

H

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Ottawa

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Canada Mortgage and Housing Corporation

www.cmhc.ca

HOUSING CONSTRUCTION DOWN IN THE FIRST MONTH OF 2005

The Ottawa housing market dipped in the first month of 2005, declining by ten per cent in January to achieve a total of 395 housing starts compared to 441 in January of last year. Though the new year started down compared to last year, construction levels are well above the 10-year January average for Ottawa, which is 242 units. While CMHC is forecasting less construction activity for this year, demand for new homes is still considered firm and we can anticipate construction levels to remain at above-average in Ottawa.

Multi-family construction started 2005 ahead of last year, achieving 310 starts in January for an increase of 3 per cent over January of 2004. While an 18 per

cent decline in row (townhouse) construction was recorded in January, this was more than offset by a doubling in the number of semi-detached starts and a seven per cent increase in apartment construction.

The multi-family market will continue to make up a large share of new home construction in 2005, due primarily to the affordability that these units offer.

Single-family construction fell by over 39 per cent in January of 2005, achieving 85 new units compared to the 140 new units logged last year at this time. This was the lowest level of single-family construction for the month of January in eight years.

Demand for new single family homes

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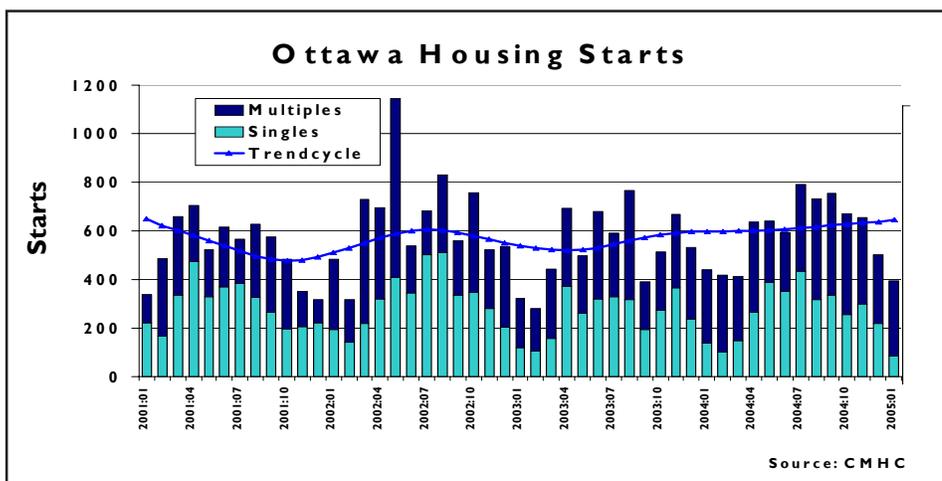
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will be dampened by rising listings in the resale market, which mean consumers will be afforded more choice than ever and the price gap between new and resale homes may influence potential homebuyers to look at the resale market first before considering the purchase of a new home.

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Table I: Housing Activity Summary for Ottawa

	OWNERSHIP					RENTAL		GRAND **TOTAL
	FREEHOLD			CONDOMINIUM		ROW	APT	
	*SINGLE	*SEMI	ROW	ROW	APT			
STARTS								
January 2005	85	24	51	36	199	0	0	395
January 2004	140	8	78	16	186	13	0	441
% Change	-39.3	200.0	-34.6	125.0	7.0	-100.0	NA	-10.4
Year-to-date 2005	85	24	51	36	199	0	0	395
Year-to-date 2004	140	8	78	16	186	13	0	441
% Change	-39.3	200.0	-34.6	125.0	7.0	-100.0	NA	-10.4
Q4 2004	770	90	489	123	230	60	63	1,825
Q4 2003	879	122	527	0	114	15	56	1,713
% Change	-12.4	-26.2	-7.2	NA	101.8	**	12.5	6.5
UNDER CONSTRUCTION								
January 2005	1,359	174	941	362	1,421	61	290	4,608
January 2004	1,337	148	1,149	71	1,114	56	594	4,469
COMPLETIONS								
January 2005	239	30	72	42	79	12	18	492
January 2004	245	14	175	0	136	0	0	570
% Change	-2.4	114.3	-58.9	NA	-41.9	NA	NA	-13.7
Year-to-date 2005	239	30	72	42	79	12	18	492
Year-to-date 2004	245	14	175	0	136	0	0	570
% Change	-2.4	114.3	-58.9	NA	-41.9	NA	NA	-13.7
Q4 2004	1,000	72	432	163	138	24	27	1,856
Q4 2003	912	125	570	10	113	57	132	1,919
% Change	9.6	-42.4	-24.2	**	22.1	-57.9	-79.5	-3.3
COMPLETE & NOT ABSORBED								
January 2005	92	32	72	24	79	16	183	498
January 2004	49	29	92	8	56	17	95	346
ABSORPTIONS								
January 2005	238	25	73	45	77	10	28	496
January 2004	245	13	161	0	82	6	2	509
% Change	-2.9	92.3	-54.7	NA	-6.1	66.7	**	-2.6
Year-to-date 2005	238	25	73	45	77	10	28	496
Year-to-date 2004	245	13	161	0	82	6	2	509
% Change	-2.9	92.3	-54.7	NA	-6.1	66.7	**	-2.6
Q4 2004	973	66	457	150	144	39	50	1,879
Q4 2003	918	120	565	5	118	55	137	1,918
% Change	6.0	-45.0	-19.1	**	22.0	-29.1	-63.5	-2.0

