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Ottawa

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Canada Mortgage and Housing Corporation

www.cmhc.ca

HOUSING CONSTRUCTION DOWN IN NOVEMBER

Housing starts in November declined year-over-year for the 10th time this year. Home starts for the first 11 months of 2005 are down by 31 per cent from the same period a year ago. From January to November of this year, single-family construction dropped by 28 per cent to 2,192 starts, while multi-family construction has fallen by 33 per cent to achieve 2,474 units.

Balanced resale home market conditions pulled residential construction back from last year's strong pace. Housing starts in Ottawa have declined in conjunction with the rising number of resale home listings. The rising cost to support a mortgage is also having an impact on the demand for new homes. Demand for more affordable home types, such condominiums and townhouses, will drive multi-family construction.

A surge in apartment construction softened November's dip in multiple-family home starts. Multiple-family home starts last month moved down by 25 per cent compared to last year, while single-family home starts dropped by 28 per cent — to their lowest November level since 2001.

The former municipalities of Ottawa, Nepean and Kanata saw residential construction soar in November, mostly on the strength of the multi-family market. Kanata also recorded a 47 per cent increase in single-family construction from November of last year, which greatly contributed to the significant run up in construction there. Meanwhile, it was the eastern portion of the metropolitan area that recorded strong declines. In the former municipality of Cumberland, starts were down by over a half while in Gloucester only a quarter of last year's starts in November were achieved this year.

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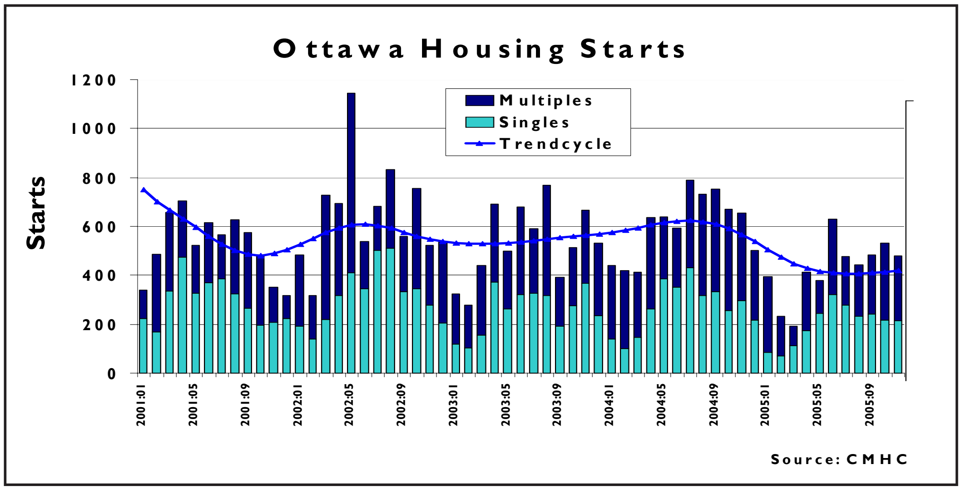
IN THIS ISSUE



CMHC Ottawa Office - Market Analysis
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Table 1: Housing Activity Summary for Ottawa

