



Saskatchewan Economy And Housing Markets Where are we now?

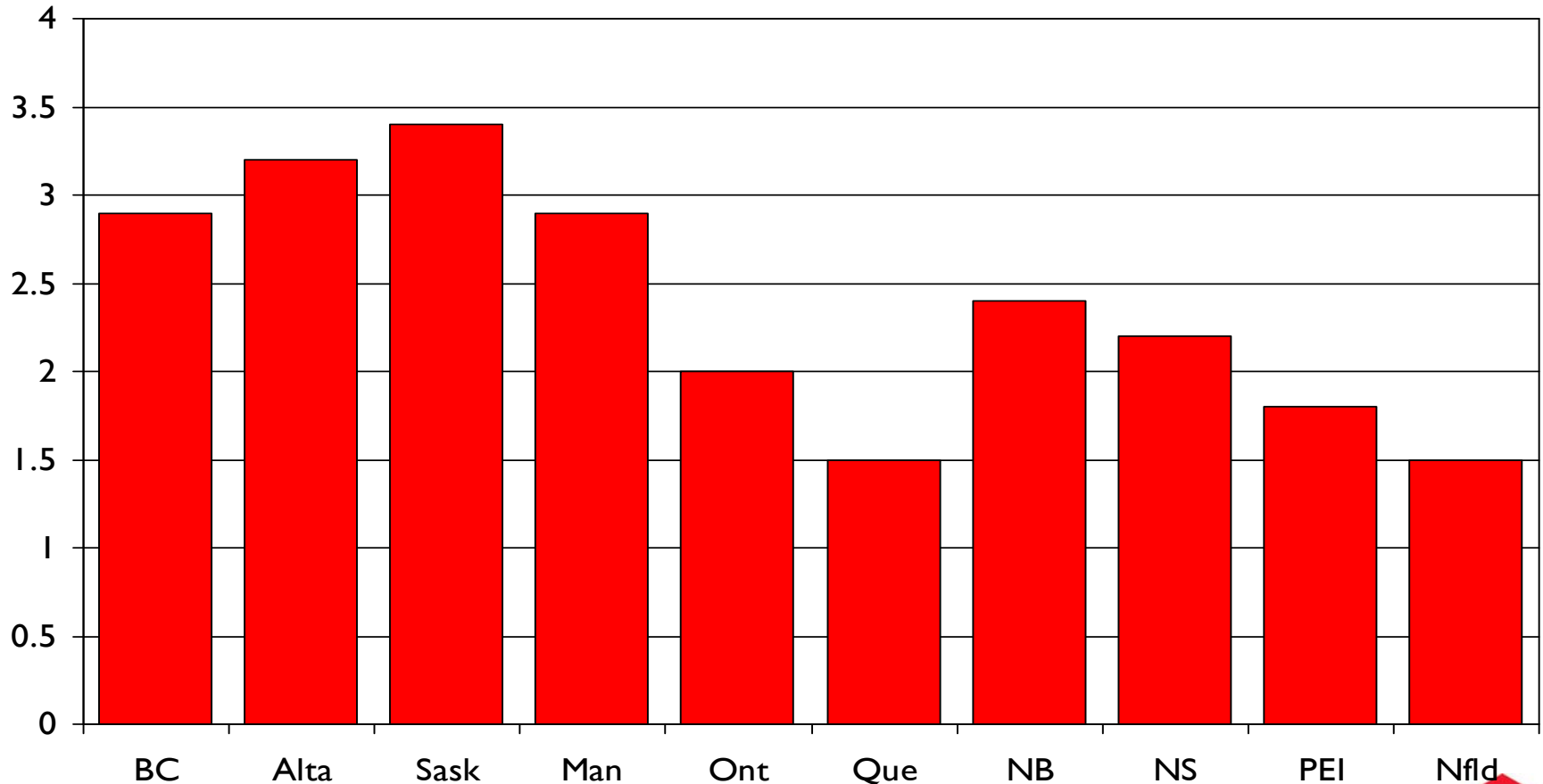
Paul Caton
Senior Market Analyst, CMHC
Saskatchewan



Provincial GDP Forecast Comparison

Saskatchewan growth leader

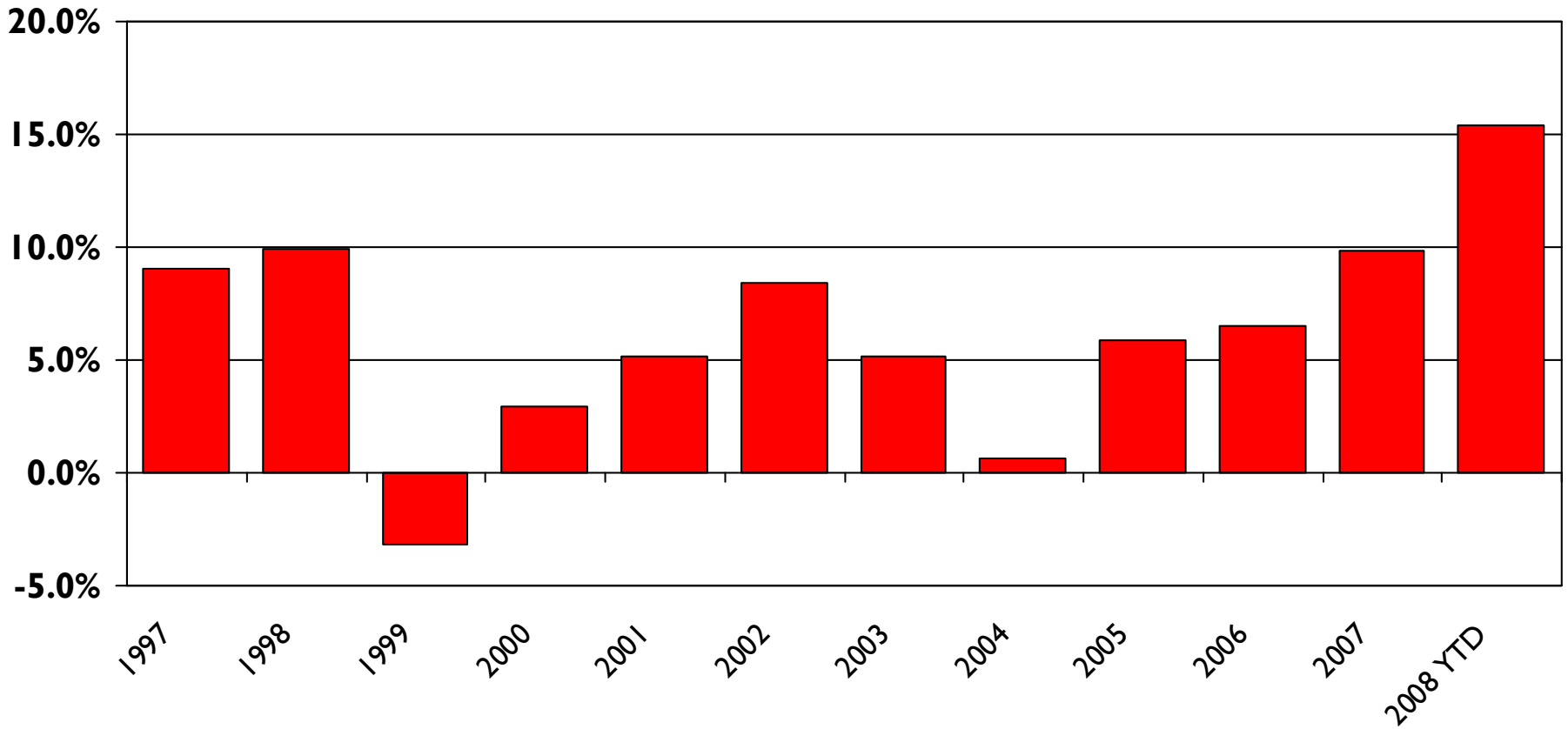
per cent change, real GDP



Source: Statistics Canada, CMHC research and forecast (f)



