HOUSING NOW

Halifax

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

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DECEMBER 2004

Halifax experiences decline in housing starts in 2004

✓ Despite a high level of new construction in December, total starts in Halifax for the year 2004 fell 14 per cent below the number of housing starts recorded for the year 2003, largely as a result of a lower number of condo and rental starts. Due to the decreased level of housing starts, completions were also down 8 per cent, to 2,888 for the year, compared with 3,127 units completed in 2003. On a positive note, despite the decrease in construction starts, absorptions of newly constructed units were down only 1 per cent in 2004 compared with 2003.

✓ The month of December saw an increase in the number of single-detached homes under construction compared with the number of single-detached units under construction in December 2003. This comes as a result of increased new-home construction activity during the second half of 2004 after serviced lots became available in both Sackville and East Dartmouth.

✓ For the first time in several months the number of completed and unabsorbed units in December fell below the level experienced during the same month of 2003. This comes as a result of high levels of absorption during the month of December, when all structure types except semis saw an increase in the number of absorptions month-over-month.

✓ The popularity of row houses and townhouses appears to have grown in 2004, as builders took advantage of the cost savings associated with building multiple units on building lots. During the month of December, there were 33 absorptions of row units compared with none in December 2003, while there was also a 55 per cent increase in row unit absorptions year-over-year, increasing from 96 units in 2003 to 155 units in 2004. As a result, starts are also on the rise for row units. In 2004 there were 146 row unit starts, 23 per cent higher than the 119 row unit starts in 2003.

✓ Residential construction activity increased in four of seven sub-markets in Metro this year, with Halifax City, Halifax County Southwest and Halifax County East experiencing a decline in the

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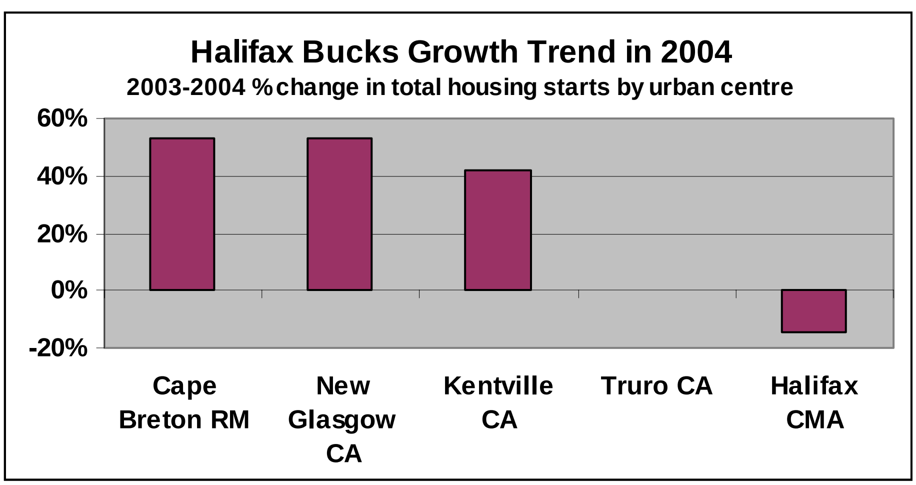

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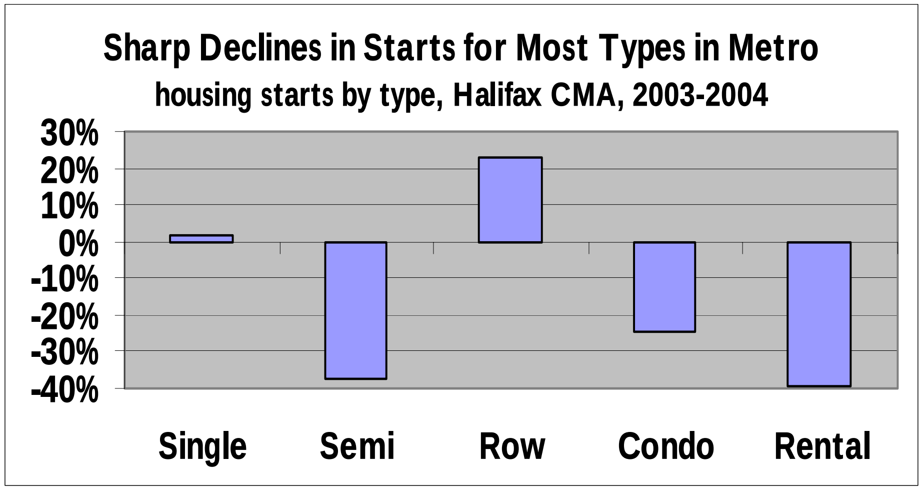
number of housing starts compared with 2003 figures. Halifax City experienced the sharpest decline in housing starts as a result of significantly lower levels of multiple unit construction.