	OWNERSHIP					RENTAL		GRAND
	FREEHOLD			CONDOMINIUM				
	*SINGLE	*SEMI	ROW	ROW	APT	ROW	APT	**TOTAL
STARTS								
November 2005	215	36	128	0	102	0	0	481
November 2004	297	40	172	21	94	27	3	654
% Change	-27.6	-10.0	-25.6	-100.0	8.5	-100.0	-100.0	-26.5
Year-to-date 2005	2,192	236	1,156	274	622	66	120	4,666
Year-to-date 2004	3,028	328	1,740	355	1,049	150	92	6,742
% Change	-27.6	-28.0	-33.6	-22.8	-40.7	-56.0	30.4	-30.8
Q3 2005	754	68	438	71	48	0	27	1,406
Q3 2004	1,084	96	553	163	361	10	7	2,274
% Change	-30.4	-29.2	-20.8	-56.4	-86.7	-100.0	**	-38.2
UNDER CONSTRUCTION								
November 2005	1,318	154	767	191	1,023	87	156	3,696
November 2004	1,600	184	928	375	1,317	61	250	4,715
COMPLETIONS								
November 2005	249	34	109	27	161	7	0	587
November 2004	415	12	202	56	138	24	22	869
% Change	-40.0	183.3	-46.0	-51.8	16.7	-70.8	-100.0	-32.5
Year-to-date 2005	2,385	256	1,315	460	899	88	249	5,652
Year-to-date 2004	2,867	298	1,815	233	796	159	446	6,614
% Change	-16.8	-14.1	-27.5	97.4	12.9	-44.7	-44.2	-14.5
Q3 2005	611	50	369	167	187	31	218	1,633
Q3 2004	840	118	542	118	329	123	285	2,355
% Change	-27.3	-57.6	-31.9	41.5	-43.2	-74.8	-23.5	-30.7
COMPLETE & NOT ABSORBED								
November 2005	95	29	116	17	95	4	136	492
November 2004	84	29	81	12	77	9	198	490
ABSORPTIONS								
November 2005	260	34	105	29	129	9	79	645
November 2004	403	9	210	52	143	37	25	879
% Change	-35.5	**	-50.0	-44.2	-9.8	-75.7	**	-26.6
Year-to-date 2005	2,378	250	1,272	470	887	98	300	5,655
Year-to-date 2004	2,823	297	1,815	230	721	177	345	6,408
% Change	-15.8	-15.8	-29.9	104.3	23.0	-44.6	-13.0	-11.8
Q3 2005	610	55	341	164	203	39	178	1,590
Q3 2004	817	130	531	110	322	107	192	2,209
% Change	-25.3	-57.7	-35.8	49.1	-37.0	-63.6	-7.3	-28.0

*Includes all market types

** Year-over-year change greater than 200 per cent.

Source: CMHC

Save on Home Energy Costs

Effective November 18, 2004
CMHC will offer a 10% refund on its mortgage loan insurance premium when a borrowers buys or builds an energy-efficient home or makes energy-saving renovations to an existing home. Multi-residential buildings are also eligible.

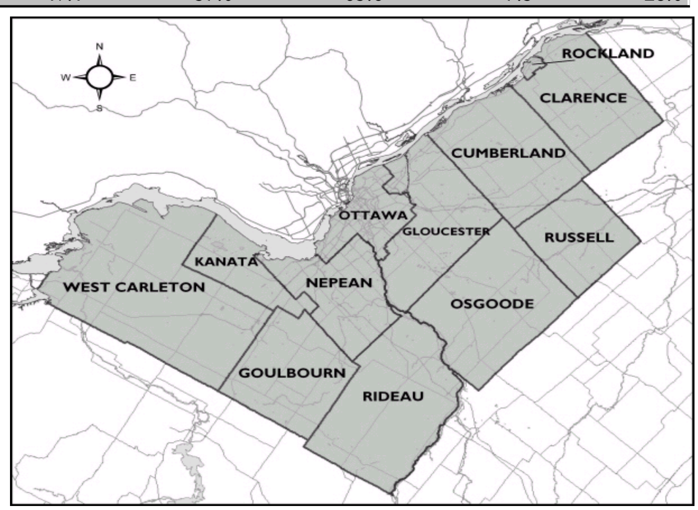


Table 2A: Starts by Area and by Intended Market - Current Month

Sub Market Area	SINGLES			MULTIPLES			TOTAL		
	Nov 04	Nov 05	% change	Nov 04	Nov 05	% change	Nov 04	Nov 05	% change
Ottawa	297	215	-27.6	357	266	-25.5	654	481	-26.5
Ottawa City	282	194	-31.2	322	266	-17.4	604	460	-23.8
Ottawa, Vanier, Rockcliffe	3	14	**	74	100	35.1	77	114	48.1
Nepean inside greenbelt	0	1	NA	0	0	NA	0	1	NA
Nepean outside greenbelt	57	42	-26.3	16	67	**	73	109	49.3
Gloucester inside greenbelt	8	4	-50.0	14	2	-85.7	22	6	-72.7
Gloucester outside greenbelt	47	13	-72.3	139	39	-71.9	186	52	-72.0
Kanata	30	44	46.7	4	38	**	34	82	141.2
Cumberland	55	32	-41.8	64	18	-71.9	119	50	-58.0
Goulbourn	50	18	-64.0	11	2	-81.8	61	20	-67.2
West Carleton	12	10	-16.7	0	0	NA	12	10	-16.7
Rideau	4	3	-25.0	0	0	NA	4	3	-25.0
Osgoode	16	13	-18.8	0	0	NA	16	13	-18.8
Clarence-Rockland City	6	15	150.0	35	0	-100.0	41	15	-63.4
Russell Twp.	9	6	-33.3	0	0	NA	9	6	-33.3

