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## Housing Starts Up in August Due to Increased Apartment Construction

Halifax  
August 2005

Housing market activity in Halifax continued on the same path as it has been for the last several months. Despite a healthy level of construction activity, overall there continues to be fewer single detached housing starts in Metro Halifax and multiple unit construction has been making up for this decline in activity. As a result of the high level of multiple unit construction in August that saw more than 200 units started, year to date starts in Halifax have surpassed year to date figures for 2004.

The number of units under construction also increased last month as the number of completions has not been sufficient to offset the high level of starts activity. At 2,298 units under construction this is the second consecutive month with over 2,000 units under construction and this is keeping the construction trades busy. The low level of completions activity partnered with an increased level of absorptions has also led to a steady decline in the number of units that are completed but not absorbed over the last few months.

For the second month in a row, there are only two sub-markets in Metro Halifax that experienced an increase in starts activity compared with August 2004. Halifax City had a large number of rental unit starts last month more than offsetting the decline in single detached units. Halifax County East saw an increase in starts month over month that could be fully attributed to an increase in single unit

starts. With an increased level of construction activity in Metro Halifax, completions were up in four of seven sub-markets as a result of increased numbers of more single family homes wrapping up.

The shrinking inventory of completed and unabsorbed units in Halifax was likely a result of an increase in the total number of new single-detached houses sold in Halifax last month compared with August 2004. More than half of the new houses sold were 2 storey houses, with sales of 2 storey houses increasing 67 per cent comparing August to the same period of 2004. The average sales price of new single detached homes rose 8.5 per cent last month compared to July with significantly fewer sales below the \$200,000 price range compared to July.

Of the new single detached houses that were unoccupied in August, they were evenly split, with half falling in the \$200,000-\$300,000 price range and half with a price tag greater than \$300,000. There were no unoccupied new single detached houses for an asking price of less than \$200,000.

The resale market had an excellent month with 661 homes putting "Sold" signs on their front lawns surpassing the 506 sales in August 2004. The average price was up 8.3 per cent to \$188,566 in August from \$174,117 in August 2004 but fell just below the average price one month ago.

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*MLS® is a registered trademark of the Canadian Real Estate Association.*

**TABLE 1  
ACTIVITY SUMMARY BY INTENDED MARKET  
HALIFAX CMA  
AUGUST 2005**

		FREEHOLD					CONDOMINIUM	RENTAL	GRAND TOTAL
		SINGLE	SEMI	ROW	CONDOMINIUM	RENTAL			
<b>PENDING STARTS</b>	- Current Month	123	34	0	0	0	44	201	
	- Previous Year	188	4	0	0	0	102	294	
<b>STARTS</b>	- Current Month	123	2	12	0	0	198	335	
	- Previous Year	164	26	0	80	3	3	273	
	Year-To-Date 2005	836	66	123	247	427	1699		
	Year-To-Date 2004	1018	108	111	239	206	1682		
<b>UNDER CONSTRUCTION</b>	- 2005	534	46	94	613	1011	2298		
	- 2004	590	60	141	690	596	2077		
<b>COMPLETIONS</b>	- Current Month	115	10	19	8	0	152		
	- Previous Year	92	2	20	4	0	118		
	Year-To-Date 2005	671	66	124	84	85	1030		
	Year-To-Date 2004	744	92	68	228	371	1503		
<b>COMPLETED &amp; NOT ABSORBED</b>	- 2005	18	0	2	20	11	51		
	- 2004	35	2	4	203	101	345		
<b>TOTAL SUPPLY</b>	- 2005	552	46	96	633	1022	2349		
	- 2004	625	62	145	893	697	2422		
<b>ABSORPTIONS</b>	- Current Month	119	11	19	11	0	160		
	- Previous Year	91	6	20	4	0	121		
	Year-To-Date 2005	682	70	130	127	170	1179		
	Year-To-Date 2004	760	108	72	85	428	1453		
	3-month Average	94	8	11	4	9	126		
	12-month Average	114	9	17	47	35	222		