✓ On the completions side, Dartmouth City saw the greatest decline compared with 2003 as a result of the insufficient availability of building lots within the Dartmouth City limits. This comes after a period in which Dartmouth had the highest annual levels of single-detached housing starts.

✓ Single family homebuilding accelerated in the outlying areas of Metro and slowed considerably in the urban core during 2004. Five of the seven sub-markets in Halifax saw an increase in single-detached housing starts comparing 2004 to 2003 data. Each of the sub-markets that saw an increase in the number of single-detached housing starts in 2004 was located in outlying areas where there has been a larger inventory of building lots available.

Halifax City and Dartmouth City, the two areas where there was a decrease year-over-year, consist of predominantly serviced lots. In Halifax, there have been very few modestly priced lots available and there have been few lots available across the entire price spectrum in Dartmouth City. This lack of supply of serviced building lots within the urban core led to the increase in construction in the unserviced areas as well as increasing price sensitivity in serviced areas.

✓ There were 16 per cent fewer sales of new, single-detached homes in



Halifax in 2004 compared with 2003, while the average selling price rose 11 per cent over the same time period. Two storey homes remained the most popular among single-detached new homes sold in 2004, with 886 sales. The type of new home that had the greatest decline in sales comparing 2004 to 2003 was the split level, falling from 377 sales in 2003 to 146 in 2004.

✓ December saw a 5 per cent increase in the number of new, single-detached house sales in the $200,000–$299,999 price bracket. This increase of 5 per cent was offset by a 5 per cent decrease in the number of houses sold for less than $200,000. With regards to new single-detached houses that were unoccupied in December, one third (10 units) of all of the houses that fell in this category have a list price of $200,000–$249,999 while another third (9 units) fall in the $300,000–$399,999 price range.

✓ When looking at residential resale activity in Halifax for the year 2004 only one sub-market, Halifax County East, experienced an increase in the number of sales compared with 2003 figures. Halifax County East also saw the most significant increase in average list price and average selling price, with increases of 18 and 17 per cent, respectively, year-over-year.

✓ Year-end housing figures show Halifax was the only one of Nova Scotia's five urban housing markets to suffer a decline in construction activity this year compared with 2003. Cape Breton Regional Municipality saw the highest increase in new home construction, with the largest increases found in the number of apartment units and single-detached units started. New Glasgow had the second-largest increase in construction activity, while Kentville and Truro also saw increases year-over-year.

✓ Rural Nova Scotia saw a 7 per cent decline in housing starts in 2004, with an increase in the number of single-detached homes started not sufficient enough to offset the decline in multi-unit starts recorded for the year.