Table 2B: Starts by Area and by Intended Market- Year-to-Date

Sub Market Area	SINGLES			MULTIPLES			TOTAL		
	YTD 2004	YTD 2005	% change	YTD 2004	YTD 2005	% change	YTD 2004	YTD 2005	% change
Ottawa	3,028	2,192	-27.6	3,714	2,474	-33.4	6,742	4,666	-30.8
Ottawa City	2,759	1,975	-28.4	3,628	2,421	-33.3	6,387	4,396	-31.2
Ottawa, Vanier, Rockcliffe	147	130	-11.6	1157	734	-36.6	1304	864	-33.7
Nepean inside greenbelt	12	16	33.3	240	126	-47.5	252	142	-43.7
Nepean outside greenbelt	645	425	-34.1	397	428	7.8	1042	853	-18.1
Gloucester inside greenbelt	45	27	-40.0	119	50	-58.0	164	77	-53.0
Gloucester outside greenbelt	283	206	-27.2	670	267	-60.1	953	473	-50.4
Kanata	370	237	-35.9	497	387	-22.1	867	624	-28.0
Cumberland	565	358	-36.6	489	403	-17.6	1054	761	-27.8
Goulbourn	335	248	-26.0	59	26	-55.9	394	274	-30.5
West Carleton	131	141	7.6	0	0	NA	131	141	7.6
Rideau	45	51	13.3	0	0	NA	45	51	13.3
Osgoode	181	136	-24.9	0	0	NA	181	136	-24.9
Clarence-Rockland City	125	116	-7.2	80	45	-43.8	205	161	-21.5
Russell Twp.	144	101	-29.9	6	8	33.3	150	109	-27.3

Table 3: Average Price ($) of Completed and Absorbed Single-Detached Dwellings

Sub Market Area	Nov 04	Nov 05	% change	YTD 2004	YTD 2005	% change
Ottawa	339,579	371,603	9.4	333,442	354,497	6.3
Ottawa City	410,350	576,044	40.4	382,923	439,631	14.8
Cumberland	322,437	294,492	-8.7	312,356	308,657	-1.2
Gloucester	345,026	398,400	15.5	335,776	361,316	7.6
Nepean	356,555	382,262	7.2	345,627	362,141	4.8
Kanata	364,352	368,263	1.1	369,718	384,734	4.1
Rest of CMA	322,869	349,728	8.3	314,956	352,005	11.8

** Year-over-year change greater than 200 per cent.

Note: NA may appear where CMHC data suppression rules apply

Source: CMHC

Table 4: New Home Sales, City of Ottawa

	Singles			Lowrise Multiples			Total		
	2004	2005	% Chg	2004	2005	% Chg	2004	2005	% Chg
January	146	132	-9.6	174	138	-20.7	320	270	-15.6
February	175	179	2.3	245	179	-26.9	420	358	-14.8
March	298	199	-33.2	305	248	-18.7	603	447	-25.9
April	242	150	-38.0	282	201	-28.7	524	351	-33.0
May	211	174	-17.5	255	206	-19.2	466	380	-18.5
June	215	114	-47.0	221	178	-19.5	436	292	-33.0
July	120	116	-3.3	157	152	-3.2	277	268	-3.2
August	152	147	-3.3	224	183	-18.3	376	330	-12.2
September	139	121	-12.9	181	133	-26.5	320	254	-20.6
October	131	130	-0.8	141	147	4.3	272	277	1.8
November	140	122	-12.9	170	146	-14.1	310	268	-13.5
December	88			97			185		
Year-to-date	**1,969**	**1,584**	**-19.6**	**2,355**	**1,911**	**-18.9**	**4,014**	**3,495**	**-12.9**
YEARLY TOTAL	**2,057**			**2,452**			**4,509**		

Source: Corporate Research Group Ltd.