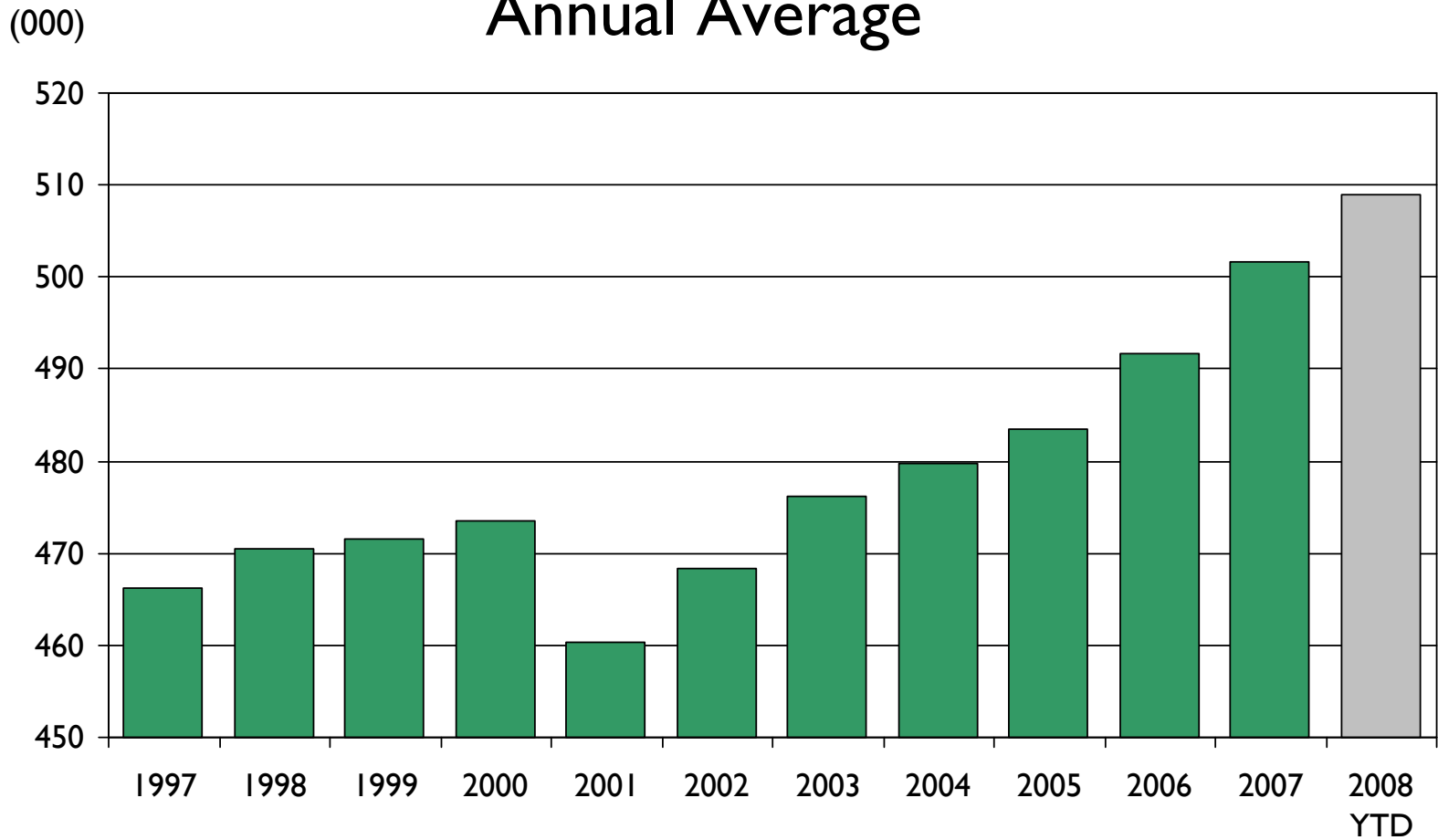
Saskatchewan Retail Trade Annual Change



Source: Statistics Canada and CMHC



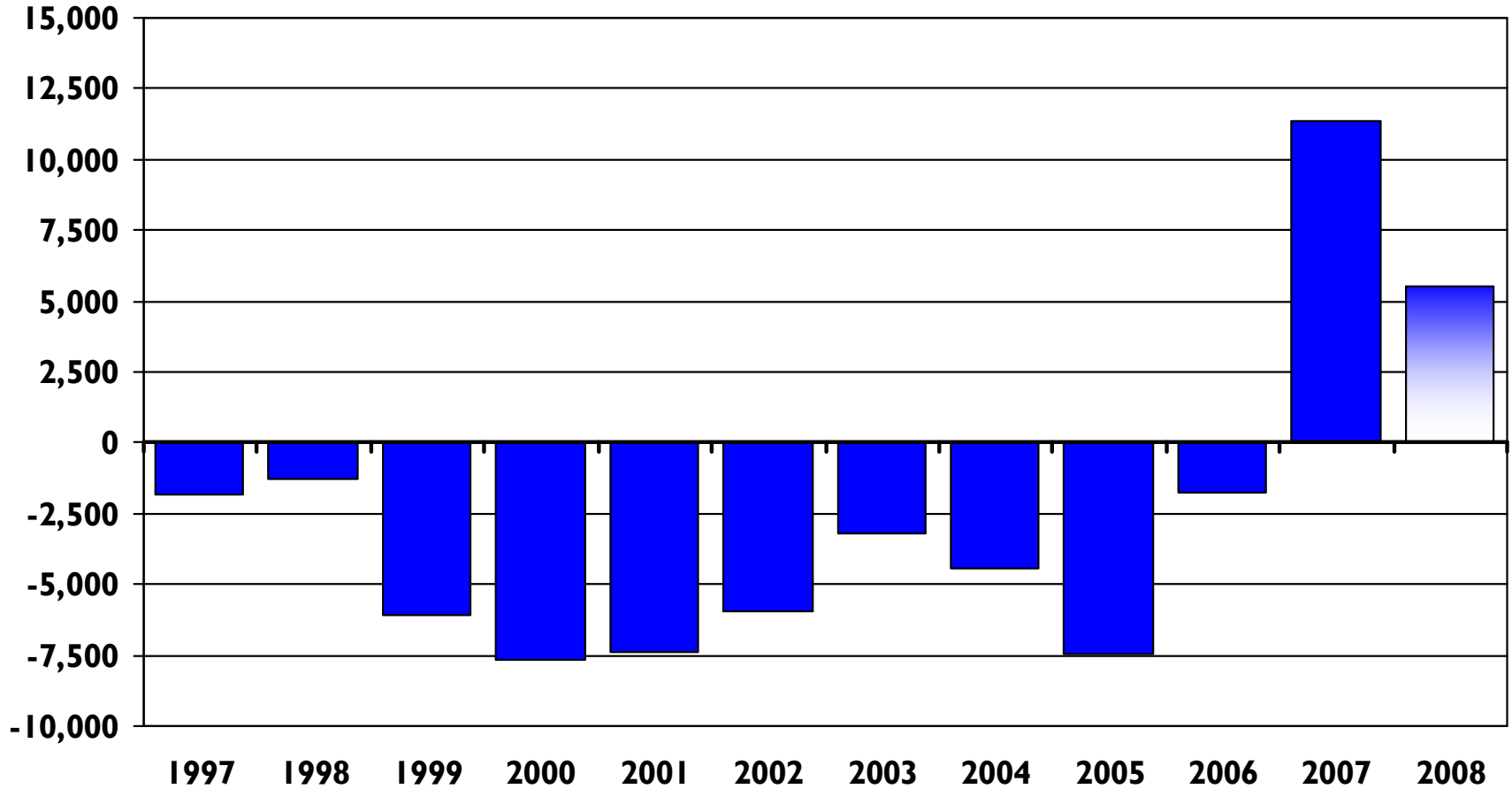
Saskatchewan Total Employment Annual Average