Source: CMHC

TABLE 2  
HOUSING ACTIVITY BY AREA AND BY INTENDED MARKET  
HALIFAX CMA  
AUGUST 2005

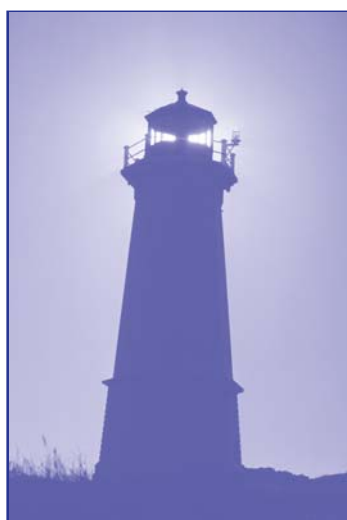
STARTS	OWNERSHIP						GRAND TOTAL	OWNERSHIP						GRAND TOTAL					
	SINGLE	SEMI	ROW	CONDOMINIUM	RENTAL			SINGLE	SEMI	ROW	CONDOMINIUM	RENTAL							
<b>HALIFAX CITY</b>																			
- Current Month	8	0	0	0	0	198	0	0	0	0	0	198	206	12	6	19	8	0	45
- Previous Year	17	12	0	0	0	0	0	0	0	0	0	0	29	14	2	0	0	0	16
Year-To-Date 2005	75	16	62	142	377	142	672	53	30	57	48	71	259	53	30	57	48	71	259
Year-To-Date 2004	103	54	24	40	155	40	376	107	48	40	196	325	716	107	48	40	196	325	716
<b>DARTMOUTH CITY</b>																			
- Current Month	17	0	12	0	0	0	0	0	0	0	0	0	29	11	0	0	0	0	11
- Previous Year	26	6	0	74	3	0	109	9	0	20	4	0	33	9	0	20	4	0	33
Year-To-Date 2005	137	28	48	50	50	313	313	129	20	40	0	3	192	129	20	40	0	3	192
Year-To-Date 2004	186	32	32	78	3	331	331	121	18	20	20	22	201	121	18	20	20	22	201
<b>BEDFORD-HAMMONDS PLAINS</b>																			
- Current Month	23	0	0	0	0	0	23	30	0	0	0	0	30	30	0	0	0	0	30
- Previous Year	27	0	0	6	0	0	33	19	0	0	0	0	19	19	0	0	0	0	19
Year-To-Date 2005	151	4	13	55	0	223	223	124	0	18	36	6	184	124	0	18	36	6	184
Year-To-Date 2004	171	10	55	121	0	357	357	132	10	8	12	18	180	132	10	8	12	18	180
<b>SACKVILLE</b>																			
- Current Month	12	0	0	0	0	0	12	12	0	0	0	0	12	12	0	0	0	0	12
- Previous Year	29	0	0	0	0	0	29	29	0	0	0	0	29	29	0	0	0	0	29
Year-To-Date 2005	62	6	0	0	0	68	68	62	6	0	0	0	68	62	6	0	0	0	68
Year-To-Date 2004	110	2	0	0	48	160	160	110	2	0	0	48	160	110	2	0	0	48	160
<b>FALL RIVER-BEAVERBANK</b>																			
- Current Month	22	0	0	0	0	0	22	21	0	0	0	0	21	21	0	0	0	0	21
- Previous Year	25	0	0	0	0	0	25	16	0	0	0	0	16	16	0	0	0	0	16
Year-To-Date 2005	123	0	0	0	0	123	123	82	2	0	0	0	84	82	2	0	0	0	84
Year-To-Date 2004	163	0	0	0	0	163	163	107	0	0	0	0	107	107	0	0	0	0	107
<b>HALIFAX COUNTY SOUTHWEST</b>																			
- Current Month	22	2	0	0	0	0	24	26	2	0	0	0	28	26	2	0	0	0	28
- Previous Year	27	8	0	0	0	35	35	18	0	0	0	0	18	18	0	0	0	0	18
Year-To-Date 2005	167	12	0	0	0	179	179	160	8	0	0	0	168	160	8	0	0	0	168
Year-To-Date 2004	169	10	0	0	0	179	179	147	12	0	0	0	159	147	12	0	0	0	159
<b>HALIFAX COUNTY EAST</b>																			
- Current Month	19	0	0	0	0	0	19	2	0	0	0	0	2	2	0	0	0	0	2
- Previous Year	13	0	0	0	0	0	13	8	0	0	0	0	8	8	0	0	0	0	8
Year-To-Date 2005	121	0	0	0	0	121	121	62	2	0	0	0	64	62	2	0	0	0	64
Year-To-Date 2004	116	0	0	0	0	116	116	68	2	0	0	0	76	68	2	0	0	0	76

Source: CMHC

**TABLE 3  
UNDER CONSTRUCTION BY AREA  
HALIFAX CMA  
AUGUST 2005**

	OWNERSHIP					GRAND TOTAL
	FREEHOLD					
	SINGLE	SEMI	ROW	CONDO	RENTAL	
<b>HALIFAX CITY</b>						
- Current Month	43	4	42	250	738	1077
- Previous Year	55	30	40	402	473	1000
<b>DARTMOUTH CITY</b>						
- Current Month	116	28	48	229	268	689
- Previous Year	135	16	54	143	3	351
<b>BEDFORD-HAMMONDS PLAINS</b>						
- Current Month	86	4	4	134	5	233
- Previous Year	88	4	47	145	72	356
<b>SACKVILLE</b>						
- Current Month	31	2	0	0	0	33
- Previous Year	73	0	0	0	48	121
<b>FALL RIVER-BEAVERBANK</b>						
- Current Month	73	0	0	0	0	73
- Previous Year	80	0	0	0	0	80
<b>HALIFAX COUNTY SOUTHWEST</b>						
- Current Month	85	8	0	0	0	93
- Previous Year	80	10	0	0	0	90
<b>HALIFAX COUTY EAST</b>						
- Current Month	100	0	0	0	0	100
- Previous Year	79	0	0	0	0	79

