

H

Victoria/Vancouver Island

HOUSING NOW

YOUR LINK TO THE HOUSING MARKET

Homebuilding remains strong

Canada Mortgage and Housing Corporation

SEPTEMBER 2004

Victoria sees fewer new condos start in September

♦ Fewer **condos** got underway in Victoria but single family house starts picked up the pace. **Langford** again recorded the highest volume of new house starts, at 26, followed by **Saanich** with 24.

♦ New **single family house sales** continued strong, at 80 in September compared with 89 in August, while multi-family sales slowed. **Prices remain high**, with a median of \$417,400.

♦ The new house and duplex market saw a **continued balance between supply and demand**, with 93 units completed, 95 sales and 57 in inventory.

♦ New **condo apartment markets** were balanced, with 33 starts, no completions, one sale, 15 units in inventory and 818 units underway.

♦ The **townhouse market** was also balanced with 18 starts, 118 units underway, eight completions, eight sales and seven new townhouses in inventory.

Nanaimo's new home sales hit 7 year high

♦ Nanaimo new home sales jumped in September to the **highest level recorded since Nov. 1997**, and new house prices also hit a new high. The new house/duplex **market remained balanced**.

♦ **New homebuilding** slipped, but year-to-date homebuilding is 57% higher than 2003 levels. **Strong homebuyer demand** is driving increased Nanaimo construction this year.

♦ The **new townhouse undersupply** continued, with seven townhouse units underway and no other activity.

♦ Nanaimo's **new apartment condo market** saw 24 units break ground. There was one unit in inventory, two sales, 77 underway and no completions. Undersupplied market conditions prevail but several projects are now in the planning stages and will begin pre-selling shortly. See **pages 5-7** for details.

Homebuilding maintains strong pace in other markets

♦ **Courtenay-Comox** posted 65 new home starts in September, followed by **Parksville-Qualicum** with 45 and **Duncan** with 13.

♦ **Courtenay-Comox** new home sales slowed in September but inventories remained low, reflecting limited supply and strong buyer demand. See **pages 5-6** for details.

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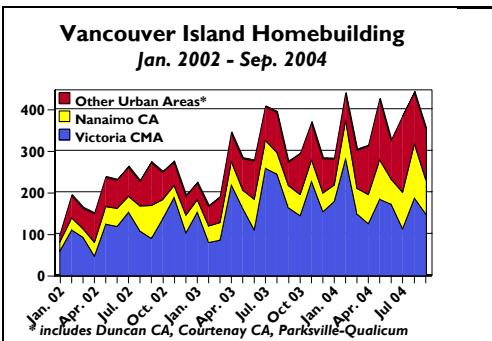
CMHC Victoria Noticeboard

♦ **Looking for 2005 market forecasts?** - check out CMHC's Housing Market Outlook reports for Victoria, Vancouver, Kelowna, (604) 737-4088 or lpreston@cmhc.ca

♦ **CMHC tracks new homebuilding - next release** Nov. 8. (250) 363-8045, prrill@cmhc.ca.

♦ **ROMA BC Trade Show** - November 17 at Delta Ocean Pointe Resort Victoria. Call 382-6324 or 1-800-330-6707 for more info.

♦ **CMHC Rental Market Survey Results**- available December 21. Call Lisa Preston to order (604) 737-4088 lpreston@cmhc.ca



♦ **Island homebuilding: new high in Aug.**

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 CMHC Victoria - Market Analysis
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HOME TO CANADIANS
Canada