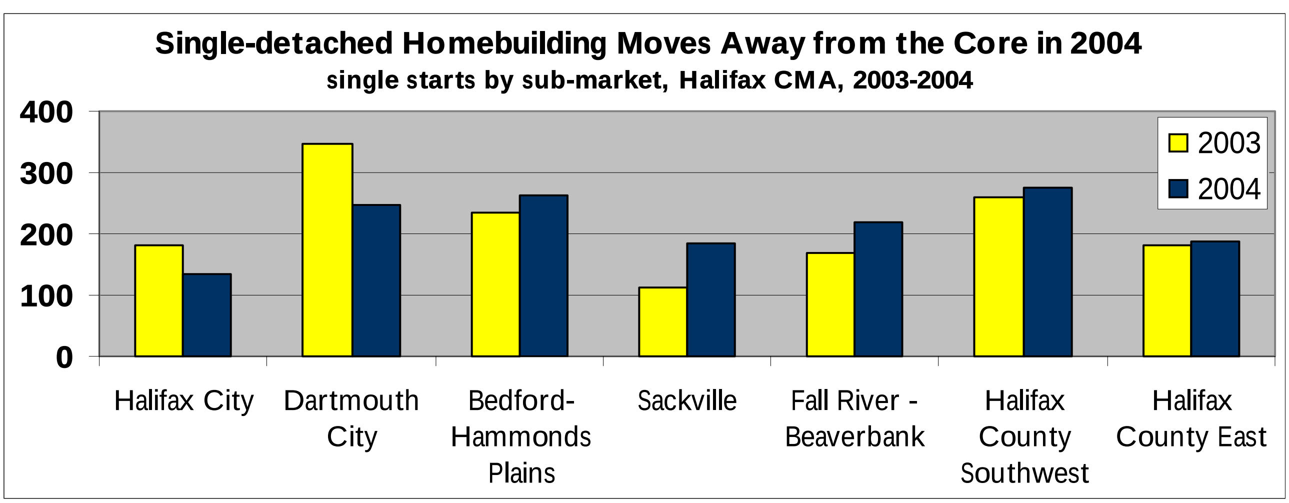


TABLE 1
ACTIVITY SUMMARY BY INTENDED MARKET
HALIFAX CMA
DECEMBER 2004

		FREEHOLD					GRAND
		SINGLE	SEMI	ROW	CONDOMINIUM	RENTAL	TOTAL
PENDING STARTS	- Current Month	79	8	0	0	172	259
	- Previous Year	105	16	0	0	74	195
STARTS	- Current Month	118	16	9	74	178	395
	- Previous Year	101	8	26	108	249	492
	- Year-To-Date 2004	1,510	142	146	401	428	2,627
	- Year-To-Date 2003	1,483	227	119	530	707	3,066
UNDER CONSTRUCTION	- 2004	369	46	95	434	692	1,636
	- 2003	318	44	91	682	765	1,900
COMPLETIONS	- Current Month	180	4	35	226	48	493
	- Previous Year	171	26	8	0	0	205
	- Year-To-Date 2004	1,456	140	149	528	615	2,888
	- Year-To-Date 2003	1,770	251	104	350	652	3,127
COMPLETED & NOT ABSORBED	- 2004	29	4	8	63	96	200
	- 2003	51	18	8	60	158	295
TOTAL SUPPLY	- 2004	398	50	103	497	788	1,836
	- 2003	369	62	99	742	923	2,195
ABSORPTIONS	- Current Month	177	7	33	370	73	660
	- Previous Year	165	30	0	0	0	195
	- Year-To-Date 2004	1,478	154	149	525	677	2,983
	- Year-To-Date 2003	1,774	236	96	382	527	3,015
	3-month Average	180	13	15	23	59	290
	12-month Average	122	15	10	13	50	210