Source: CMHC



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Recently added to the Market Analysis suite of products is Housing Now Atlantic Canada. Included in this publication you will find information on new home construction activity, MLS resale activity as well as financial and economic indicators for each of the Atlantic Provinces.

For more information or to subscribe to this product please call Michèle Merrick, Market Research & Client Service Specialist at (902) 426-4708.

**TABLE 4  
SALES AND PRICE OF NEW SINGLE-DETACHED HOUSES BY TYPE  
HALIFAX CMA  
AUGUST 2005**

Type	Current Month	Previous Year	Year-To-Date 2005	Year-To-Date 2004
<b>Bungalow</b>				
Sales	11	18	86	90
Average Price	\$248,636	\$183,611	\$212,671	\$202,739
Median Price	\$225,000	\$168,750	\$191,000	NA
<b>Split Level</b>				
Sales	5	4	61	94
Average Price	\$239,880	\$187,225	\$214,071	\$179,405
Median Price	\$235,800	\$187,450	\$198,900	NA
<b>1.5 Storey</b>				
Sales	0	0	2	6
Average Price	\$0	\$0	\$309,950	\$278,333
Median Price	\$0	\$0	\$309,950	NA
<b>2 Storey</b>				
Sales	77	46	400	454
Average Price	\$317,173	\$241,141	\$294,614	\$273,023
Median Price	\$298,000	\$221,500	\$269,000	NA
<b>Other</b>				
Sales	19	19	118	105
Average Price	\$204,150	\$171,242	\$182,012	\$176,967
Median Price	\$204,000	\$180,000	\$188,500	NA
<b>Unknown</b>				
Sales	7	4	12	6
Average Price	\$261,557	\$202,475	\$249,717	\$204,083
Median Price	\$209,900	\$203,450	\$208,950	NA
<b>Total</b>				
Sales	119	91	679	755
Average Price	\$286,273	\$211,098	\$256,683	\$239,125
Median Price	\$269,000	\$189,000	\$225,900	NA

Source: CMHC

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**TABLE 5 - MONTHLY NEW SINGLE DETACHED HOUSE SALES BY PRICE RANGE**

HALIFAX CMA															
	<\$174,999		\$175,000-\$199,999		\$200,000-\$249,999		\$250,000-\$299,999		\$300,000-\$399,999		>\$400,000				
Period	sales	per cent	sales	per cent	sales	per cent	sales	per cent	sales	per cent	sales	per cent	Total Sales	Average Price	Median Price
August 2004	18	19.8%	39	42.9%	13	14.3%	11	12.1%	10	11.0%	0	0.0%	91	\$211,098	\$189,000
September 2004	53	23.5%	51	22.6%	63	27.9%	31	13.7%	26	11.5%	2	0.9%	226	\$224,824	\$206,900
October 2004	17	13.0%	37	28.2%	37	28.2%	24	18.3%	14	10.7%	2	1.5%	131	\$243,154	\$219,500
November 2004	31	18.1%	52	30.4%	52	30.4%	23	13.5%	11	6.4%	2	1.2%	171	\$227,312	\$205,000
December 2004	33	18.8%	45	25.6%	58	33.0%	26	14.8%	12	6.8%	2	1.1%	176	\$222,863	\$209,900
January 2005	13	18.8%	16	23.2%	26	37.7%	5	7.2%	9	13.0%	0	0.0%	69	\$223,006	\$209,950
February 2005	6	8.6%	18	25.7%	22	31.4%	17	24.3%	7	10.0%	0	0.0%	70	\$244,007	\$229,900
March 2005	14	18.4%	28	36.8%	13	17.1%	9	11.8%	10	13.2%	2	2.6%	76	\$241,332	\$198,900
April 2005	6	10.5%	17	29.8%	17	29.8%	8	14.0%	7	12.3%	2	3.5%	57	\$255,616	\$210,000
May 2005	14	20.3%	16	23.2%	15	21.7%	11	15.9%	11	15.9%	2	2.9%	69	\$259,616	\$215,500
June 2005	11	12.5%	22	25.0%	26	29.5%	20	22.7%	7	8.0%	2	2.3%	88	\$256,430	\$230,900
July 2005	17	15.9%	17	15.9%	25	23.4%	29	27.1%	17	15.9%	2	1.9%	107	\$263,728	\$243,950
August 2005	3	2.7%	11	9.9%	34	30.6%	33	29.7%	27	24.3%	3	2.7%	111	\$286,273	\$269,000