*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 borrower buys or builds an energy-efficient home or makes energy-saving renovations to an existing home.
Multi-residential buildings are also eligible.

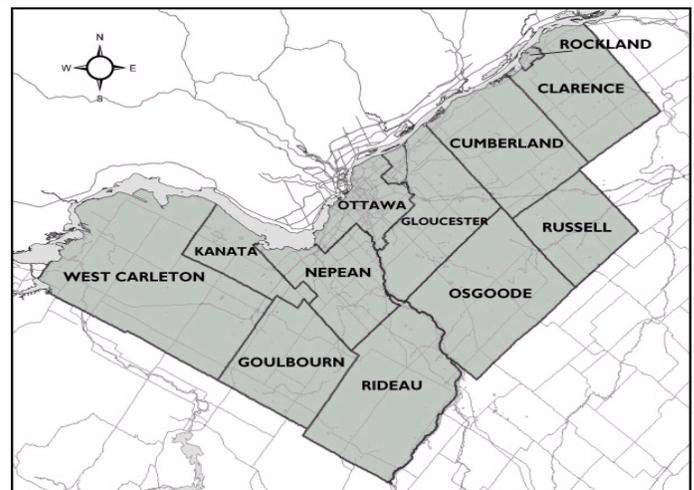


Table 2A: Starts by Area and by Intended Market - Current Month

Sub Market Area	SINGLES			MULTIPLES			TOTAL		
	Jan 04	Jan 05	% change	Jan 04	Jan 05	% change	Jan 04	Jan 05	% change
Ottawa	140	85	-39.3	301	310	3.0	441	395	-10.4
Ottawa City	131	78	-40.5	299	308	3.0	430	386	-10.2
Ottawa, Vanier, Rockcliffe	9	7	-22.2	220	233	5.9	229	240	4.8
Nepean inside greenbelt	0	1	NA	8	12	50.0	8	13	62.5
Nepean outside greenbelt	28	11	-60.7	11	43	**	39	54	38.5
Gloucester inside greenbelt	1	3	200.0	0	0	NA	1	3	200.0
Gloucester outside greenbelt	6	2	-66.7	31	2	-93.5	37	4	-89.2
Kanata	7	12	71.4	0	12	NA	7	24	**
Cumberland	38	5	-86.8	26	6	-76.9	64	11	-82.8
Goulbourn	24	20	-16.7	3	0	-100.0	27	20	-25.9
West Carleton	5	9	80.0	0	0	NA	5	9	80.0
Rideau	1	2	100.0	0	0	NA	1	2	100.0
Osgoode	12	6	-50.0	0	0	NA	12	6	-50.0
Clarence-Rockland City	4	6	50.0	2	0	-100.0	6	6	0.0
Russell Twp.	5	1	-80.0	0	2	NA	5	3	-40.0

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	140	85	-39.3	301	310	3.0	441	395	-10.4
Ottawa City	131	78	-40.5	299	308	3.0	430	386	-10.2
Ottawa, Vanier, Rockcliffe	9	7	-22.2	220	233	5.9	229	240	4.8
Nepean inside greenbelt	0	1	NA	8	12	50.0	8	13	62.5
Nepean outside greenbelt	28	11	-60.7	11	43	**	39	54	38.5
Gloucester inside greenbelt	1	3	200.0	0	0	NA	1	3	200.0
Gloucester outside greenbelt	6	2	-66.7	31	2	-93.5	37	4	-89.2
Kanata	7	12	71.4	0	12	NA	7	24	**
Cumberland	38	5	-86.8	26	6	-76.9	64	11	-82.8
Goulbourn	24	20	-16.7	3	0	-100.0	27	20	-25.9
West Carleton	5	9	80.0	0	0	NA	5	9	80.0
Rideau	1	2	100.0	0	0	NA	1	2	100.0
Osgoode	12	6	-50.0	0	0	NA	12	6	-50.0
Clarence-Rockland City	4	6	50.0	2	0	-100.0	6	6	0.0
Russell Twp.	5	1	-80.0	0	2	NA	5	3	-40.0