METROPOLITAN VICTORIA
Starts/Completions/Under Construction
September 2004

	STARTS							COMPLETIONS							UNDER CONSTRUCTION						
	Single	Semi	Row Condo	Row Rental	Apt Condo	Apt Rental	TOTAL	Single	Semi	Row Condo	Row Rental	Apt Condo	Apt Rental	TOTAL	Single	Semi	Row Condo	Row Rental	Apt Condo	Apt Rental	TOTAL
Victoria City	4	0	0	0	0	0	4	0	3	0	0	0	0	3	23	33	37	3	475	15	586
Oak Bay	0	0	0	0	0	0	0	1	0	0	0	0	0	1	11	0	4	0	0	0	15
Esquimalt	0	0	0	0	0	0	0	0	0	4	0	0	0	4	13	2	5	0	31	0	51
Saanich	24	2	0	0	0	0	26	24	0	0	0	0	0	24	151	8	19	0	58	0	236
C. Saanich	0	0	0	0	0	0	0	1	0	0	0	0	0	1	16	6	7	0	42	0	71
N. Saanich	6	0	0	0	0	0	6	3	0	0	0	0	0	3	36	0	0	0	0	0	36
Sidney	4	0	0	0	0	0	4	0	3	4	0	0	0	7	11	4	6	0	68	0	89
View Royal	7	0	6	0	0	0	13	11	0	0	0	0	0	11	63	6	9	0	0	0	78
RDA H	4	0	0	0	0	0	4	6	2	0	0	0	0	8	28	1	0	0	0	0	29
Highlands	3	0	0	0	0	0	3	3	0	0	0	0	0	3	26	0	0	0	0	0	26
Langford	26	4	0	0	33	0	63	17	0	0	0	0	0	17	106	34	0	0	113	0	253
Colwood	7	0	12	0	0	0	19	2	0	0	0	0	0	2	31	2	31	0	31	0	95
Metchosin	1	0	0	0	0	0	1	1	0	0	0	0	0	1	12	0	0	0	0	0	12
Sooke	4	0	0	0	0	0	4	10	0	0	0	0	0	10	55	2	0	0	0	0	57
Indian Res.	3	0	0	0	0	0	3	6	0	0	0	0	0	6	26	0	0	0	0	0	26
MONTH TOTAL	93	6	18	0	33	0	150	85	8	8	0	0	0	101	608	98	118	3	818	15	1660
YEAR-TO-DATE	790	128	83	3	546	0	1550	739	92	86	3	232	191	1343	---	---	---	---	---	---	---

Preliminary

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NOTE: Rental category includes private rental, asisted and co-op housing.

METROPOLITAN VICTORIA

Inventory and Absorptions by Municipality

September 2004 AND YEAR-TO-DATE 2003 & 2004

INVENTORY OF NEW HOMES								ABSORPTION OF NEW HOMES							
	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi	Grand Total		Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi	Grand Total
Victoria City	14	2	0	0	16	7	23	Victoria City	1	0	0	0	1	3	4
Oak Bay	0	0	0	0	0	0	0	Oak Bay	0	0	0	0	0	1	1
Esquimalt	0	0	0	0	0	0	0	Esquimalt	0	0	4	0	4	0	4
Saanich	0	0	7	0	7	19	26	Saanich	0	0	0	0	0	29	29
C. Saanich	0	0	0	0	0	0	0	C. Saanich	0	0	0	0	0	3	3
N. Saanich	0	0	0	0	0	1	1	N. Saanich	0	0	0	0	0	3	3
Sidney	1	0	0	0	1	2	3	Sidney	0	0	4	0	4	1	5
View Royal	0	0	0	0	0	1	1	View Royal	0	0	0	0	0	10	10
RDA H	0	0	0	0	0	3	3	RDA H	0	0	0	0	0	7	7
Highlands	0	0	0	0	0	0	0	Highlands	0	0	0	0	0	3	3
Langford	0	0	0	0	0	11	11	Langford	0	0	0	0	0	17	17
Colwood	0	0	0	0	0	3	3	Colwood	0	0	0	0	0	2	2
Metchosin	0	0	0	0	0	0	0	Metchosin	0	0	0	0	0	1	1
Sooke	0	0	0	0	0	8	8	Sooke	0	0	0	0	0	9	9
Indian Res.	0	0	0	0	0	2	2	Indian Res.	0	0	0	0	0	6	6
MONTH TOTAL	15	2	7	0	24	57	81	MONTH TOTAL	1	0	8	0	9	95	104
Y.T.D. AVG. 2004	22	10	15	0	47	59	106	Y.T.D. TOTAL 2004	237	189	97	3	526	830	1356
Y.T.D. AVG. 2003	25	10	20	9	64	65	129	Y.T.D. TOTAL 2003	114	140	74	27	355	613	968

Note 1): Absorptions are measured at project completion and do **not** include presales.
 Note 2): Tenure is defined as intended market at completion. Inventory refers to unsold or unrented units

Preliminary
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METROPOLITAN VICTORIA