Table 5: Completed and Absorbed Single-Detached Units by Price Range

	PRICE RANGES										
	<$250,000		$250-$299,999		$300-$399,999		$400-$499,999		$500,000 +		
AREA	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	TOTAL
Ottawa total											
November 2005	20	7.7	53	20.4	123	47.3	41	15.8	23	8.8	260
November 2004	40	9.9	95	23.6	209	51.9	37	9.2	22	5.5	403
YTD 2005	177	7.4	505	21.2	1247	52.4	306	12.9	143	6.0	2,378
YTD 2004	305	10.8	781	27.7	1317	46.7	281	10.0	139	4.9	2,823
Ottawa City											
November 2005	0	0.0	1	6.3	8	50.0	1	6.3	6	37.5	16
November 2004	0	0.0	1	8.3	6	50.0	2	16.7	3	25.0	12
YTD 2005	1	1.2	4	4.7	51	59.3	15	17.4	15	17.4	86
YTD 2004	2	1.2	13	8.1	107	66.5	23	14.3	16	9.9	161
Cumberland											
November 2005	5	12.8	17	43.6	15	38.5	2	5.1	0	0.0	39
November 2004	9	12.3	24	32.9	35	47.9	4	5.5	1	1.4	73
YTD 2005	53	12.5	170	40.0	181	42.6	15	3.5	6	1.4	425
YTD 2004	41	8.9	153	33.1	244	52.8	22	4.8	2	0.4	462
Gloucester											
November 2005	0	0.0	3	10.3	19	65.5	5	17.2	2	6.9	29
November 2004	1	2.2	9	19.6	30	65.2	4	8.7	2	4.3	46
YTD 2005	4	1.3	32	10.1	245	77.3	28	8.8	8	2.5	317
YTD 2004	5	1.7	58	19.6	216	73.0	10	3.4	7	2.4	296
Nepean											
November 2005	0	0.0	9	12.5	34	47.2	24	33.3	5	6.9	72
November 2004	0	0.0	16	23.5	39	57.4	8	11.8	5	7.4	68
YTD 2005	1	0.2	103	19.3	301	56.4	101	18.9	28	5.2	534
YTD 2004	12	2.0	203	34.1	261	43.9	87	14.6	32	5.4	595
Kanata											
November 2005	1	4.2	3	12.5	16	66.7	2	8.3	2	8.3	24
November 2004	0	0.0	17	29.3	31	53.4	7	12.1	3	5.2	58
YTD 2005	4	1.6	34	13.2	146	56.6	48	18.6	26	10.1	258
YTD 2004	0	0.0	89	27.1	154	46.8	58	17.6	28	8.5	329
Rest of CMA											
November 2005	14	17.5	20	25.0	31	38.8	7	8.8	8	10.0	80
November 2004	30	20.5	28	19.2	68	46.6	12	8.2	8	5.5	146
YTD 2005	114	15.0	162	21.4	323	42.6	99	13.1	60	7.9	758
YTD 2004	245	25.0	265	27.0	335	34.2	81	8.3	54	5.5	980

Source: CMHC

Table 6A: Resale Housing Activity for Ottawa Real Estate Board

		Number of Sales	Yr/Yr %	Sales SAAR	Number of New Listings	New Listings SAAR	Sales-to-New Listings SA	Average Price ($)	Yr/Yr %	Average Price ($) SA
2004	January	652	-0.3	13,200	1,571	20,900	63.1	229,921	11.2	228,978
	February	967	2.2	12,600	1,742	21,100	59.6	229,313	7.6	230,090
	March	1,407	22.0	14,100	2,260	21,600	65.4	237,326	10.5	236,865
	April	1,511	20.2	14,000	2,286	21,300	65.7	240,848	8.4	237,052
	May	1,640	10.2	14,100	2,483	22,100	63.8	243,350	9.2	238,416
	June	1,464	9.7	14,100	2,255	22,500	62.7	243,522	8.1	236,785
	July	1,218	-11.7	13,700	1,976	22,500	61.0	238,637	9.1	231,800
	August	1,068	1.1	12,400	1,904	22,800	54.4	233,470	7.7	240,045
	September	988	-4.4	13,200	1,962	23,500	56.0	238,776	5.9	241,120
	October	979	-5.2	13,700	1,710	23,300	58.7	237,327	7.7	243,308
	November	907	4.3	13,200	1,455	23,700	55.5	239,139	7.6	245,242
	December	656	-2.4	13,200	744	22,800	58.0	235,601	6.5	248,155
2005	January	646	-0.9	13,200	1,689	22,900	57.6	242,934	5.7	247,214
	February	933	-3.5	12,700	1,855	22,900	55.3	240,533	4.9	242,970
	March	1,120	-20.4	11,700	2,367	23,500	49.8	248,865	4.9	249,493
	April	1,440	-4.7	13,600	2,758	26,200	51.8	247,681	2.8	240,577
	May	1,564	-4.6	13,000	2,691	23,700	54.9	248,436	2.1	244,450
	June	1,494	2.0	14,200	2,448	24,200	58.8	254,725	4.6	247,307
	July	1,215	-0.2	13,900	2,052	24,400	56.9	250,996	5.2	248,045
	August	1,264	18.4	14,500	2,082	24,300	59.7	243,419	4.3	249,905
	September	1,111	12.4	14,400	2,141	25,000	57.6	248,128	3.9	248,161
	October	946	-3.4	13,100	1,741	22,900	57.4	249,895	5.3	254,785
	November	931	2.6	13,800	1,491	24,900	55.1	251,756	5.3	256,264
	December									
	Q3 2004	3,274	-5.6	13,108	5,842	22,956	57.1	237,524	8.3	236,994
	Q3 2005	3,590	9.7	14,288	6,275	24,592	58.1	247,441	4.2	248,714
	YTD 2004	12,801	4.9		21,604			238,283	9.1	
	YTD 2005	12,664	-1.1		23,315			248,338	4.2	