Source: CMHC

**TABLE 6 - MONTHLY NEW SINGLE-DETACHED UNOCCUPIED HOUSES BY PRICE RANGE**

HALIFAX CMA															
	<\$174,999		\$175,000-\$199,999		\$200,000-\$249,999		\$250,000-\$299,999		\$300,000-\$399,999		>\$400,000				
Period	units	per cent	units	per cent	units	per cent	units	per cent	units	per cent	units	per cent	Total Units	Average Price	Median Price
August 2004	2	6.3%	4	12.5%	8	25.0%	3	9.4%	13	40.6%	2	6.3%	32	\$304,080	\$300,000
September 2004	3	9.7%	4	12.9%	5	16.1%	4	12.9%	13	41.9%	2	6.5%	31	\$308,021	\$300,000
October 2004	3	14.3%	1	4.8%	3	14.3%	1	4.8%	10	47.6%	3	14.3%	21	\$353,414	\$324,000
November 2004	4	16.0%	2	8.0%	5	20.0%	3	12.0%	8	32.0%	3	12.0%	25	\$326,096	\$284,000
December 2004	3	10.3%	3	10.3%	9	31.0%	3	10.3%	10	34.5%	1	3.4%	29	\$277,176	\$232,000
January 2005	3	12.5%	3	12.5%	7	29.2%	3	12.5%	7	29.2%	1	4.2%	24	\$276,850	\$226,000
February 2005	3	9.4%	3	9.4%	12	37.5%	3	9.4%	10	31.3%	1	3.1%	32	\$282,403	\$230,000
March 2005	2	5.6%	8	22.2%	11	30.6%	5	13.9%	9	25.0%	1	2.8%	36	\$273,441	\$225,000
April 2005	4	10.3%	7	17.9%	13	33.3%	3	7.7%	11	28.2%	1	2.6%	39	\$269,630	\$222,500
May 2005	0	0.0%	4	12.1%	16	48.5%	4	12.1%	8	24.2%	1	3.0%	33	\$269,185	\$222,500
June 2005	1	4.2%	0	0.0%	10	41.7%	6	25.0%	6	25.0%	1	4.2%	24	\$287,419	\$270,000
July 2005	0	0.0%	0	0.0%	11	55.0%	2	10.0%	6	30.0%	1	5.0%	20	\$290,223	\$242,000
August 2005	0	0.0%	0	0.0%	7	43.8%	1	6.3%	7	43.8%	1	6.3%	16	\$311,150	\$302,500

Source: CMHC

**Table 7: MLS® Residential Sales Activity by Area**

SUBMARKET	August								
	2005			2004			Per Cent Change		
	Sales	New Listings	Average Sale Price	Sales	New Listings	Average Sale Price	Sales	New Listings	Average Sale Price
Halifax-Dartmouth Region	661	985	188,566 \$	506	846	174,117 \$	30.6%	16.4%	8.3%

SUBMARKET	YEAR-TO-DATE								
	2005			2004			Per Cent Change		
	Sales	New Listings	Average Sale Price	Sales	New Listings	Average Sale Price	Sales	New Listings	Average Sale Price
Halifax-Dartmouth Region	4587	7712	188,032 \$	4076	6619	174,988 \$	12.5%	16.5%	7.5%

Source: Canadian Real Estate Association

Note: Unfortunately sub-market level MLS® data was not available for August

KEY ECONOMIC INDICATORS HALIFAX				
Indicator	Period	2005	2004	% Change
Metro Halifax Labour Force (000's)	August	219.8	220.7	-0.4%
Metro Halifax Employment (000's)	August	208.2	208.5	-0.1%
Metro Halifax Unemployment Rate	August	5.3%	5.3%	---
Building Permits(\$ 000's)	July			
Residential		38,005	59,959	-36.6%
Non-Residential		23,219	9,189	152.7%
Total		61,224	69,148	-11.5%
Metro Halifax Consumer Price Index	July	127.9	125.6	1.8%
Metro Halifax New Housing Price Index	July			
Total		122.3	121.7	0.5%
House		123.8	123.7	0.1%
Land		118.9	117.1	1.5%

Sources:

Statistics Canada - Labour Force Survey  
 Statistics Canada - Monthly Building Permits Survey  
 Statistics Canada - Consumer Price Index  
 Statistics Canada - New House Price Index

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