ABSORBED NEW HOUSE PRICES

	NO. OF UNITS		AVERAGE PRICE			MEDIAN PRICE		
	2003	2004	2003	2004	% Chg	2003	2004	% Chg
January	45	80	\$446,782	\$378,880	-15.2	\$387,000	\$359,900	-7.0
February	62	97	402,073	453,973	12.9	343,800	385,900	12.2
March	52	67	334,101	372,211	11.4	336,000	359,900	7.1
April	30	71	329,913	481,230	45.9	333,400	412,900	23.8
May	70	90	334,910	458,695	37.0	359,000	416,200	15.9
June	64	58	356,838	466,053	30.6	349,450	399,450	14.3
July	78	78	362,844	408,943	12.7	332,400	359,450	8.1
August	47	89	367,773	463,498	26.0	334,000	432,500	29.5
September	84	80	367,497	428,044	16.5	356,300	417,400	17.1
October	79		368,311			356,400		
November	66		366,450			378,000		
December	72		364,514			334,500		

NANAIMO CA

ABSORBED NEW HOUSE PRICES

	NO. OF UNITS		AVERAGE PRICE			MEDIAN PRICE		
	2003	2004	2003	2004	% Chg	2003	2004	% Chg
January	34	32	\$275,565	\$299,394	8.6	\$246,044	\$282,700	14.9
February	24	42	222,547	335,772	50.9	194,750	336,200	72.6
March	25	48	244,495	319,056	30.5	226,500	289,400	27.8
April	40	34	240,294	278,894	16.1	225,450	258,700	14.7
May	27	59	277,954	326,051	17.3	257,000	290,349	13.0
June	35	28	287,047	352,906	22.9	248,500	324,400	30.5
July	43	49	280,030	334,250	19.4	247,000	304,800	23.4
August	49	48	267,033	315,626	18.2	239,900	285,250	18.9
September	38	78	276,826	366,475	32.4	254,900	337,950	32.6
October	44		276,654			255,200		
November	51		330,688			304,600		
December	47		283,463			274,680		

VANCOUVER ISLAND

STARTS/COMPLETIONS SUMMARY

2003 & 2004 Year-to-Date

	STARTS					STARTS					COMPLETIONS					COMPLETIONS				
	JAN.-SEP. 2004					JAN.-SEP. 2003					JAN.-SEP. 2004					JAN.-SEP. 2003				
	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL
Campbell River *	99	20	6	21	146	71	2	0	0	73	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Courtenay	321	36	28	118	503	231	49	29	24	333	261	50	24	40	375	204	30	6	43	283
Parksville/Qualicum	216	75	49	0	340	140	11	0	0	151	158	36	14	0	208	142	11	0	0	153
Nanaimo	574	60	9	77	720	412	31	15	0	458	494	45	14	0	553	328	28	31	25	412
Duncan	137	18	0	0	155	120	11	0	0	131	126	12	0	0	138	69	12	0	6	87
Port Alberni *	32	0	16	0	48	18	2	0	6	26	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Victoria	790	128	86	546	1550	697	67	172	543	1479	739	92	89	423	1343	563	67	113	232	975
Total	2169	337	194	762	3462	1689	173	216	573	2651	1778	235	141	463	2617	1306	148	150	306	1910

