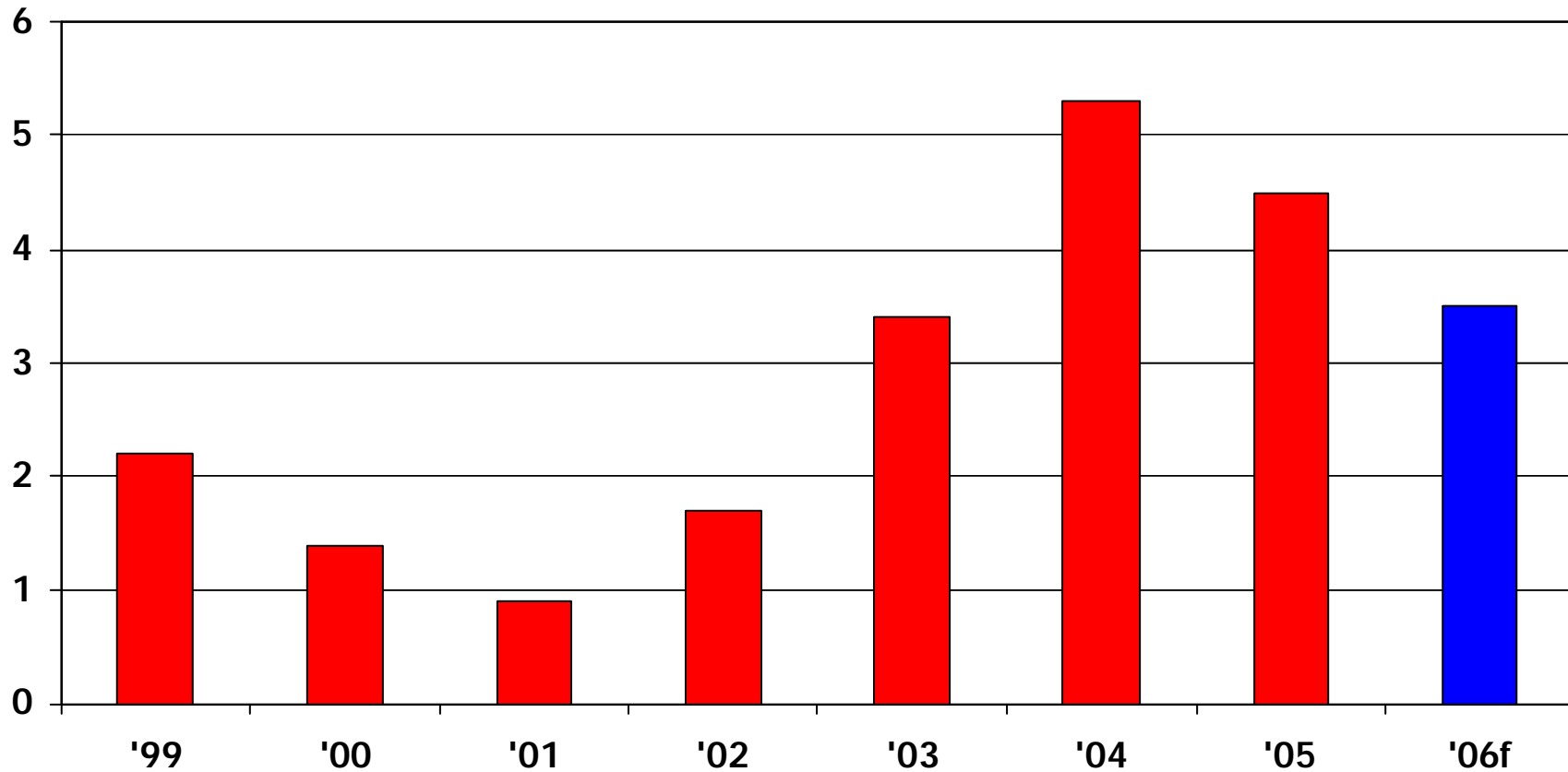
Source: CMHC, Sept. 2005



# Edmonton CMA - Apartment Vacancy Rate

Turns the corner in '05

Per Cent



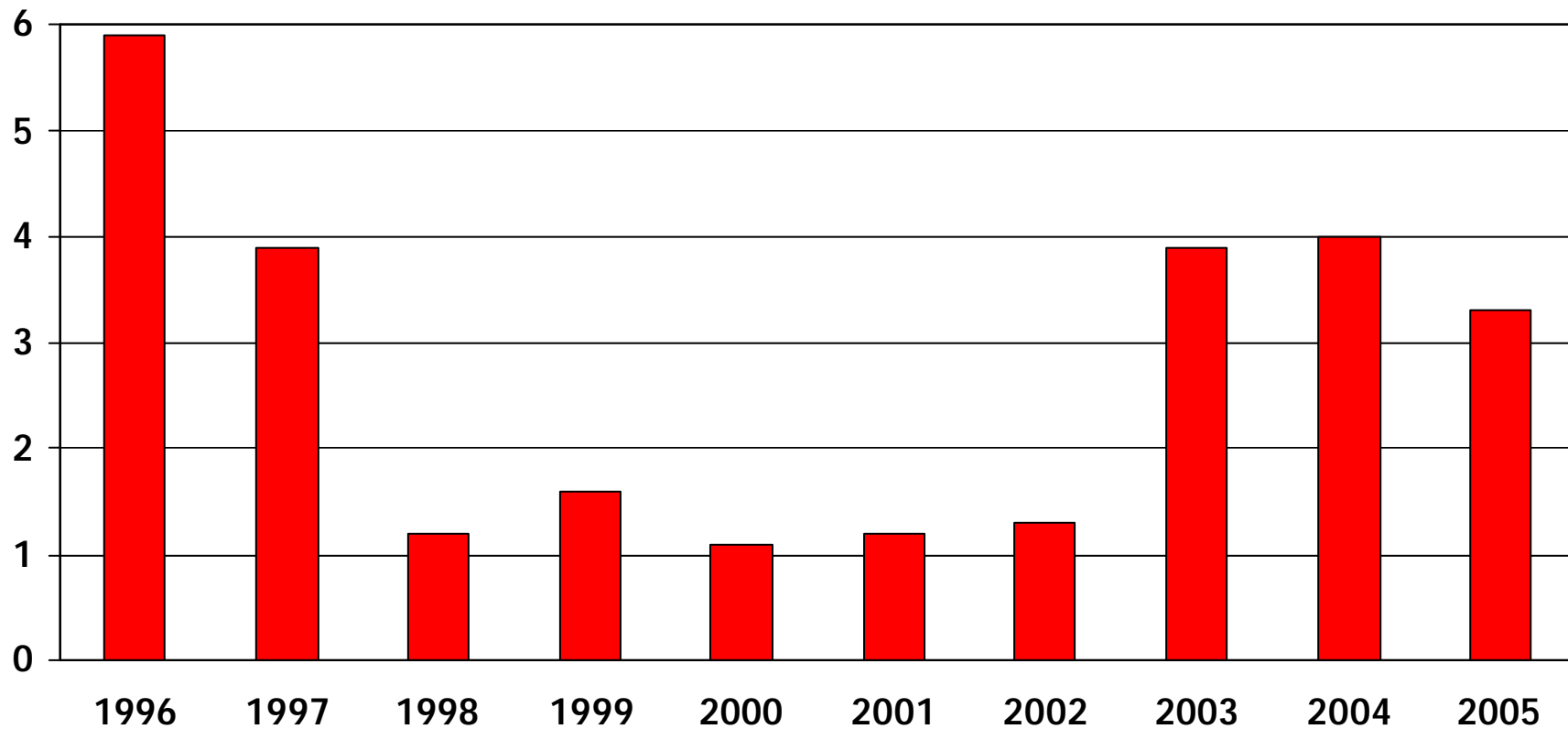
Source/ Forecast: CMHC



# Row/Townhouse Vacancy Rate

## Metro Edmonton

Per Cent



Source: CMHC

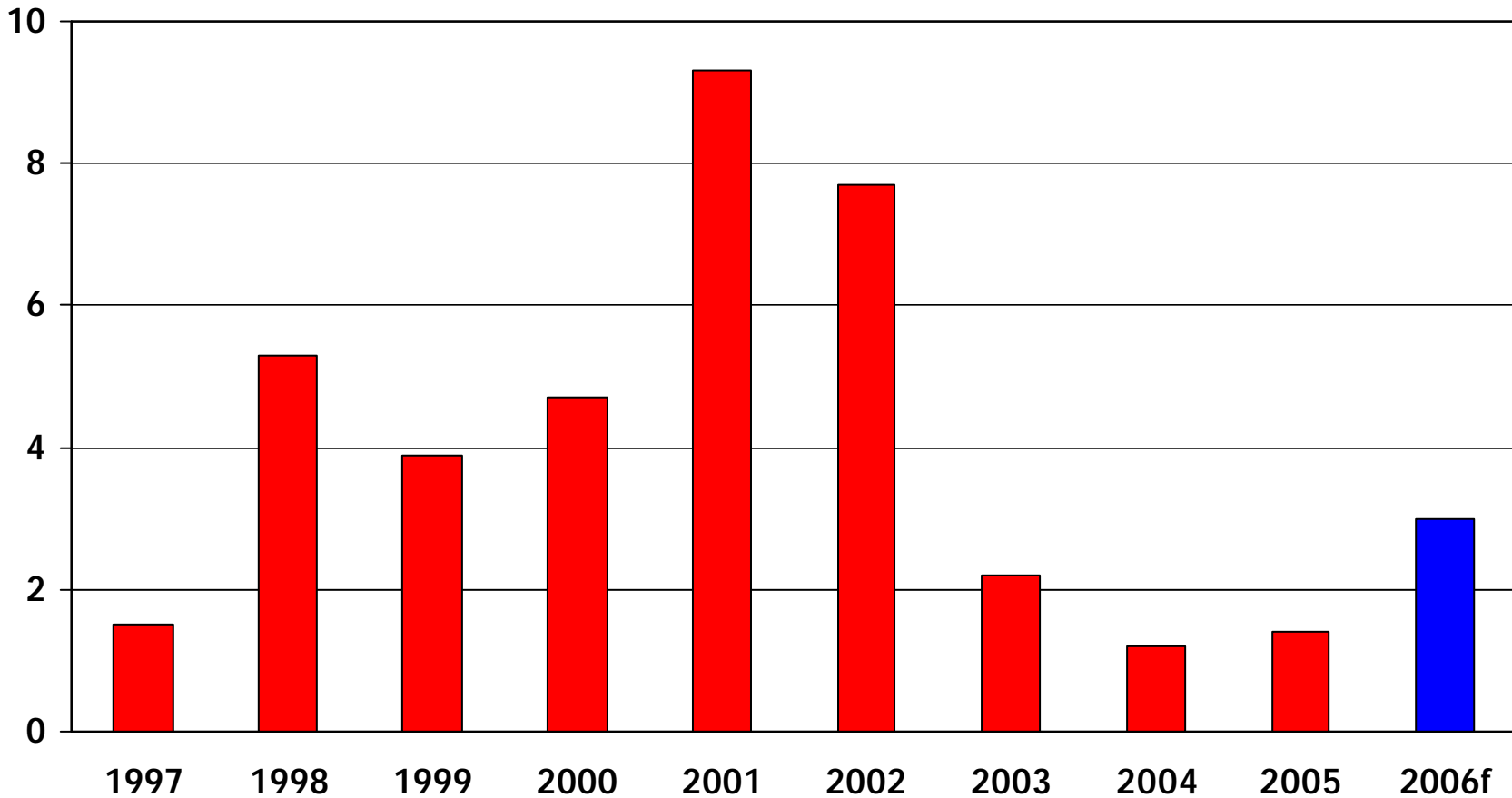
Private Structures of 3+ Units



# Edmonton CMA - Apartment Rent Increases

## Rents rise as vacancies fall

Annual Per Cent Change



Source/Forecast: CMHC

Edmonton - Private Structures of 3+ Units



<b>FORECAST SUMMARY</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006F</b>
<b><i>Economy</i></b>				
Employment Growth	16,600	16,400	-8,000	10,000
Net Migration	5,715	6,895	9,000	12,000
<b><i>New Home Market</i></b>				
Single-Family Starts	6,391	6,614	7,623	8,300
Multi-family Starts	5,989	4,874	5,671	5,700
Single Ave. Price	\$223,507	\$242,175	\$268,225	\$300,000
<b><i>Resale Market*</i></b>				
Total Sales**	16,277	17,652	18,643	19,900
Single-family Sales	11,097	12,028	12,504	13,200
S.F. Average Price	\$185,569	\$201,622	\$220,347	\$260,000
<b><i>Rental Market</i></b>				
Apt. Vacancy Rate (%)	3.4%	5.3%	4.5%	3.5%
Apt. Rent Change (%)	2.2%	1.2%	1.4%	3.0%

\*Source: EREB, \*\* Total Residential Forecast: CMHC



# EDMONTON housing outlook 2006

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