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

Sub Market Area	Jan 04	Jan 05	% change	YTD 2004	YTD 2005	% change
Ottawa	315,621	342,802	8.6	315,621	342,802	8.6
Ottawa City	313,616	NA	NA	313,616	NA	NA
Cumberland	305,724	306,274	0.2	305,724	306,274	0.2
Gloucester	308,411	350,289	13.6	308,411	350,289	13.6
Nepean	329,585	334,591	1.5	329,585	334,591	1.5
Kanata	356,424	394,768	10.8	356,424	394,768	10.8
Rest of CMA	303,027	350,611	15.7	303,027	350,611	15.7

** 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	116	-20.5	174	133	-23.6	320	249	-22.2
February	175			245			420		
March	298			305			603		
April	242			282			524		
May	211			255			466		
June	215			221			436		
July	120			157			277		
August	152			224			376		
September	139			181			320		
October	131			141			272		
November	140			170			310		
December	88			77			165		
Year-to-date	146	116		174	133		320	249	
YEARLY TOTAL	2,057			2,432			4,489		

Source: Corporate Research Group Ltd.

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

AREA	PRICE RANGES										TOTAL
	<\$250,000		\$250-\$299,999		\$300-\$399,999		\$400-\$499,999		\$500,000 +		
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	
Ottawa total											
January 2005	15	6.3	57	23.9	137	57.6	20	8.4	9	3.8	238
January 2004	37	15.1	72	29.4	104	42.4	25	10.2	7	2.9	245
YTD 2005	15	6.3	57	23.9	137	57.6	20	8.4	9	3.8	238
YTD 2004	37	15.1	72	29.4	104	42.4	25	10.2	7	2.9	245
Ottawa City											
January 2005	0	0.0	1	50.0	1	50.0	0	0.0	0	0.0	2
January 2004	1	5.3	4	21.1	13	68.4	1	5.3	0	0.0	19
YTD 2005	0	0.0	1	50.0	1	50.0	0	0.0	0	0.0	2
YTD 2004	1	5.3	4	21.1	13	68.4	1	5.3	0	0.0	19
Cumberland											
January 2005	8	16.0	19	38.0	21	42.0	0	0.0	2	4.0	50
January 2004	3	9.1	12	36.4	16	48.5	2	6.1	0	0.0	33
YTD 2005	8	16.0	19	38.0	21	42.0	0	0.0	2	4.0	50
YTD 2004	3	9.1	12	36.4	16	48.5	2	6.1	0	0.0	33
Gloucester											
January 2005	0	0.0	3	11.1	22	81.5	1	3.7	1	3.7	27
January 2004	3	10.7	7	25.0	17	60.7	1	3.6	0	0.0	28
YTD 2005	0	0.0	3	11.1	22	81.5	1	3.7	1	3.7	27
YTD 2004	3	10.7	7	25.0	17	60.7	1	3.6	0	0.0	28
Nepean											
January 2005	0	0.0	9	18.8	35	72.9	4	8.3	0	0.0	48
January 2004	0	0.0	16	37.2	20	46.5	5	11.6	2	4.7	43
YTD 2005	0	0.0	9	18.8	35	72.9	4	8.3	0	0.0	48
YTD 2004	0	0.0	16	37.2	20	46.5	5	11.6	2	4.7	43
Kanata											
January 2005	0	0.0	1	4.0	15	60.0	6	24.0	3	12.0	25
January 2004	0	0.0	8	27.6	11	37.9	9	31.0	1	3.4	29
YTD 2005	0	0.0	1	4.0	15	60.0	6	24.0	3	12.0	25
YTD 2004	0	0.0	8	27.6	11	37.9	9	31.0	1	3.4	29
Rest of CMA											
January 2005	7	8.1	24	27.9	43	50.0	9	10.5	3	3.5	86
January 2004	30	32.3	25	26.9	27	29.0	7	7.5	4	4.3	93
YTD 2005	7	8.1	24	27.9	43	50.0	9	10.5	3	3.5	86
YTD 2004	30	32.3	25	26.9	27	29.0	7	7.5	4	4.3	93

