

# H

# OUSING NOW

Ottawa

## YOUR LINK TO THE HOUSING MARKET

### HOUSING CONSTRUCTION CONTINUES TO DECLINE

Canada Mortgage and Housing Corporation

[www.cmhc.ca](http://www.cmhc.ca)

Ottawa residential construction fell back in October, representing the ninth consecutive month of housing starts decline. New home activity for the first 10 months of 2005 is down by 31 per cent from the same period a year ago.

It is important to keep last month's construction level in perspective as it was above the 10-year average for an October; housing starts, while lower, are at a sustainable level more typical for Ottawa. Now that the resale market is in a balanced state, rising home listings are providing consumers with more choice to meet their housing needs compared to a few years ago. When you have a balanced resale market, it is not unexpected to see residential

construction pull back from the higher levels that existed when tighter market conditions prevailed.

The rate of decline for single-family construction in Ottawa continued to slow in October, showing a year-over-year decrease of 15 per cent, which is better than the average 30 per cent declines recorded in most months of 2005. In the first ten months of 2005, single-family construction has dropped by 28 per cent to achieve 1,977 starts.

The rate of decline for multi-family homes also slowed in October but less than single-family construction, declining to 23 per cent compared to October of last year. Multi-family continues to decline faster than the

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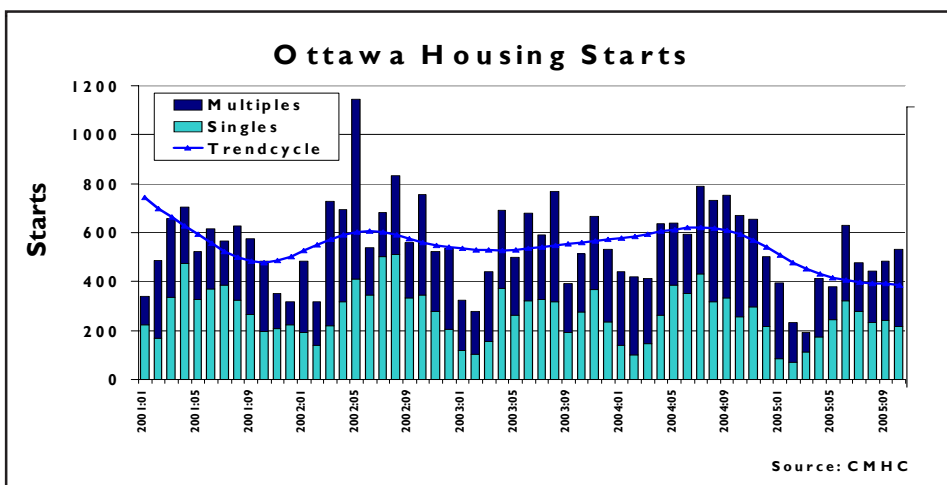
##### New Homes

- 1 Housing construction continues to decline

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new single-family market, but the demand for more affordable housing options, such as condos and townhomes, will remain firm for the rest of the year. Rising listings in the resale market are also impacting the new multi-family market because more townhomes as well as single-detached homes are being listed in the resale market. From January to October of this year, multi-family construction has fallen by 34 per cent to achieve 2,208 units. Apartment construction is down 38 per cent in terms of year-to-date activity, while semi-detached construction is down 31 per cent and townhouse construction is down by 32 per cent.



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Table I: Housing Activity Summary for Ottawa