Saskatchewan Total Net Migration A remarkable turnaround

net migration



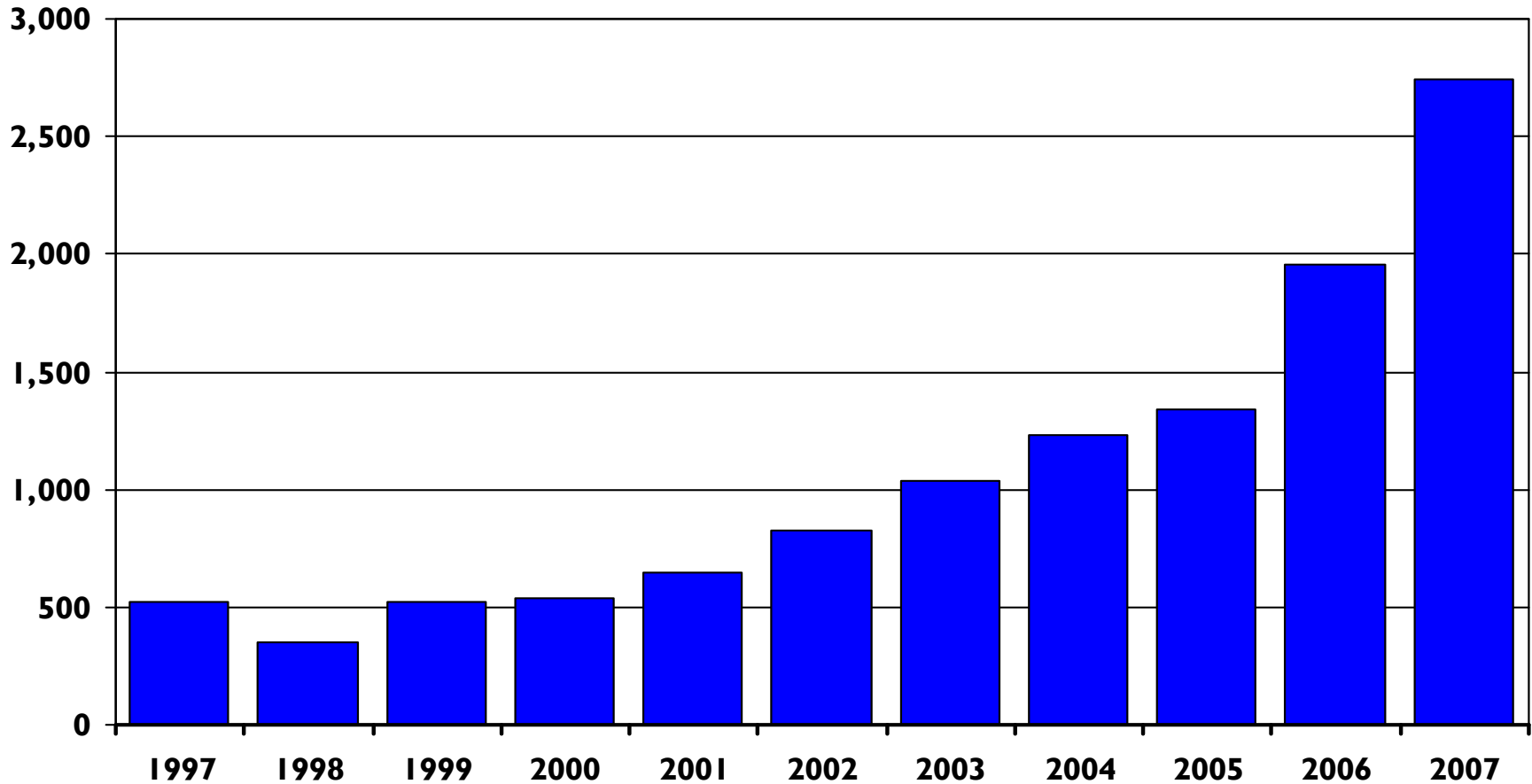
Source: Statistics Canada, CMHC research



Saskatchewan Net International Migration

An Important Contributor

Net migration



Source: Statistics Canada, CMHC research



Saskatchewan Economic Summary

✓ Province Among GDP Growth Leaders

- Personal consumption a key driver of growth
- Mining and oil activity naturally a strong contributor

✓ Employment Growth Highest in 21 Years

- Future job growth limited by expansion of labour force
- Second-lowest unemployment rate in Canada

✓ Net Migration Coming Off Record High

- Gains are strongest from Alberta
- Migration will cool as house prices accelerate, yet remain strong

