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| Red Deer Advocate (Red Deer, AB) | | Order/Commande |
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House starts down

44 PER CENT DECLINE STILL BETTER MOST OTHER LARGE ALBERTA CITIES

BY ADVOCATE STAFF

Housing starts in Red Deer continue to lag well behind last year's pace, although the construction drop-off is more pronounced elsewhere in Alberta.

Canada Mortgage and Housing Corp. reported on Friday that work was started on 15 homes in the city in April, with 13 of the projects single-family homes and two of the units in multi-family buildings. A year ago the monthly tally was 27, all of which fell under the single-family category.

This 44 per cent decline in housing starts compares favourably with most other large cities.

Medicine Hat experienced an April-to-April slide of 88 per cent, while in the Calgary metropolitan area the drop was 71 per cent, in Grande Prairie and the Edmonton metropolitan area it was 65 per cent and in Lethbridge it was 59 per cent. Only the Regional Municipality of Wood Buffalo had a better month than Red Deer for year-over-year construction starts, off just two per cent from the 2008 figure.

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So far this year, there have been half as many housing starts in Red Deer as there were to this point in 2008, with 63 single-family and 10 multi-family projects started, as compared with 116 and 30 a year ago.

That drop is also less than the slide experienced by most of Alberta's other large urban areas. The province's seven largest cities had a combined 72 per cent decrease in starts during the first four months of 2009, versus the same period last year.

The Calgary metropolitan area is down the most, at 81 per cent, followed by the Edmonton metropolitan area at 63 per cent, Medicine Hat at 60 per cent, Lethbridge at 59 per cent, the Regional Municipality of Wood Buffalo at 56 per cent and Grande Prairie at 24 per cent.

Nationally, CMHC indicated that housing starts fell to an annual rate of 117,400 units in April from 146,500 units in March.

The agency said some improvement is expected but new home construction is unlikely to match the 200,000-a-year pace set over the past seven years.

The annual rate of urban starts dropped 24 per cent to 96,800 units in April, with multiple starts falling 32.7 per cent to 54,700 units and urban singles slipping 8.7 per cent to 42,100.

April's seasonally adjusted annual rate of urban starts increased one per cent in British Columbia and fell 43.7 per cent in Ontario, 16 per cent in Atlantic Canada, 7.1 per cent in Quebec, and three per cent in the Prairies.

Rural starts were estimated at an annual rate of 20,600 units in April.