	Annual Sales	Yr/Yr %		Annual New Listings	Yr/Yr %		Annual Average Price ($)	Yr/Yr %	
1995	6,484	-15.0		20,016	-14.4		143,127	-2.7	
1996	8,648	33.4		20,602	2.9		140,513	-1.8	
1997	9,431	9.1		20,312	-1.4		143,866	2.4	
1998	9,552	1.3		18,825	-7.3		143,914	0.0	
1999	11,334	18.7		17,512	-7.0		149,626	4.0	
2000	12,692	12.0		16,213	-7.4		159,511	6.6	
2001	12,240	-3.6		17,338	6.9		175,972	10.3	
2002	12,894	5.3		17,982	3.7		200,711	14.1	
2003	12,877	-0.1		19,706	9.6		219,713	9.5	
2004	13,457	4.5		22,348	13.4		238,152	8.4	

Source: Canadian Real Estate Association

Table 6B: Average Price ($) of Resale Dwellings

Area	Nov 04	Nov 05	% Change	YTD 2004	YTD 2005	% Change
Orléans	$224,323	$245,028	9.2	$230,089	$237,718	3.3
East End	$206,807	$205,693	-0.5	$209,850	$213,768	1.9
SouthEast	$245,568	$245,159	-0.2	$253,211	$255,676	1.0
Downtown	$318,081	$373,439	17.4	$337,025	$346,768	2.9
West End	$241,029	$263,618	9.4	$247,623	$260,583	5.2
Nepean	$230,664	$235,395	2.1	$241,216	$242,961	0.7
Barrhaven	$239,360	$245,207	2.4	$231,658	$246,112	6.2
Kanata-Stittsville	$254,059	$250,227	-1.5	$251,214	$258,591	2.9

** Year-over-year change greater than 200 per cent.

Source: Ottawa Real Estate Board

Table 7: Economic Indicators

		Interest and Exchange Rates				Inflation Rate (%)	NHPI*** % chg.	Ottawa Labour Market		
		P & I* Per $100,000	Mortgage Rate (%) 1 Yr. Term	Mortgage Rate (%) 5 Yr. Term	Exch. Rate ($US/$Cdn)	Ontario 1996=100	Ottawa-Gatineau CMA 1997=100	Employment SA** (,000)	Employment SA m/m(%)	Unemployment Rate (%) SA
2004	January	642.78	4.3	6.1	0.755	1.5	3.7	599.0	-0.6	7.1
	February	627.97	4.3	5.8	0.749	0.7	4.2	598.1	-0.2	6.9
	March	622.08	4.3	5.7	0.763	1.0	5.2	599.0	0.2	6.7
	April	648.75	4.5	6.2	0.729	2.4	6.6	599.7	0.1	6.7
	May	669.82	4.6	6.5	0.733	3.0	7.0	601.3	0.3	7.1
	June	681.99	4.7	6.7	0.750	2.5	7.8	605.2	0.6	6.9
	July	672.86	4.6	6.6	0.752	2.3	7.8	610.7	0.9	6.7
	August	657.75	4.4	6.3	0.762	1.6	8.6	609.9	-0.1	6.5
	September	657.75	4.8	6.3	0.793	1.6	7.4	611.6	0.3	6.4
	October	663.77	4.9	6.4	0.821	2.2	7.3	611.0	-0.1	6.5
	November	657.75	5.0	6.3	0.843	2.1	6.7	618.1	1.2	6.3
	December	642.78	4.8	6.1	0.832	1.8	6.9	622.4	0.7	6.5
2005	January	642.78	4.8	6.1	0.806	1.7	7.1	623.1	0.1	6.5
	February	642.78	4.8	6.1	0.811	2.2	6.4	619.9	-0.5	6.5
	March	654.74	5.1	6.3	0.827	2.5	5.8	616.9	-0.5	6.8
	April	642.78	4.9	6.1	0.795	2.4	4.4	617.2	0.0	7.0
	May	636.84	4.9	6.0	0.797	1.4	4.4	616.5	-0.1	7.2
	June	622.08	4.8	5.7	0.816	1.9	3.4	614.3	-0.4	6.8
	July	627.97	4.9	5.8	0.817	1.9	4.4	610.6	-0.6	6.8
	August	627.97	5.0	5.8	0.842	2.8	3.7	610.1	-0.1	7.0
	September	627.97	5.0	5.8	0.860	3.5	4.0	611.1	0.2	7.1
	October	639.81	5.3	6.0	0.847	2.6	4.3	616.9	0.9	6.7
	November	648.75	5.6	6.2	0.857			622.2	0.9	6.2
	December									