✓ Little Change to Mortgage Rates



Housing Markets



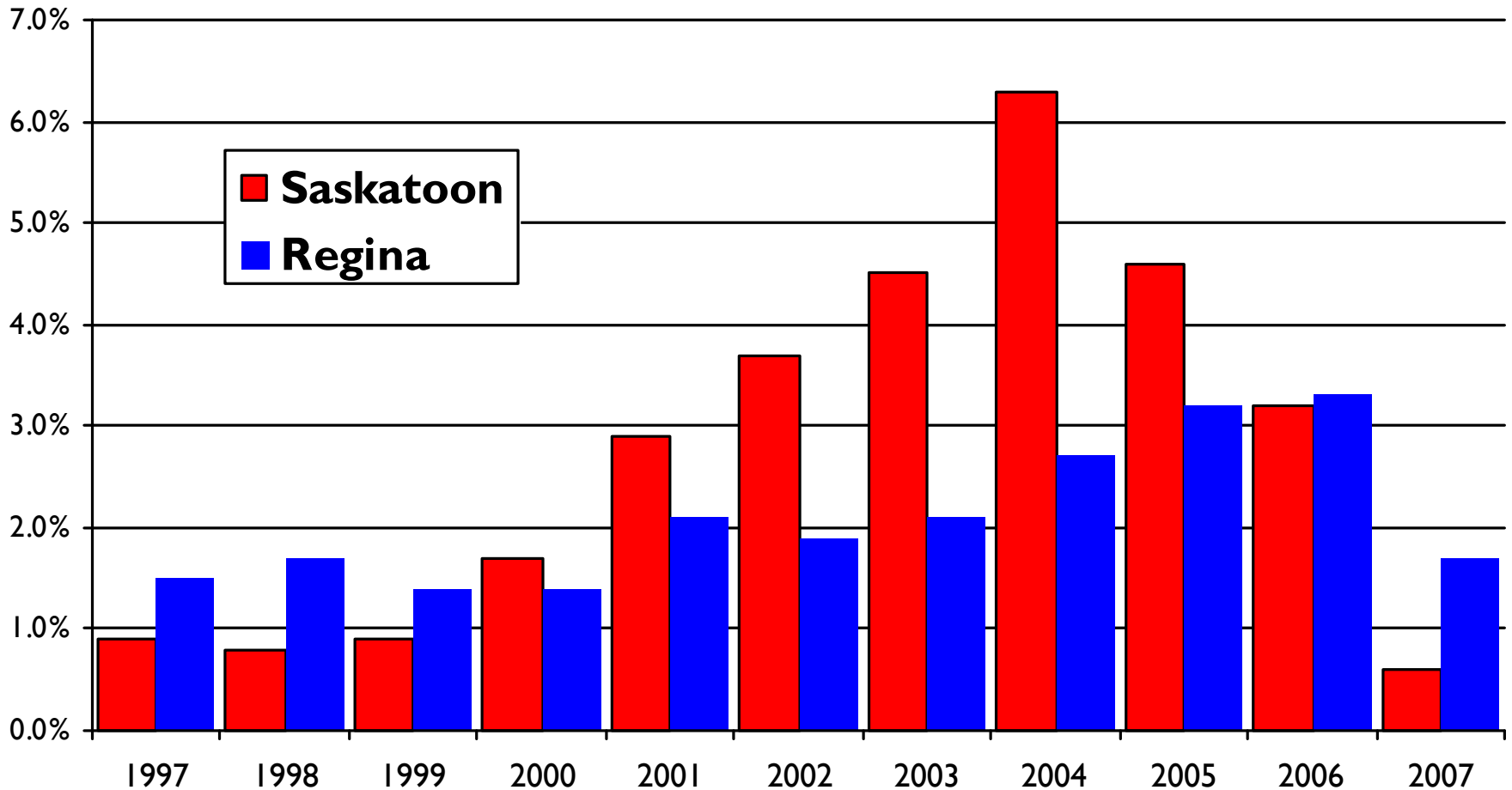


Rental Market



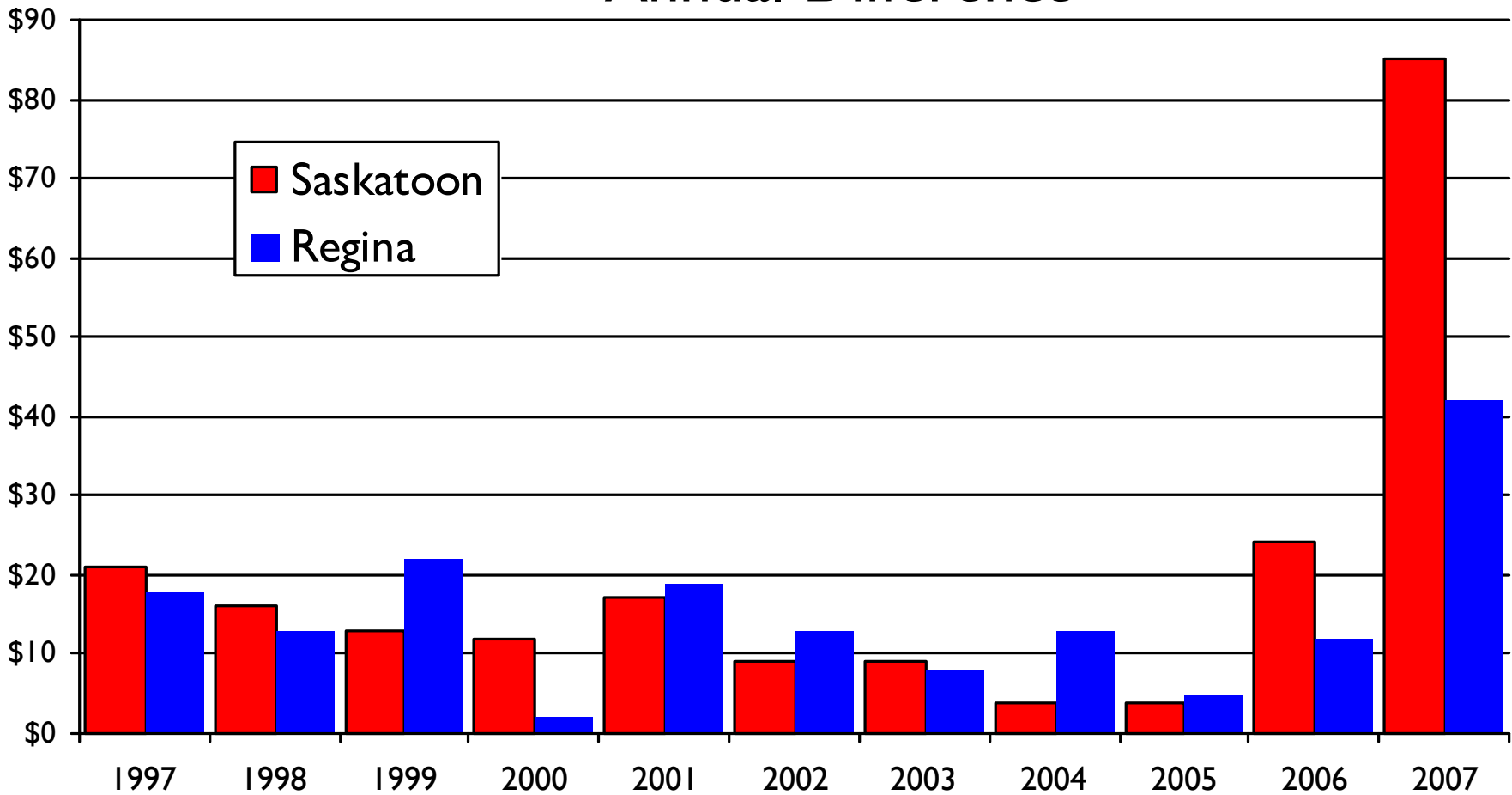


Regina and Saskatoon Average Vacancy Rate





Regina and Saskatoon 2 Bedroom Average Rent Annual Difference



Source: CMHC Rental Market Survey, October 2007



Rental Market Summary