Source: CMHC

TABLE 2
HOUSING ACTIVITY BY AREA AND BY INTENDED MARKET
HALIFAX CMA
DECEMBER 2004

		STARTS						COMPLETIONS					
		OWNERSHIP						OWNERSHIP					
		FREEHOLD					GRAND	FREEHOLD					GRAND
		SINGLE	SEMI	ROW	CONDO	RENTAL	TOTAL	SINGLE	SEMI	ROW	CONDO	RENTAL	TOTAL
HALIFAX CITY													
	Current Month	7	8	0	38	0	53	8	4	9	226	0	247
	Previous Year	15	8	12	108	171	314	10	12	8	0	0	30
	Year-To-Date 2004	134	72	46	116	199	567	171	78	65	472	449	1235
	Year-To-Date 2003	181	96	72	406	588	1343	176	82	40	185	580	1063
DARTMOUTH CITY													
	Current Month	21	4	0	36	168	229	22	0	8	0	0	30
	Previous Year	27	0	14	0	0	41	44	10	0	0	0	54
	Year-To-Date 2004	248	40	36	164	171	659	210	22	38	20	22	312
	Year-To-Date 2003	346	72	47	88	23	576	516	122	61	165	8	872
BEDFORD-HAMMOND PLAINS													
	Current Month	21	0	0	0	5	26	19	0	18	0	0	37
	Previous Year	12	0	0	0	72	84	17	0	0	0	0	17
	Year-To-Date 2004	264	10	55	121	5	455	257	14	46	36	90	443
	Year-To-Date 2003	233	6	0	36	90	365	239	2	3	0	64	308
SACKVILLE													
	Current Month	10	0	9	0	5	24	32	0	0	0	48	80
	Previous Year	6	0	0	0	0	6	5	0	0	0	0	5
	Year-To-Date 2004	185	2	9	0	53	249	180	2	0	0	48	230
	Year-To-Date 2003	113	4	0	0	0	117	114	4	0	0	0	118
FALL RIVER-BEAVERBANK													
	Current Month	15	2	0	0	0	17	16	0	0	0	0	16
	Previous Year	7	0	0	0	0	7	21	0	0	0	0	21
	Year-To-Date 2004	219	2	0	0	0	221	211	0	0	0	0	211
	Year-To-Date 2003	169	4	0	0	0	173	178	4	0	0	0	182
HALIFAX COUNTY SOUTHWEST													
	Current Month	24	2	0	0	0	26	13	0	0	0	0	13
	Previous Year	19	0	0	0	0	19	22	4	0	0	0	26
	Year-To-Date 2004	274	14	0	0	0	288	251	22	0	0	0	273
	Year-To-Date 2003	260	42	0	0	0	302	277	34	0	0	0	311
HALIFAX COUNTY EAST													
	Current Month	20	0	0	0	0	20	70	0	0	0	0	70
	Previous Year	15	0	0	0	6	21	52	0	0	0	0	52
	Year-To-Date 2004	186	2	0	0	0	188	176	2	0	0	6	184
	Year-To-Date 2003	181	3	0	0	6	190	270	3	0	0	0	273

Source: CMHC

TABLE 3
UNDER CONSTRUCTION BY AREA AND INTENDED MARKET
HALIFAX CMA
DECEMBER 2004

		OWNERSHIP					
		FREEHOLD					GRAND
		SINGLE	SEMI	ROW	CONDO	RENTAL	TOTAL
HALIFAX CITY							
	Current Month	21	18	37	140	455	671
	Previous Year	59	24	56	558	643	1340
DARTMOUTH CITY							
	Current Month	108	20	40	179	221	568
	Previous Year	70	2	35	88	26	221
BEDFORD-HAMMOND PLAINS							
	Current Month	59	0	9	115	11	194
	Previous Year	50	4	0	36	90	180
SACKVILLE							
	Current Month	30	0	9	0	5	44
	Previous Year	25	0	0	0	0	25
FALL RIVER-BEAVERBANK							
	Current Month	32	2	0	0	0	34
	Previous Year	24	0	0	0	0	24
HALIFAX COUNTY SOUTHWEST							
	Current Month	78	4	0	0	0	82
	Previous Year	58	12	0	0	0	70
HALIFAX COUNTY EAST							
	Current Month	41	2	0	0	0	43
	Previous Year	32	2	0	0	6	40

Source: CMHC

Mark Your Calendar!
CMHC's Housing Outlook Conference
Surveying the Landscape: Prospects for Growth

February 3, 2005

This year's conference promises to attract more that 200 attendees from all areas of the housing industry. Our guest speaker, Anthony Downs, is a world-renowned expert in housing market and urban development issues. He will discuss ways communities across North America are dealing with the challenges and impacts of urban growth on the housing market.

For more information or to register, call Michèle Clark, Market Research and Client Service Specialist at (902) 426-4708.