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	13,300	1,689	22,900	57.8	242,934	5.7	248,793
	February									
	March									
	April									
	May									
	June									
	July									
	August									
	September									
	October									
	November									
	December									
Q4 2003	2,575	9.9	13,324	3,492	20,656	64.5	221,267	10.3	228,704	
Q4 2004	2,542	-1.3	13,348	3,909	23,268	57.4	237,528	7.3	245,543	
YTD 2004	652	-0.3		1,571			229,921	9.5		
YTD 2005	646	-0.9		1,689			242,934	5.7		

	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 Single-Detached Dwellings

Area	Jan 04	Jan 05	% Change	YTD 2004	YTD 2005	% Change
Orléans	\$220,519	\$233,121	5.7	\$220,519	\$233,121	5.7
East End	\$187,529	\$192,316	2.6	\$187,529	\$192,316	2.6
SouthEast	\$243,346	\$250,745	3.0	\$243,346	\$250,745	3.0
Downtown	\$330,106	\$370,892	12.4	\$330,106	\$370,892	12.4
West End	\$236,546	\$253,577	7.2	\$236,546	\$253,577	7.2
Nepean	\$216,884	\$224,731	3.6	\$216,884	\$224,731	3.6
Barrhaven	\$221,701	\$229,666	3.6	\$221,701	\$229,666	3.6
Kanata-Stittsville	\$243,994	\$242,811	-0.5	\$243,994	\$242,811	-0.5

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

Source: Ottawa Real Estate Board

Table 7: Economic Indicators

	Interest and Exchange Rates				Inflation Rate (%)	NHP ^{***} % chg.	Ottawa Labour Market		
	P & I* Per \$100,000	Mortgage Rate (%)		Exch. Rate (\$US/\$Cdn)	Ontario 1996=100	Ottawa-Hull CMA 1997=100	Employment SA ^{**} (,000)	Employment SA m/m (%)	Unemployment Rate (%) SA
		1 Yr. Term	5 Yr. Term						
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			623.1	0.1	6.5
February									
March									
April									
May									
June									
July									
August									
September									
October									
November									
December									

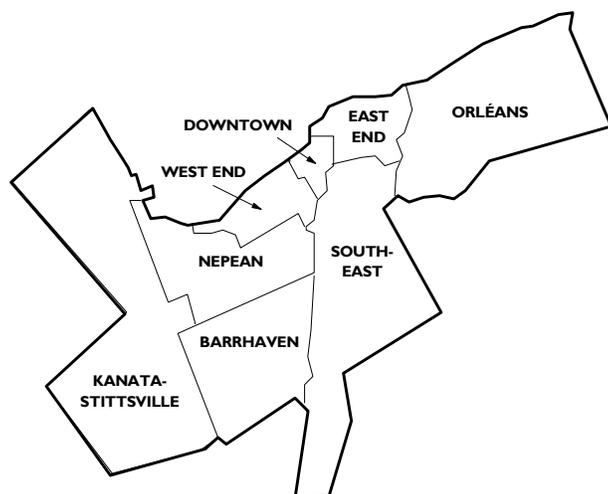
* Principal and Interest Payment assumes a five year mortgage rate and 25 year amortization period.

** 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

- 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.
- Under Construction:** those units which have been started but which are not complete.
- 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
- Completed and Not Absorbed:** all completed units of new construction (excluding model homes not available for sale) which have never been sold or leased.
- Absorptions:** the number of completed units (excluding model homes) that have been sold or leased.
- Seasonally Adjusted (SA):** Actual monthly (or quarterly) figures adjusted to remove normal seasonal variation.
- Seasonally Adjust Annual Rates (SAAR):** Seasonally adjusted monthly figures multiplied by 12 (or quarterly figures multiplied by 4) to reflect annualized levels of activity.
- Definitions for **CMA, NHPI, CPI, and Inflation Rate** can be found in the Statistics Canada website - <http://www.statcan.ca>

Ontario's 2004 Retirement Homes Report

Do you want to learn more about the dynamic private retirement home market in Ontario? The 2004 Retirement Homes Report has detailed Ontario-wide survey findings by market area covering vacancy rates and per diems by bed type, capture rates, new supply and vacancy rates by rent range for private beds as well as rent distributions.

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