* updated quarterly, to June 2004

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METROPOLITAN VICTORIA

Starts/Completions/Under Construction

September 2004

	UNDER CONSTR: AUG. 2004					STARTS					COMPLETIONS					UNDER CONSTR: SEP. 2004				
	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total
Comox Town	41	4	4	21	70	3	0	5	16	24	5	0	0	0	5	39	4	9	37	89
Courtenay City	75	24	7	22	128	26	2	0	0	28	19	10	0	0	29	82	16	7	22	127
Cumberland	4	0	0	0	4	3	0	0	0	3	1	0	0	0	1	6	0	0	0	6
Comox Strath RDA A	24	0	0	0	24	2	0	0	0	2	2	0	0	0	2	24	0	0	0	24
Comox Strath RDA B	57	4	0	59	120	8	0	0	0	8	3	0	0	0	3	62	4	0	59	125
Indian Res.	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1
Courtenay CA	202	32	11	102	347	42	2	5	16	65	30	10	0	0	40	214	24	16	118	372
Parksville City	51	33	37	0	121	9	4	3	0	16	12	6	0	0	18	48	31	40	0	119
Qualicum Beach Town	24	2	3	0	29	1	0	0	0	1	3	0	0	0	3	22	2	3	0	27
Nanaimo RDA G	66	42	0	0	108	20	8	0	0	28	11	0	0	0	11	75	50	0	0	125
Parksville-Qualicum	141	77	40	0	258	30	12	3	0	45	26	6	0	0	32	145	83	43	0	271
Nanaimo City	206	16	7	53	282	36	0	0	24	60	60	2	0	0	62	182	14	7	77	280
Nanaimo RDA A	29	0	0	0	29	8	0	0	0	8	7	0	0	0	7	30	0	0	0	30
Nanaimo RDA B	43	0	0	0	43	3	0	0	0	3	4	0	0	0	4	42	0	0	0	42
Nanaimo RDA D	25	0	0	0	25	3	0	0	0	3	4	0	0	0	4	24	0	0	0	24
Nanaimo RDA E	75	22	0	0	97	8	0	0	0	8	24	2	0	0	26	59	20	0	0	79
Nanaimo CA	378	38	7	53	476	58	0	0	24	82	99	4	0	0	103	337	34	7	77	455
North Cowichan	84	14	0	7	105	5	0	0	0	5	13	0	0	0	13	76	14	0	7	97
Duncan City	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Cowich. Valley RDA D	18	0	0	0	18	8	0	0	0	8	3	0	0	0	3	23	0	0	0	23
Cowich. Valley RDA E	17	0	0	0	17	0	0	0	0	0	4	0	0	0	4	13	0	0	0	13
Duncan CA	119	14	0	7	140	13	0	0	0	13	20	0	0	0	20	112	14	0	7	133
TOTAL	840	161	58	162	1221	143	14	8	40	205	175	20	0	0	195	808	155	66	202	1231

NANAIMO CA

Inventory and Absorptions by Municipality

SEPTEMBER 2004 AND YEAR-TO-DATE 2003 & 2004

INVENTORY OF NEW HOMES								ABSORPTION OF NEW HOMES							
	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi	Grand Total		Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi	Grand Total
Nanaimo City	1	0	0	0	1	23	24	Nanaimo	0	0	0	0	0	58	58
Nanaimo A,B,D,E	0	0	0	0	0	11	11	Nanaimo A,B,D,E	2	0	0	0	2	33	35
MONTH TOTAL	1	0	0	0	1	34	35	MONTH TOTAL	2	0	0	0	2	91	93
Y.T.D. AVG. 2004	3	0	1	0	4	22	26	Y.T.D. TOTAL 2004	4	0	14	0	18	523	541
Y.T.D. AVG. 2003	34	0	3	2	39	24	63	Y.T.D. TOTAL 2003	29	21	38	0	88	371	459

COURTENAY CA

Inventory and Absorptions by Municipality

SEPTEMBER 2004 AND YEAR-TO-DATE 2003 & 2004

INVENTORY OF NEW HOMES								ABSORPTION OF NEW HOMES							
	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi	Grand Total		Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi	Grand Total
Comox Town	0	0	0	0	0	2	2	Comox Town	0	0	0	0	0	5	5
Courtenay	0	0	2	0	2	14	16	Courtenay	0	0	2	0	2	27	29
Cumberland	0	0	0	0	0	0	0	Cumberland	0	0	0	0	0	1	1
Comox Strath A,B	0	0	0	0	0	0	0	Comox Strath A,B	0	0	0	0	0	5	5
Indian Res.	0	0	0	0	0	0	0	Indian Res.	0	0	0	0	0	0	0
MONTH TOTAL	0	0	2	0	2	16	18	MONTH TOTAL	0	0	2	0	2	38	40
Y.T.D. AVG. 2004	0	0	3	0	3	12	15	Y.T.D. TOTAL 2004	24	16	27	4	71	288	359
Y.T.D. AVG. 2003	7	4	2	0	13	25	38	Y.T.D. TOTAL 2003	12	43	8	0	63	239	302

Note 1): Absorptions are measured at projection completion and do **not** include presales.