TABLE 4 SALES AND PRICE OF NEW SINGLE-DETACHED HOUSES BY TYPE HALIFAX CMA DECEMBER 2004				
Type	**Current Month**	**Previous Year**	**Year-To-Date 2004**	**Year-To-Date 2003**
Bungalow				
Sales	23	18	187	179
Average Price	$179,413	$193,133	$190,844	$179,754
Median Price	$172,900	$180,000	$179,900	NA
Split Level				
Sales	10	46	146	377
Average Price	$201,500	$185,222	$184,314	$174,820
Median Price	$196,900	$179,800	$180,450	NA
1.5 Storey				
Sales	0	3	8	24
Average Price	$0	$251,667	$271,000	$217,350
Median Price	$0	$245,000	$265,000	NA
2 Storey				
Sales	110	100	886	960
Average Price	$252,257	$261,295	$265,477	$245,164
Median Price	$225,000	$230,350	$237,000	NA
Other				
Sales	32	12	223	212
Average Price	$183,659	$182,067	$177,285	$153,527
Median Price	$185,500	$179,500	$179,900	NA
Unknown				
Sales	1	1	22	10
Average Price	$240,000	$159,800	$218,587	$185,360
Median Price	$240,000	$159,800	$212,950	NA
Total				
Sales	176	180	1,472	1,762
Average Price	$227,312	$229,032	$233,914	$211,758
Median Price	$205,000	$192,500	$290,900	NA

Source: CMHC

'Note: Total single detached sales data above may not match single detached absorption data in table 1.Discrepancies are due to dwellings which are absorbed but for which no price data are collected being included as absorptions in Table 1 but not as sales in Table 4 above. These dwelling are typically mobile homes on leased land which are not priced due to nature of land tenure.

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

	<$174,900		$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
December 2003	47	29.0%	44	27.2%	39	24.1%	20	12.3%	9	5.6%	3	1.9%	162	$221,827	$191,500
January 2004	12	19.4%	19	30.6%	14	22.6%	12	19.4%	5	8.1%	0	0.0%	62	$237,086	$215,000
February 2004	20	35.7%	18	32.1%	7	12.5%	5	8.9%	6	10.7%	0	0.0%	56	$214,072	$187,000
March 2004	9	14.5%	20	32.3%	9	14.5%	10	16.1%	11	17.7%	3	4.8%	62	$262,180	$215,450
April 2004	11	13.6%	22	27.2%	18	22.2%	17	21.0%	9	11.1%	4	4.9%	81	$259,227	$221,500
May 2004	19	19.6%	37	38.1%	26	26.8%	6	6.2%	8	8.2%	1	1.0%	97	$221,517	$198,700
June 2004	16	16.2%	36	36.4%	20	20.2%	15	15.2%	11	11.1%	1	1.0%	99	$238,690	$200,000
July 2004	21	11.3%	39	21.0%	57	30.6%	33	17.7%	32	17.2%	4	2.2%	186	$253,467	$229,800
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

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
December 2003	4	8.0%	11	22.0%	8	16.0%	14	28.0%	10	20.0%	3	6.0%	50	$275,325	$250,000
January 2004	2	4.1%	12	24.5%	10	20.4%	12	24.5%	10	20.4%	3	6.1%	49	$289,082	$260,000
February 2004	4	8.9%	9	20.0%	7	15.6%	10	22.2%	12	26.7%	3	6.7%	45	$303,387	$272,500
March 2004	5	11.9%	9	21.4%	8	19.0%	10	23.8%	7	16.7%	3	7.1%	42	$285,969	$260,000
April 2004	1	2.5%	12	30.0%	7	17.5%	10	25.0%	8	20.0%	2	5.0%	40	$298,667	$269,900
May 2004	2	5.1%	7	17.9%	4	10.3%	8	20.5%	15	38.5%	3	7.7%	39	$330,406	$305,000
June 2004	2	5.4%	2	5.4%	2	5.4%	9	24.3%	20	54.1%	2	5.4%	37	$325,632	$305,000
July 2004	1	3.2%	5	16.1%	8	25.8%	3	9.7%	12	38.7%	2	6.5%	31	$304,156	$290,000
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

Source: CMHC

Note: Sales and unoccupied house data above may not match single detached absorption and completed & not absorbed data in table 1.Discrepancies are due to dwellings which are absorbed but for which no price data are collected being inlcuded as absorptions in Table 1 but not as sales in Table 4 above.These dwelling are typically mobile homes on leased land which are not priced due to nature of land tenure.