	OWNERSHIP					RENTAL		GRAND **TOTAL
	FREEHOLD			CONDOMINIUM		ROW	APT	
	*SINGLE	*SEMI	ROW	ROW	APT			
<b>STARTS</b>								
October 2005	216	32	131	22	11	63	58	533
October 2004	256	30	169	57	136	21	1	670
% Change	-15.6	6.7	-22.5	-61.4	-91.9	200.0	**	-20.4
Year-to-date 2005	1,977	200	1,028	274	520	66	120	4,185
Year-to-date 2004	2,731	288	1,568	334	955	123	89	6,088
% Change	-27.6	-30.6	-34.4	-18.0	-45.5	-46.3	34.8	-31.3
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
<b>UNDER CONSTRUCTION</b>								
October 2005	1,352	152	748	218	1,082	94	179	3,825
October 2004	1,720	156	1,007	389	1,361	40	259	4,932
<b>COMPLETIONS</b>								
October 2005	280	38	107	34	28	3	0	490
October 2004	281	36	116	39	0	0	4	476
% Change	-0.4	5.6	-7.8	-12.8	NA	NA	-100.0	2.9
Year-to-date 2005	2,136	222	1,206	433	738	81	249	5,065
Year-to-date 2004	2,452	286	1,613	177	658	135	424	5,745
% Change	-12.9	-22.4	-25.2	144.6	12.2	-40.0	-41.3	-11.8
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
<b>COMPLETE &amp; NOT ABSORBED</b>								
October 2005	105	29	112	19	63	6	155	489
October 2004	64	26	85	8	82	22	201	488
<b>ABSORPTIONS</b>								
October 2005	246	33	101	46	36	6	0	468
October 2004	279	31	125	45	1	2	24	507
% Change	-11.8	6.5	-19.2	2.2	**	200.0	-100.0	-7.7
Year-to-date 2005	2,118	216	1,167	441	758	89	221	5,010
Year-to-date 2004	2,420	288	1,605	178	578	140	320	5,529
% Change	-12.5	-25.0	-27.3	147.8	31.1	-36.4	-30.9	-9.4
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 borrower buys or builds an energy-efficient home or makes energy-saving renovations to an existing home.**  
**Multi-residential buildings are also eligible.**

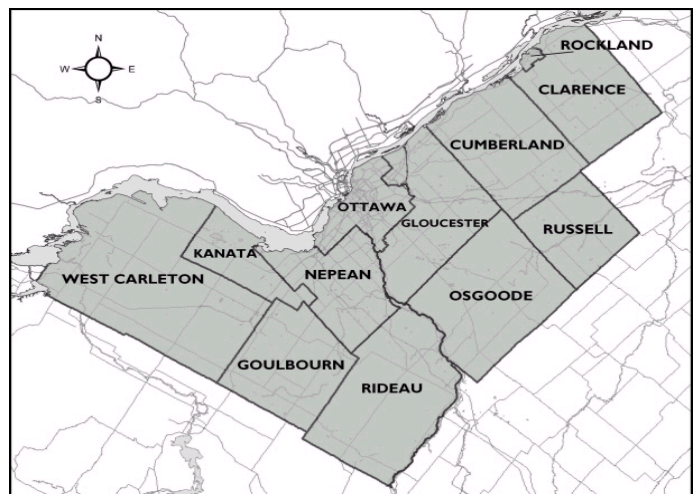


Table 2A: Starts by Area and by Intended Market - Current Month

Sub Market Area	SINGLES			MULTIPLES			TOTAL		
	Oct 04	Oct 05	% change	Oct 04	Oct 05	% change	Oct 04	Oct 05	% change
<b>Ottawa</b>	256	216	-15.6	414	317	-23.4	670	533	-20.4
<b>Ottawa City</b>	246	201	-18.3	414	317	-23.4	660	518	-21.5
Ottawa, Vanier, Rockcliffe	9	13	44.4	107	45	-57.9	116	58	-50.0
Nepean inside greenbelt	2	4	100.0	33	35	6.1	35	39	11.4
Nepean outside greenbelt	70	36	-48.6	19	40	110.5	89	76	-14.6
Gloucester inside greenbelt	5	3	-40.0	2	0	-100.0	7	3	-57.1
Gloucester outside greenbelt	20	21	5.0	178	41	-77.0	198	62	-68.7
Kanata	40	31	-22.5	38	119	**	78	150	92.3
Cumberland	58	38	-34.5	37	31	-16.2	95	69	-27.4
Goulbourn	0	10	NA	0	6	NA	0	16	NA
West Carleton	13	21	61.5	0	0	NA	13	21	61.5
Rideau	6	4	-33.3	0	0	NA	6	4	-33.3
Osgoode	23	20	-13.0	0	0	NA	23	20	-13.0
<b>Clarence-Rockland City</b>	1	5	**	0	0	NA	1	5	**
<b>Russell Twp.</b>	9	10	11.1	0	0	NA	9	10	11.1