- Strong growth in net migration has put downward pressure on average vacancy rates
- Increasing demand for rental units has put upward pressure on rents
- Slowing gains from migration will moderate demand and rent increases going forward

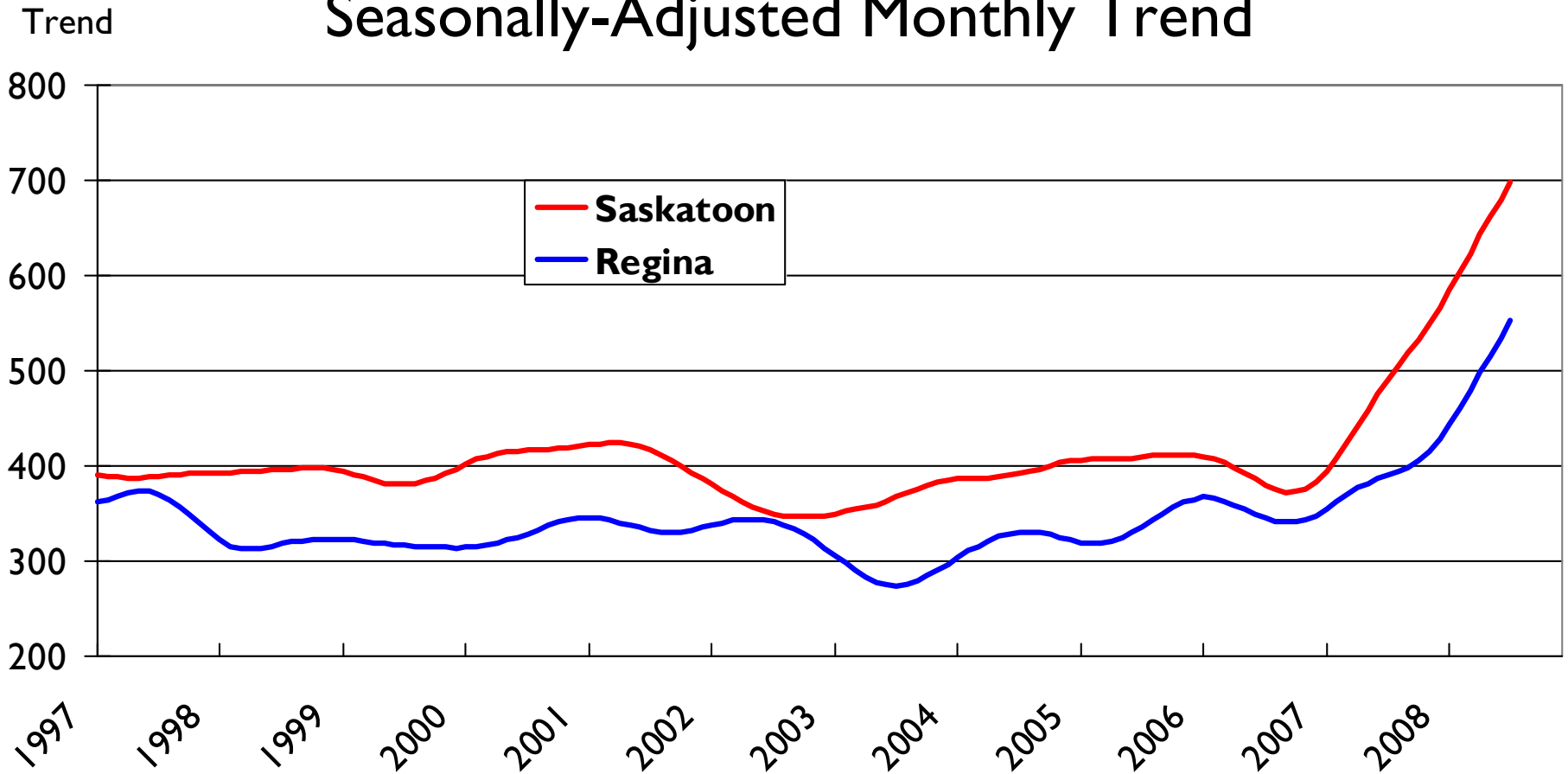


Resale Market





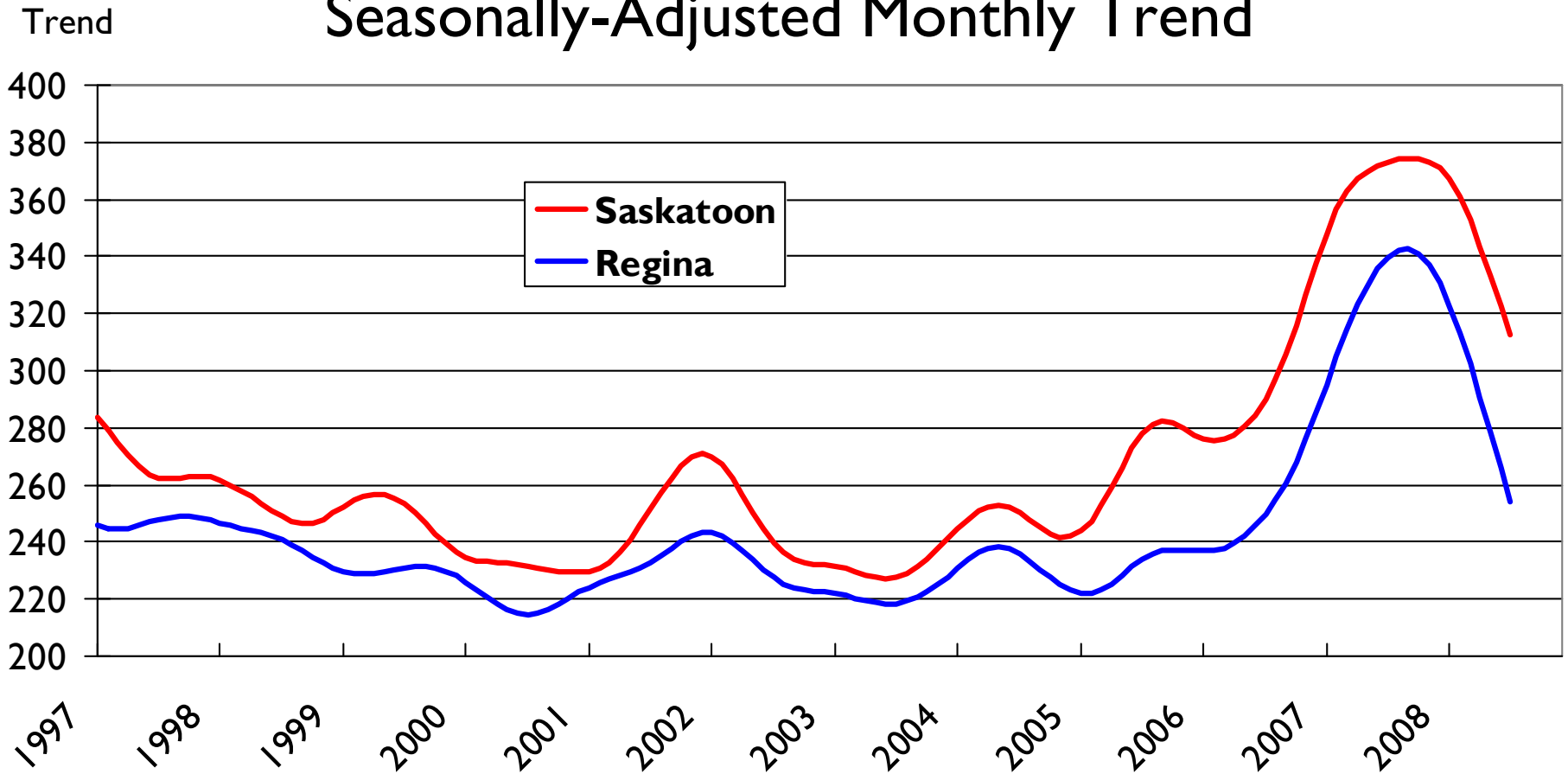
Regina and Saskatoon New Listings Seasonally-Adjusted Monthly Trend





