



October 18, 2021

3rd Quarter New Housing Starts & Renovations

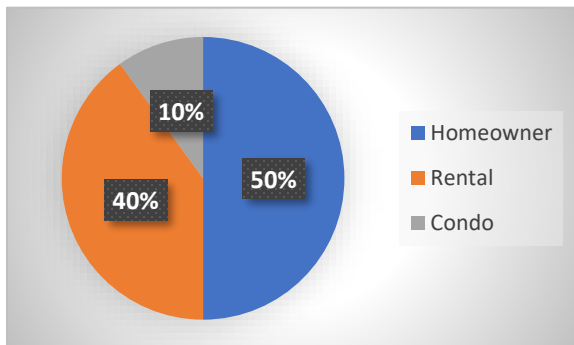
CMHC reported 646 New Housing Starts year to date in the Regina CMA. This is up 26.6% from the 510 new housing starts at this point last year.

Type	Sept 2021	YTD 2021
Single Detached	29	289
Semi Detached	2	40
Row	43	89
Apartment	6	228
Total	104	646

The 646 YTD new home starts are 27% below the 5-year average and 51% below the 10-year average.

Comparing Sept 2021 to Sept 2020, the average absorbed single-detached unit prices decreased 5.8% to \$603,250. This is 67% of the national average of \$894,134.

Housing starts by Market Type



The latest vacancy rate for the primary rental market is 7.5% (Oct 2020), which is the highest vacancy rate of any major City in Canada.

It could be speculated the for-purpose-rental market has grown exponentially in recent years due to increased federal and municipal programs focused on this area of the market, mixed with the increased mortgage requirements directed by the Government of

Canada.

In Saskatchewan, the Provincial Government has had a focus on homeownership and improving the provinces housing stock with the [PST Rebate for New Home Construction](#), [First-Time Homebuyers Tax Credit](#) and the [Home Renovation Tax Credit](#).

In Saskatchewan

According to CMHC's data, the 2,988 housing starts in Saskatchewan are 44.6% above the 2,066 starts January to September of 2020. 75.6% of new housing starts this year are a result of the 2,259 starts in Saskatoon (up 790 from 2021).

The City of Regina issued 438 New Home Building Permits for the 3 quarters of 2021. This is a decrease of 52 units (10.6%) compared to the same period in 2020. Permits taken out for single detached homes has grown by 79.6%.

Type	2020	2021
Single Detached	121	203
Semi Attached	96	98
Town House	190	57
Planned Group/Apartment	83	80
Total	490	438

Total valuation year to date is \$74,037,204 down 5.6% YTD.

City of Regina issued 801 **Renovation Permits** for a value of \$17.7M. This is an increase of 23 (3.0%) permits and \$3.1M (21.4%). Basement developments continue to lead the renovation category as it has done all year with 185 permits issued, followed by 165 new decks, 143 alterations and 133 new garages (detached).

Additional perspective: The RRHBA housing start forecast at the beginning of 2021 anticipated Regina would build a modest 750 and 1,050 new housing units. As Regina enters the final quarter of 2021, it is clear Regina is trending to the lower end of the forecast. This result is well below the five- and ten-year averages. 2021 will also end up well below the average of 1,336 housing starts per year since the RRHBA began as an Association in 1955.

As Canada has gone on one of the largest housing booms in Canadian history in 2021, important questions need to be asked on why demand in Regina has been lagging so much for the past several years.

There are many factors that impact housing starts in any region, but at the end of the day housing starts reflect how the local economy is performing. It would be reasonable to conclude that Regina is not attracting enough investment, which is not creating enough jobs resulting in limiting housing demand.

Economic development and job creation require strategies that focus on making resources available for business to compete and thrive in today's global economy, while reducing the cost of doing business and creating certainty for investment. As the world drags itself out of the pandemic, the city and citizens of Regina cannot not take the growth of our economy and City for granted.

Note: CMHC and City of Regina Building Permits housing units reported can differ when discussing housing starts. Canadian Mortgage and Housing Corporations (CMHC) views and data are based on their mix of observations of foundations started after a reviewed of permits issued.

The City of Regina Building Standards Branch provides data on how many building permits were issued. Often, both numbers can be referred to by different organization as the 'amount of housing starts'.

CMHC and the City of Regina numbers are accurate, but they are counting different things.

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