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
<b>Ottawa</b>	2,731	1,977	-27.6	3,357	2,208	-34.2	6,088	4,185	-31.3
<b>Ottawa City</b>	2,477	1,781	-28.1	3,306	2,155	-34.8	5,783	3,936	-31.9
Ottawa, Vanier, Rockcliffe	144	116	-19.4	1083	634	-41.5	1227	750	-38.9
Nepean inside greenbelt	12	15	25.0	240	126	-47.5	252	141	-44.0
Nepean outside greenbelt	588	383	-34.9	381	361	-5.2	969	744	-23.2
Gloucester inside greenbelt	37	23	-37.8	105	48	-54.3	142	71	-50.0
Gloucester outside greenbelt	236	193	-18.2	531	228	-57.1	767	421	-45.1
Kanata	340	193	-43.2	493	349	-29.2	833	542	-34.9
Cumberland	510	326	-36.1	425	385	-9.4	935	711	-24.0
Goulbourn	285	230	-19.3	48	24	-50.0	333	254	-23.7
West Carleton	119	131	10.1	0	0	NA	119	131	10.1
Rideau	41	48	17.1	0	0	NA	41	48	17.1
Osgoode	165	123	-25.5	0	0	NA	165	123	-25.5
<b>Clarence-Rockland City</b>	119	101	-15.1	45	45	0.0	164	146	-11.0
<b>Russell Twp.</b>	135	95	-29.6	6	8	33.3	141	103	-27.0

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

Sub Market Area	Oct 04	Oct 05	% change	YTD 2004	YTD 2005	% change
<b>Ottawa</b>	330,967	358,871	8.4	332,419	352,404	6.0
<b>Ottawa City</b>	372,153	378,654	1.7	380,714	408,451	7.3
Cumberland	331,398	292,667	-11.7	310,465	310,088	-0.1
Gloucester	318,071	362,455	14.0	334,068	357,582	7.0
Nepean	330,298	377,651	14.3	344,217	359,005	4.3
Kanata	375,306	339,293	-9.6	370,867	386,424	4.2
Rest of CMA	297,888	389,264	30.7	313,567	352,270	12.3

\*\* 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			170			310		
December	88			97			185		
<b>Year-to-date</b>	<b>1,829</b>	<b>1,462</b>	<b>-20.1</b>	<b>2,185</b>	<b>1,765</b>	<b>-19.2</b>	<b>4,014</b>	<b>3,227</b>	<b>-19.6</b>
<b>YEARLY TOTAL</b>	<b>2,057</b>			<b>2,452</b>			<b>4,509</b>		

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 (%)	
<b>Ottawa total</b>											
October 2005	14	5.7	50	20.3	136	55.3	35	14.2	11	4.5	246
October 2004	31	11.1	73	26.2	130	46.6	35	12.5	10	3.6	279
YTD 2005	157	7.4	452	21.3	1124	53.1	265	12.5	120	5.7	2,118
YTD 2004	265	11.0	686	28.3	1108	45.8	244	10.1	117	4.8	2,420
<b>Ottawa City</b>											
October 2005	0	0.0	0	0.0	9	69.2	3	23.1	1	7.7	13
October 2004	0	0.0	0	0.0	15	88.2	0	0.0	2	11.8	17
YTD 2005	1	1.4	3	4.3	43	61.4	14	20.0	9	12.9	70
YTD 2004	2	1.3	12	8.1	101	67.8	21	14.1	13	8.7	149
<b>Cumberland</b>											
October 2005	6	12.2	27	55.1	16	32.7	0	0.0	0	0.0	49
October 2004	6	9.4	15	23.4	32	50.0	11	17.2	0	0.0	64
YTD 2005	48	12.4	153	39.6	166	43.0	13	3.4	6	1.6	386
YTD 2004	32	8.2	129	33.2	209	53.7	18	4.6	1	0.3	389
<b>Gloucester</b>											
October 2005	0	0.0	1	2.0	41	83.7	6	12.2	1	2.0	49
October 2004	0	0.0	6	35.3	11	64.7	0	0.0	0	0.0	17
YTD 2005	4	1.4	29	10.1	226	78.5	23	8.0	6	2.1	288
YTD 2004	4	1.6	49	19.6	186	74.4	6	2.4	5	2.0	250
<b>Nepean</b>											
October 2005	0	0.0	6	11.8	36	70.6	6	11.8	3	5.9	51
October 2004	1	1.9	16	30.8	27	51.9	8	15.4	0	0.0	52
YTD 2005	1	0.2	94	20.3	267	57.8	77	16.7	23	5.0	462
YTD 2004	12	2.3	187	35.5	222	42.1	79	15.0	27	5.1	527
<b>Kanata</b>											
October 2005	0	0.0	6	42.9	5	35.7	2	14.3	1	7.1	14
October 2004	0	0.0	7	14.3	30	61.2	10	20.4	2	4.1	49
YTD 2005	3	1.3	31	13.2	130	55.6	46	19.7	24	10.3	234
YTD 2004	0	0.0	72	26.6	123	45.4	51	18.8	25	9.2	271
<b>Rest of CMA</b>											
October 2005	8	11.4	10	14.3	29	41.4	18	25.7	5	7.1	70
October 2004	24	30.0	29	36.3	15	18.8	6	7.5	6	7.5	80
YTD 2005	100	14.7	142	20.9	292	43.1	92	13.6	52	7.7	678
YTD 2004	215	25.8	237	28.4	267	32.0	69	8.3	46	5.5	834