Regina and Saskatoon Resales

Seasonally-Adjusted Monthly Trend

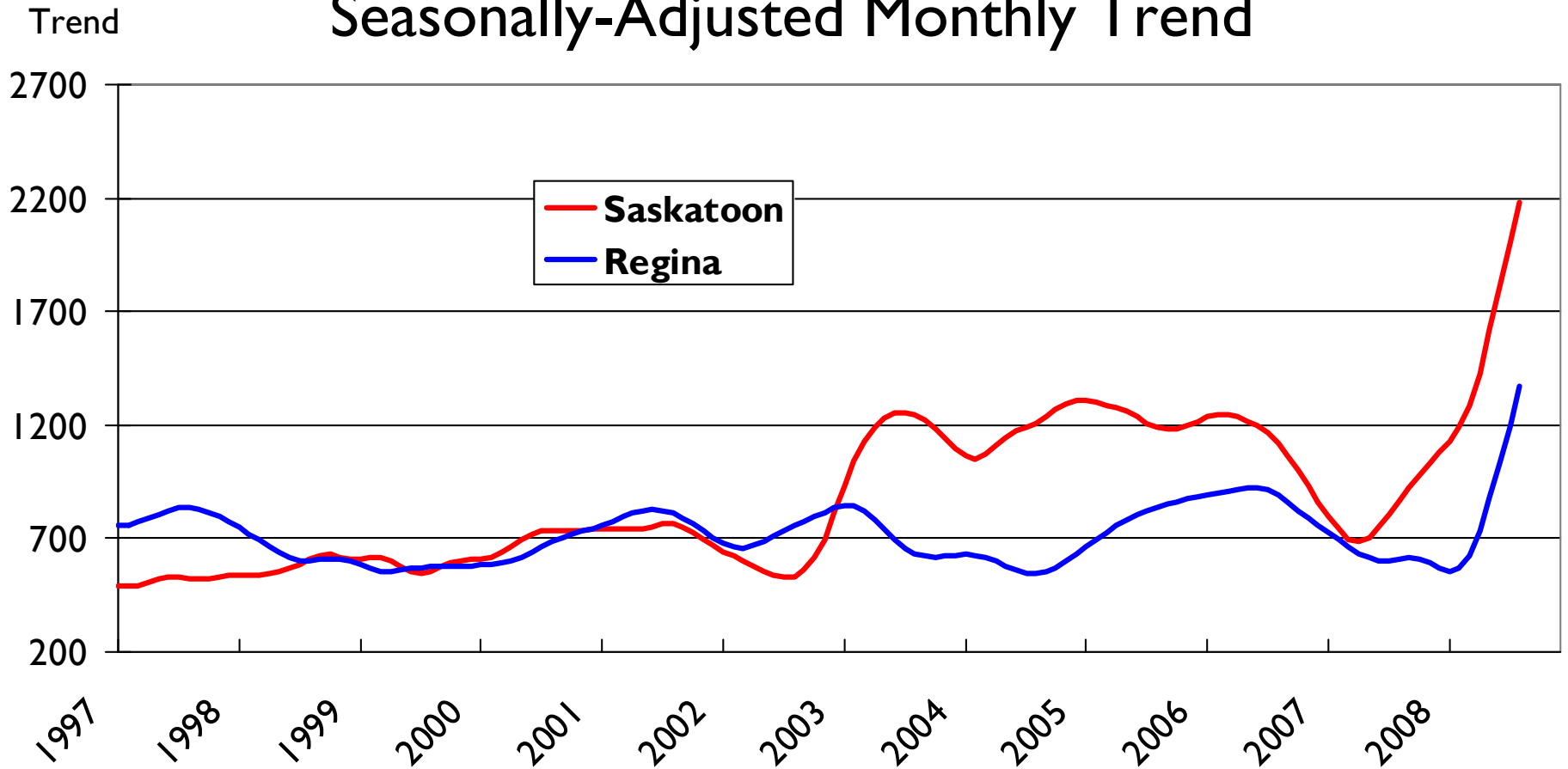


Source: CMHC and CREA



Regina and Saskatoon Active Listings

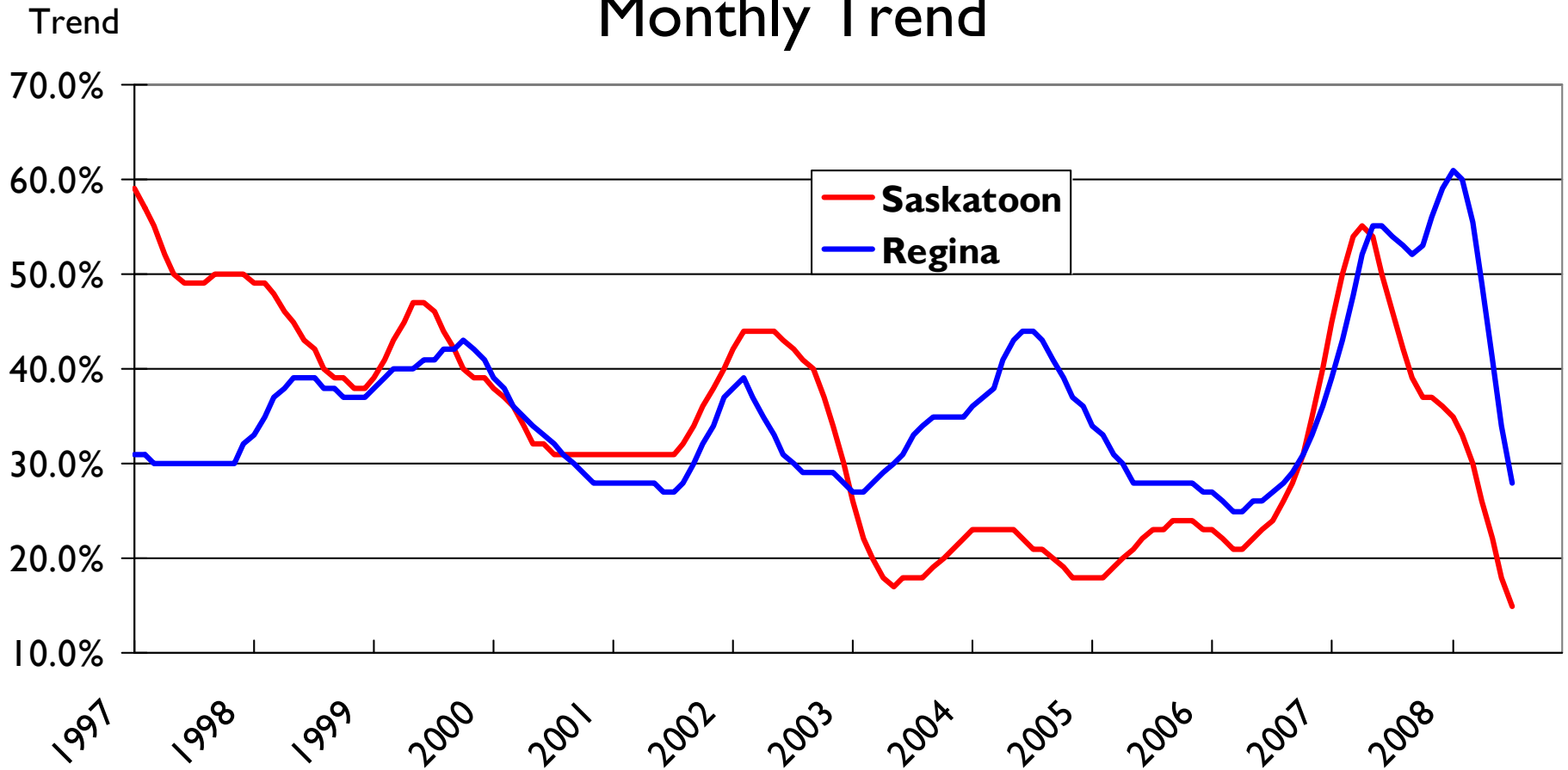
Seasonally-Adjusted Monthly Trend



Source: CMHC and CREA

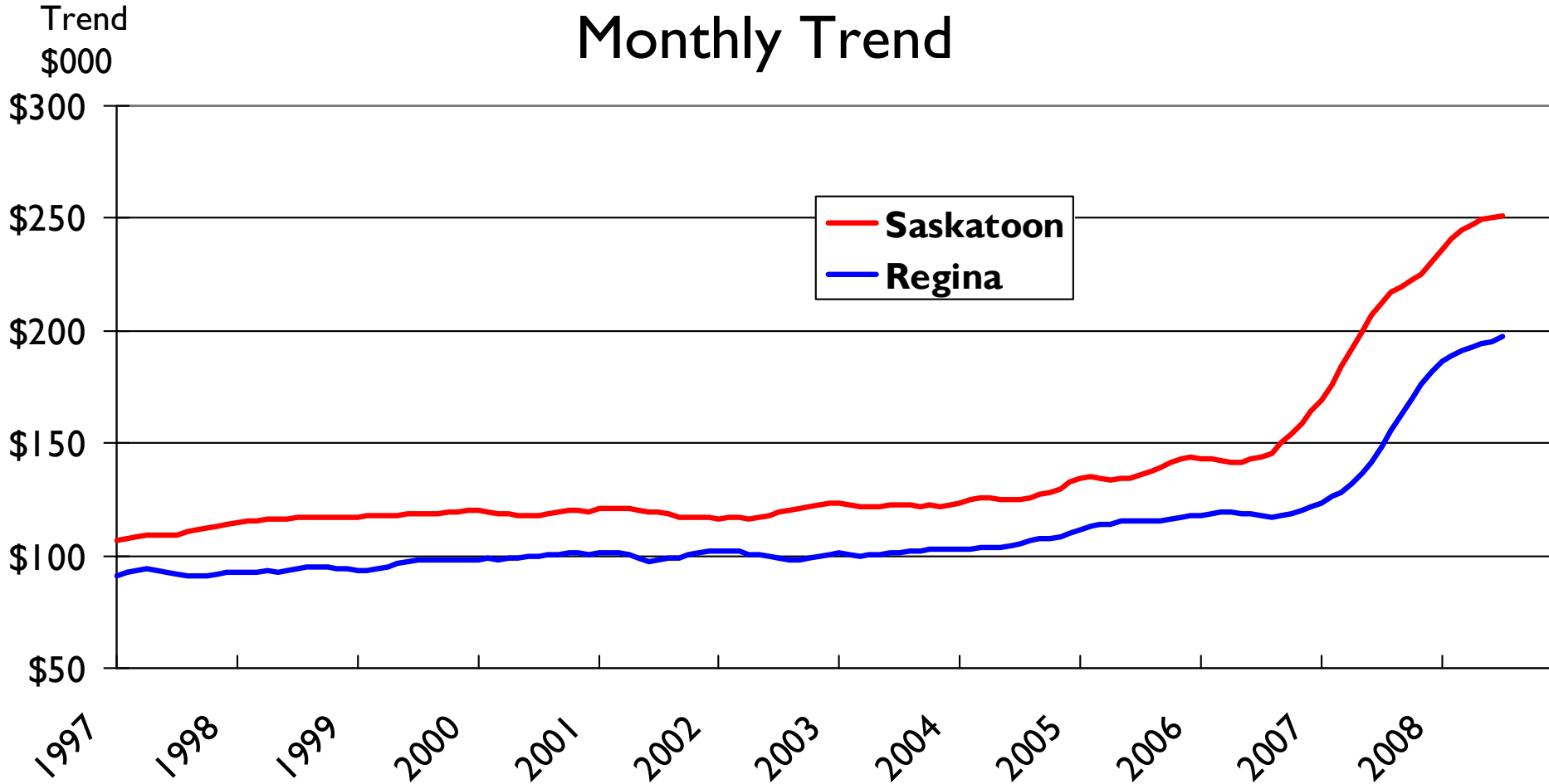


Regina and Saskatoon Sales-to-Active Listing Ratio Monthly Trend





Regina and Saskatoon Average Price Monthly Trend

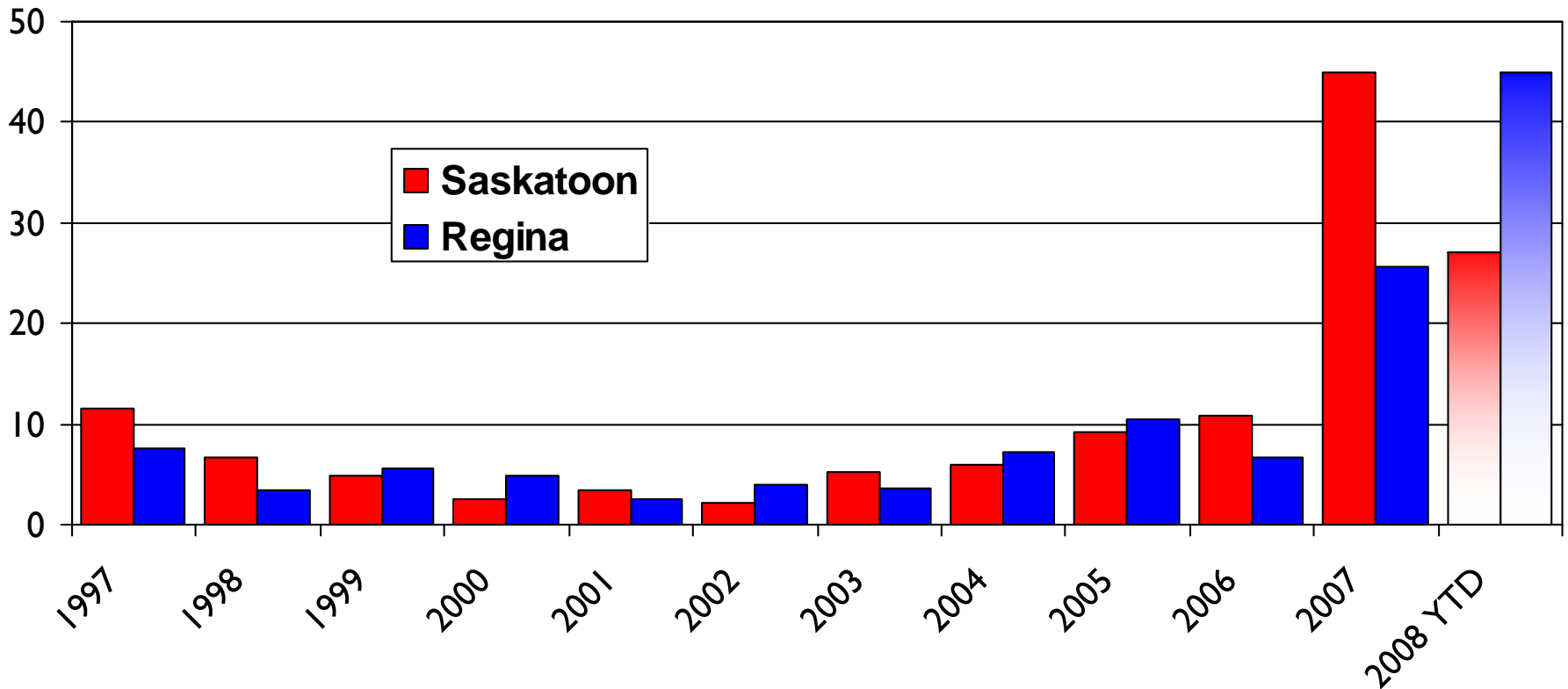


Source: CMHC and CREA



Saskatoon and Regina Average Resale Price Change

% Chge Average Price



Source: CMHC and CREA



Regina and Saskatoon Resale Markets 2008-9 Trends

- Sales moderating as buyers “wait and see”
- Active listings increasing driven by record new listing levels and slower sales
- Price escalation losing momentum