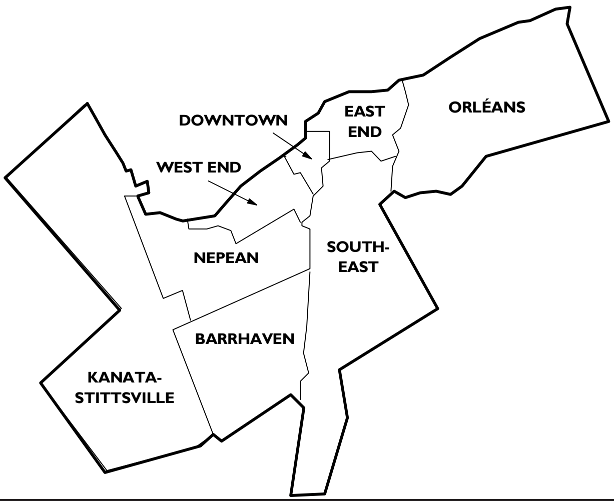
* Principal and Interest Payment assumes a five year mortgage rate and 25 year amortization period.

** Seasonally Adjusted

*** New Housing Price Index

Source: CMHC, Statistics Canada Labour Force Survey

Resale - Urban Sub-Markets



RESALE - URBAN SUB-MARKETS DEFINITIONS (REFER TO TABLE 6B):

Sub- Market	MLS Zones
Orléans	11, 20, 23
East End	21, 22, 31, 34, 35
South East	26, 36, 37, 38, 46, 48, 80
Downtown	33, 40, 41, 44
West End	42, 43, 45, 50, 51, 52, 53, 54, 60, 61, 62, 63
Nepean	47, 70, 71, 72, 73, 74, 75, 76, 78
Barrhaven	77, 79
Kanata-Stittsville	82, 90

Source: Ottawa Real Estate Board

Definitions

1. Starts: refers to units where construction has advanced to a stage where full (100%) footings are in place. For multiple dwellings (semi-detached, row housing and apartments) the definition of a start applies to the structure or block of row units rather than to the project as a whole.

2. Under Construction: those units which have been started but which are not complete.

3. Completions - Single-detached/semi-detached units: this generally is the stage at which all proposed construction work is complete. A unit may be completed at the 90% stage where the remaining work is largely cosmetic. **Row housing/ Apartment:** completions means that 90% or more of the dwelling units within a block of row units or an apartment structure are completed and ready for occupancy

4. Completed and Not Absorbed: all completed units of new construction (excluding model homes not available for sale) which have never been sold or leased.

5. Absorptions: the number of completed units (excluding model homes) that have been sold or leased.

6. Seasonally Adjusted (SA): Actual monthly (or quarterly) figures adjusted to remove normal seasonal variation.

7. Seasonally Adjust Annual Rates (SAAR): Seasonally adjusted monthly figures multiplied by 12 (or quarterly figures multiplied by 4) to reflect annualized levels of activity.

8. Definitions for **CMA, NHPI, CPI**, and **Inflation Rate** can be found in the Statistics Canada website - http://www.statcan.ca