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	13,200	1,741	22,900	57.5	249,895	5.3	253,981
	November									
	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	14,348	6,275	24,628	58.3	247,441	4.2	248,417	
YTD 2004	11,894	4.9		20,149			238,218	9.4		
YTD 2005	11,733	-1.4		21,824			248,067	4.1		

	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	Oct 04	Oct 05	% Change	YTD 2004	YTD 2005	% Change
Orléans	\$232,299	\$233,539	0.5	\$230,406	\$237,260	3.0
East End	\$206,423	\$212,754	3.1	\$210,110	\$214,438	2.1
SouthEast	\$234,741	\$236,151	0.6	\$253,768	\$256,590	1.1
Downtown	\$322,244	\$360,934	12.0	\$338,584	\$344,664	1.8
West End	\$233,184	\$272,089	16.7	\$248,120	\$260,320	4.9
Nepean	\$250,735	\$248,326	-1.0	\$242,167	\$243,609	0.6
Barrhaven	\$230,642	\$271,846	17.9	\$231,238	\$246,177	6.5
Kanata-Stittsville	\$251,096	\$257,470	2.5	\$251,017	\$259,331	3.3

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

Source: Ottawa Real Estate Board

Table 7: Economic Indicators

	Interest and Exchange Rates				Inflation Rate (%)	N-HPI*** % chg	Ottawa Labour Market		
	P & I* Per \$100,000	Mortgage Rate (%)		Exch. Rate (\$US/\$Cdn)	Ontario 1996=100	Ottawa-Gatineau 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	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			616.9	0.9	6.7
November									
December									

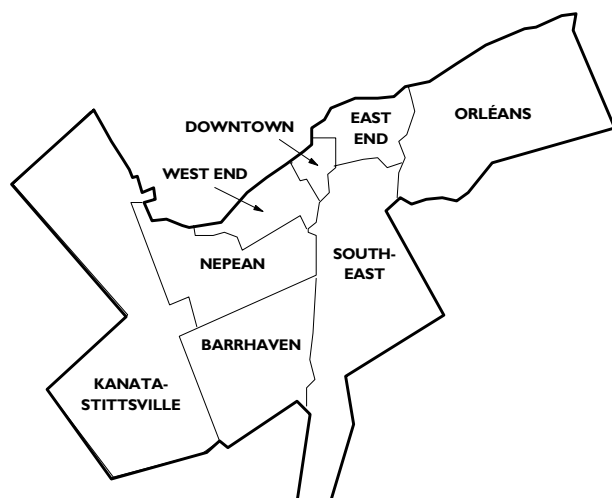
\* Principal and Interest Payment assumes a five year mortgage rate and 25 year amortization period.

\*\* 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>

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