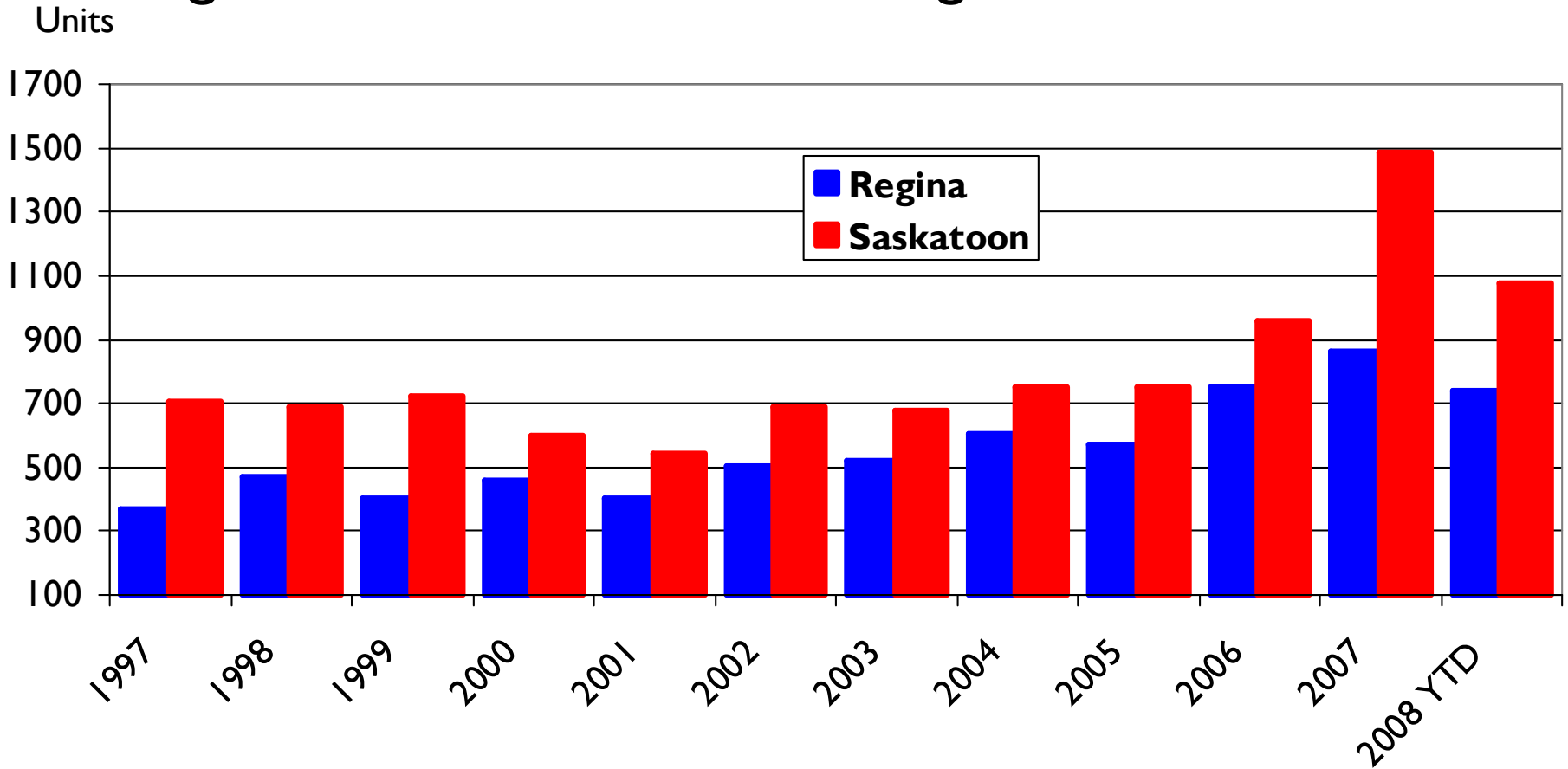


New Housing Market





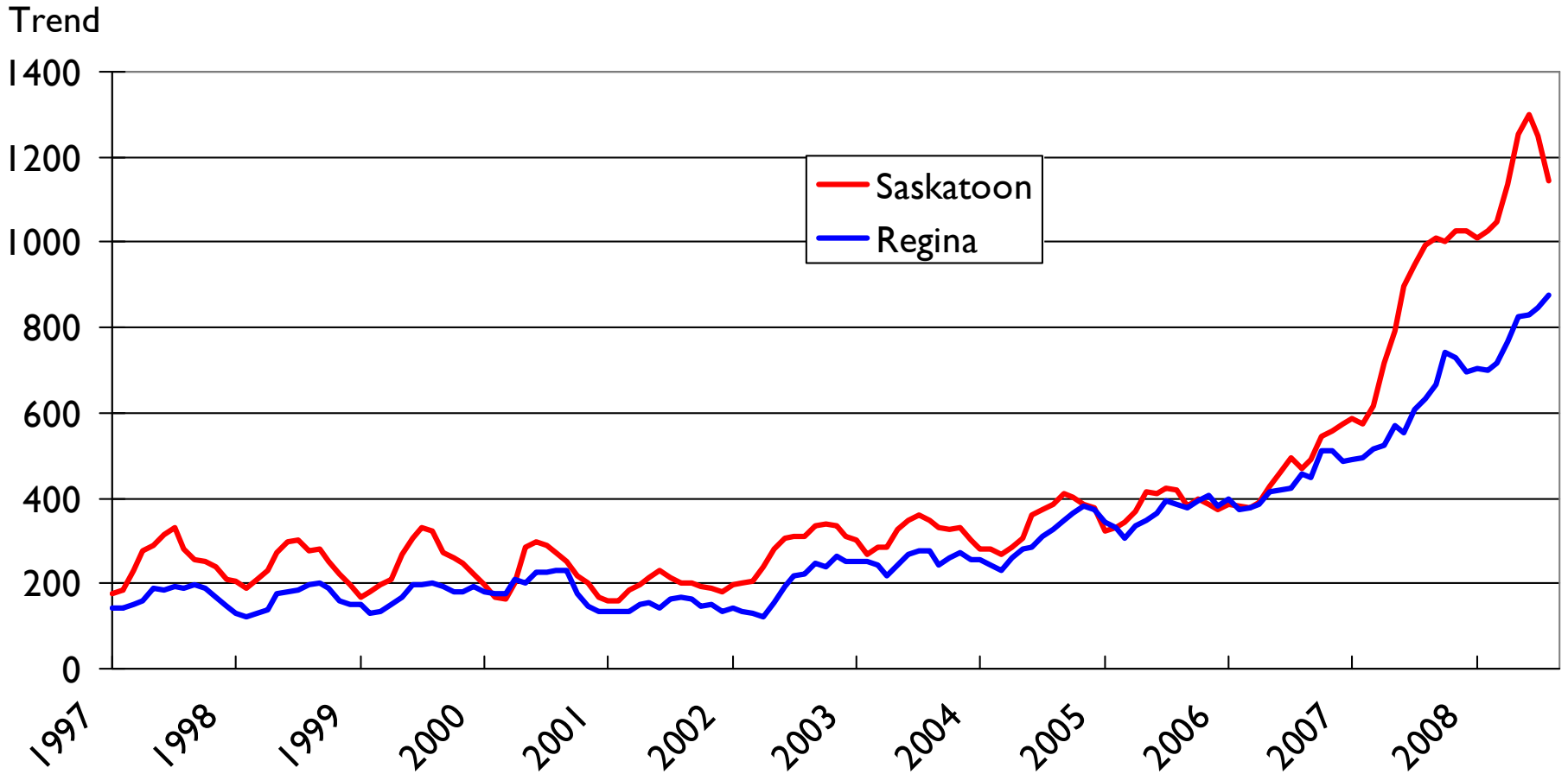
Regina and Saskatoon CMA Single-Detached Starts



Source: CMHC



Regina and Saskatoon CMA Single-Detached Under-Construction Monthly Actual





Regina and Saskatoon New Single-Detached Markets Trends going into 2009

- High inventory of singles under construction in both centres
- Nearing completion, these units are causing movement in the resale and rental markets
- Price increases have reduced demand and slowed starts