Note 2): Tenure is defined as intended market at completion. Inventory refers to unsold or unrented units

Preliminary

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CMHC Market Watch

VICTORIA AND NANAIMO New Ownership Construction SEPTEMBER 2004

METRO VICTORIA

need to know

	Completed & Unoccupied ¹	Under Construction	Total Supply	Monthly Absorption Forecast ²	Duration of Supply (Months)	Surplus/Shortfall ³ (Months)	Market Classification ⁴
Single & Semi	57	652	709	93	7.6	0.6	Balanced.
Row Condo	7	118	125	13	9.6	-0.4	Balanced.
Apt Condo	15	818	833	59	14.1	0.1	Balanced.

NANAIMO CA

need to know

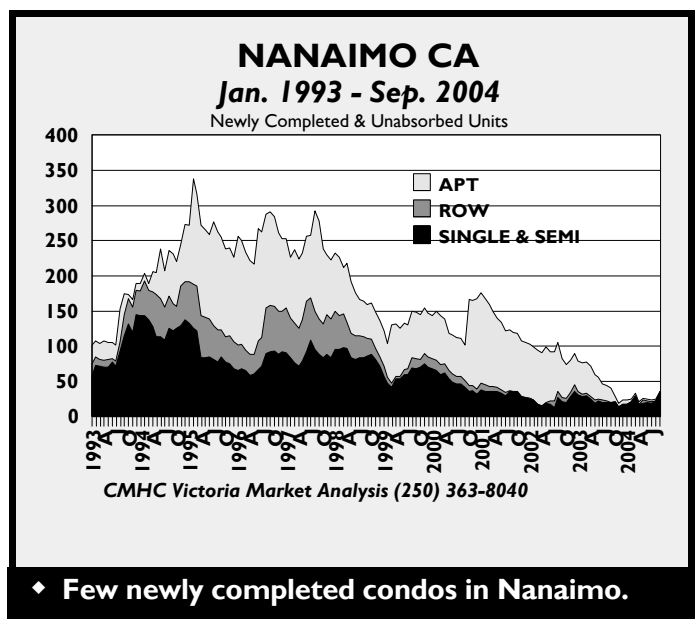
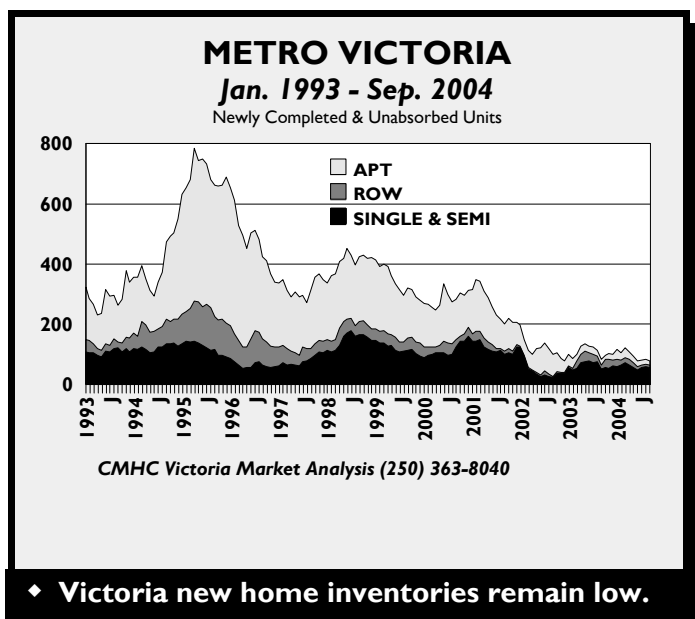
	Completed & Unoccupied ¹	Under Construction	Total Supply	Monthly Absorption Forecast ²	Duration of Supply (Months)	Surplus/Shortfall ³ (Months)	Market Classification ⁴
Single & Semi	34	350	384	52	7.4	0.4	Balanced.
Row Condo	0	7	7	1	7.0	-4.0	Undersupplied.
Apt Condo	1	77	78	8	9.8	-3.3	Undersupplied.

¹⁻⁴ Refer to CMHC Definitions insert.