Table 7: MLS® Residential Sales Activity by Area

SUBMARKET	December 2003 Sales	2003 Average List Price	2003 Average Sale Price	2003 Average Days on Market	2004 Sales	2004 Average List Price	2004 Average Sale Price	2004 Average Days on Market	Per Cent Change Sales	Per Cent Change Average List Price	Per Cent Change Average Sale Price	Per Cent Change Average Days on Market
Bedford - Hammonds Plains	48	$ 228,408	$234,525	NA	23	$ 234,543	$241,265	73	-52.1%	2.7%	2.9%	NA
Dartmouth City	70	$ 172,943	$154,342	NA	59	$ 167,136	$173,008	64	-15.7%	-3.4%	12.1%	NA
Fall River - Beaverbank	24	$ 173,811	$176,371	NA	23	$ 139,062	$142,035	107	-4.2%	-20.0%	-19.5%	NA
Halifax City	64	$ 205,361	$217,191	NA	61	$ 238,035	$246,857	99	-4.7%	15.9%	13.7%	NA
Halifax County East	5	$ 194,380	$203,640	NA	25	$ 131,386	$136,740	187	400.0%	-32.4%	-32.9%	NA
Halifax County Southwest	18	$ 148,093	$153,659	NA	16	$ 168,413	$176,175	67	-11.1%	13.7%	14.7%	NA
Sackville	18	$ 103,861	$108,417	NA	15	$ 136,960	$142,103	67	-16.7%	31.9%	31.1%	NA

SUBMARKET	YEAR-TO-DATE 2003 Sales	2003 Average List Price	2003 Average Sale Price	2003 Average Days on Market	2004 Sales	2004 Average List Price	2004 Average Sale Price	2004 Average Days on Market	Per Cent Change Sales	Per Cent Change Average List Price	Per Cent Change Average Sale Price	Per Cent Change Average Days on Market
Bedford - Hammonds Plains	716	$ 210,732	$215,514	NA	643	$ 223,510	$228,293	NA	-10.2%	6.1%	5.9%	NA
Dartmouth City	1700	$ 144,636	$146,945	NA	1638	$ 157,357	$161,173	NA	-3.6%	8.8%	9.7%	NA
Fall River - Beaverbank	484	$ 160,138	$165,094	NA	384	$ 176,420	$180,202	NA	-20.7%	10.2%	9.2%	NA
Halifax City	1278	$ 204,352	$212,306	NA	1190	$ 211,435	$219,496	NA	-6.9%	3.5%	3.4%	NA
Halifax County East	335	$ 118,789	$123,908	NA	346	$ 139,566	$145,259	NA	3.3%	17.5%	17.2%	NA
Halifax County Southwest	507	$ 164,876	$170,883	NA	469	$ 168,754	$174,725	NA	-7.5%	2.4%	2.2%	NA
Sackville	547	$ 118,088	$121,005	NA	474	$ 132,291	$135,207	NA	-13.3%	12.0%	11.7%	NA

Source: Nova Scotia Association of Realtors Celerity System

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Total metro area data is not provided because it is not official CREA data

KEY ECONOMIC INDICATORS
HALIFAX

Indicator	Period	2004	2003	% change
Metro Halifax Labour Force (000's)	December	208.9	201.6	3.6%
Metro Halifax Employment (000's)	December	197.3	190.8	3.4%
Metro Halifax Unemployment Rate	December	5.6%	5.4%	---
Building Permits ($ 000's)	November			
Residential		35,333	44,301	-20.2%
Non-Residential		25,673	11,782	117.9%
Total		61,006	56,083	8.8%
Metro Halifax Consumer Price Index	November	126.7	123.0	3.0%
Metro Halifax New Housing Price Index	November			
Total		122.0	120.0	1.7%
House		124.1	122.0	1.7%
Land		117.6	116.3	1.1%

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

Housing Now is published 12 times a year for the Halifax market. Annual subscriptions to **Housing Now** for Halifax are $100 plus applicable taxes. This publication is also available in French. For more information, or to subscribe, contact Michèle Clark at the Atlantic Business Centre at (902) 426-4708. *Order no. 2082*

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