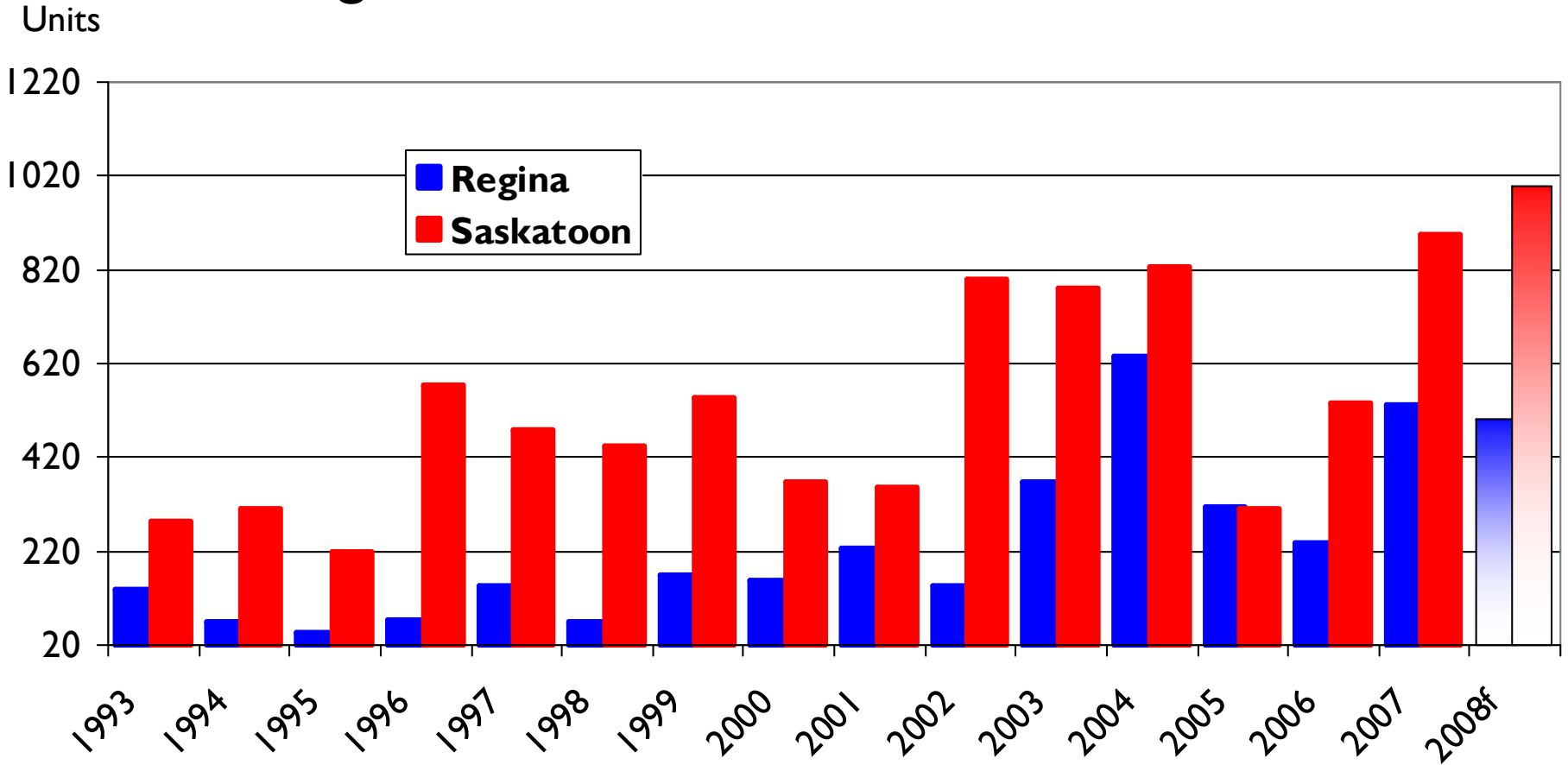


New Multi Markets





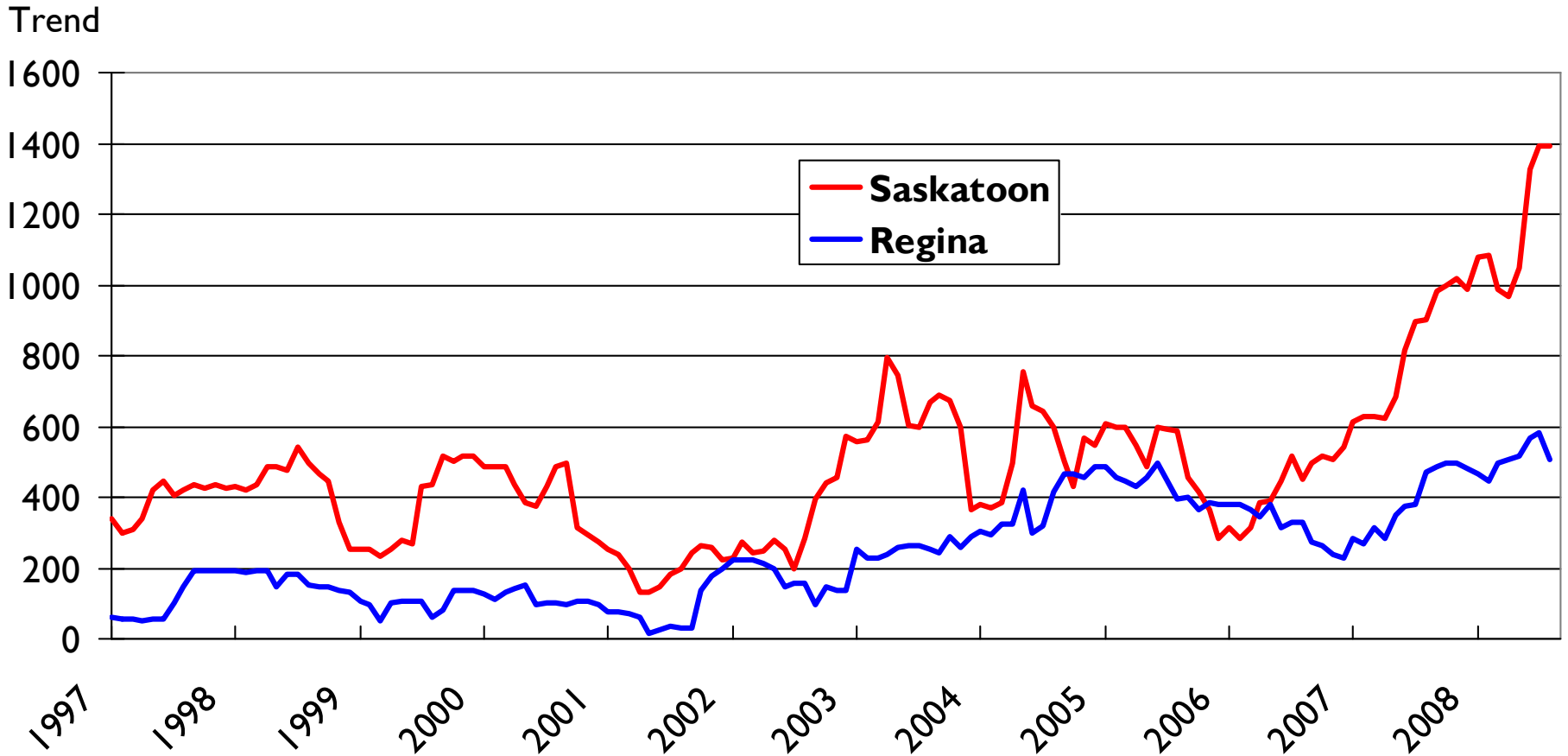
Regina and Saskatoon CMA Multi Starts



Source: CMHC



Regina and Saskatoon CMA Multiples Under-Construction Monthly Actual





Regina and Saskatoon Multi Markets

Trends going into 2008

- High inventory of apartments under construction in Saskatoon and Regina
- Demand for these units is unknown as many have been built on spec
- Multis (especially row) are becoming the housing choice for first-time homebuyers



Regina and Saskatoon Housing Markets

- Rental vacancy will rise as renters move to resale housing
- Resale markets should firm-up as listings are sold or withdrawn but price gains will fall off
- New housing starts will decelerate with the weight of unsold inventory
- **Read our monthly starts reports and quarterly Housing Now reports to learn about changes in housing markets!**



Watch for New Reports!

- New Home Sales Survey in Saskatoon
- Secondary rental market survey in Regina and Saskatoon
- Retirement home survey already posted on our website



Saskatchewan Housing Outlook Conference Delta Regina February 4, 2008



CMHC  SCHL