VICTORIA AND NANAIMO

New Housing Inventory

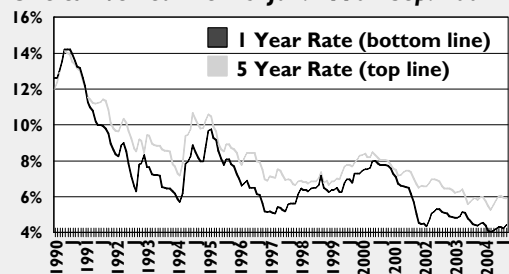
JANUARY 1993 to SEPTEMBER 2004



KEY ECONOMIC INDICATORS

MORTGAGE RATES

One & Five Year Terms Jan. 1990 - Sep. 2004



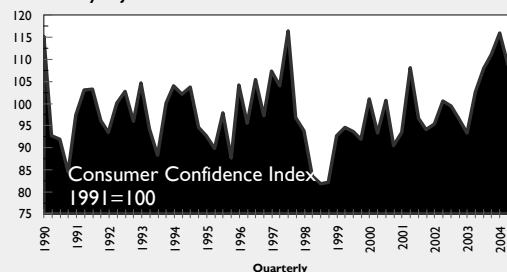
CMHC Market Analysis (250) 363-8040

◆ Mortgage rates remain at low levels.

B.C. CONSUMER CONFIDENCE

1st Q 1990 - 3rd Q 2004

Seasonally Adjusted

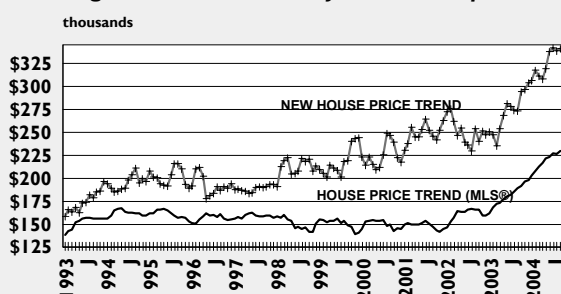


CMHC Victoria (250) 363-8040 DATA: Conference Board of Canada

◆ Consumer confidence hits 16-year high.

NANAIMO

Average House Price Trend Jan. 1993 - Sep. 2004

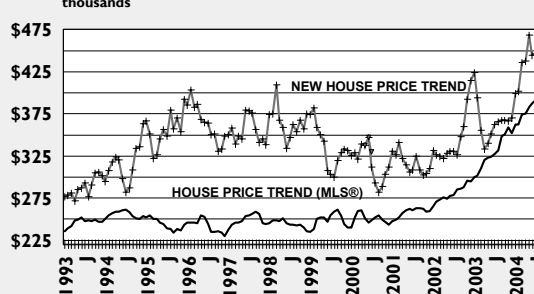


NOTE: Price trends calculated as 3 month moving average.
CMHC Market Analysis (250) 363-8040 DATA: Vancouver Island Real Estate Board, CMHC

◆ Nanaimo house price trends level off.

METRO VICTORIA

Average House Price Trend Jan. 1993 - Sep. 2004



NOTE: Price trends calculated as 3 month moving average.
CMHC Market Analysis (250)363-8040 DATA: Victoria Real Estate Board, CMHC

◆ Victoria house price trends moving down.

Vancouver Island Housing Markets

MLS® SALES SINGLE-FAMILY DETACHED	September 2004				January-September 2004			
	Sales Sep. 2004	% Change Sep. 2003	Avg Price Sep. 2004	% Change Sep. 2003	Sales Y.T.D.	% Chg. Y.T.D. 03-04	Avg Price Y.T.D.	% Chg. Y.T.D. 03-04
Metro Victoria	357	-5%	\$377,545	12%	3,446	-4%	\$378,763	19%
Nanaimo	137	-4%	\$224,769	21%	1,294	5%	\$219,974	23%
Duncan-Cowichan Valley	69	-27%	\$214,252	16%	681	-3%	\$214,460	19%
Port Alberni*	49	96%	\$113,590	-20%	355	74%	\$121,750	11%
Parksville-Qualicum Beach	46	-45%	\$257,310	10%	631	3%	\$249,550	18%
Comox Valley	86	-9%	\$202,195	23%	812	11%	\$208,225	24%
Campbell River	42	-14%	\$176,162	4%	429	24%	\$174,623	14%

* Note: MLS® data represents a smaller portion of total sales in Port Alberni.

MLS® - Multiple Listing Service® is a registered trademark owned by The Canadian Real Estate Association (CREA). Data courtesy of the Victoria Real Estate Board and the Vancouver Island Real Estate Board.

