

H

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Victoria/Vancouver Island

YOUR LINK TO THE HOUSING MARKET

Strong New Home Starts in July

Canada Mortgage and Housing Corporation

Victoria homebuilding rebounds

- ◆ Metro Victoria saw **more new condos begin construction**, boosting total new home starts 54% ahead of June's level.
- ◆ **Starts kept pace with completions** in July, maintaining the high number of units under construction.
- ◆ **New home inventories edged down in July** as sales surpassed completions by four units.
- ◆ Despite robust sales, the **new apartment condo market oversupply inched up** due to more projects beginning construction during July.
- ◆ **New townhouse sales spiked due to an uptick in completions**, but the market remained balanced.
- ◆ **July's average price for a new single detached house hit a record high**, at \$524,561. Strong buyer demand plus rising building costs are pushing prices higher.

Nanaimo home starts pace slips but still strong

- ◆ **Nanaimo saw homebuilding slide to 69 starts** in July following June's exceptionally strong 121.
- ◆ **The new single and semi-detached house market remained balanced**, with a minimal difference between sales and completions.
- ◆ **No condominium units were started or completed but three recently completed suites were sold.** Markets continued undersupplied, but starts expected in the coming months should move them into balance by late 2005.

New condos boost homebuilding in other Van. Island markets

- ◆ **Parksville-Qualicum, Courtenay CA and Duncan CA each saw condo projects begin in July**, in addition to robust single detached construction.

B.C.'s economy still in growth mode, driving housing demand

- ◆ BC's employment growth, rising average weekly wages, gains in manufacturing shipments and strong retail sales reflect continued economic expansion. **Economic strength** is one of the main driving forces behind the province's **bouyant housing market demand**.

JULY 2005

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Metropolitan Victoria

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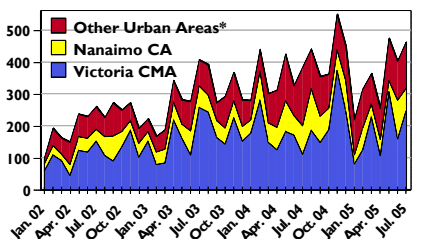
Vancouver Island

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CMHC Victoria Noticeboard

- ◆ **CMHC's Housing Outlook for 2006** - plan now to attend CMHC's annual presentation Nov. 2, 2005. Contact Lisa Preston (604) 737-4088, lpreston@cmhc.ca
- ◆ **Is the new home market nearing its peak?** Keep up to date with CMHC's next housing starts release Sept. 9. (250) 363-8045, pprill@cmhc.ca
- ◆ **Seniors' Housing Market Report** - CMHC provides a snapshot of the BC market, including vacancies and average rents; mid-September release.

Vancouver Island Homebuilding
Jan. 2002 - Jul. 2005



* includes Duncan CA, Courtenay CA, Parksville-Qualicum

- ◆ **Homebuilding robust this summer.**

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Canada

CMHC SCHL
HOME TO CANADIANS

METROPOLITAN VICTORIA

Starts/Completions/Under Construction

July 2005

	STARTS					COMPLETIONS					UNDER CONSTRUCTION											
	Single	Semi	Row Condo	Row Rental	Apt Condo Rental	TOTAL	Single	Semi	Row Condo	Row Rental	Apt Condo Rental	TOTAL	Single	Semi	Row Condo	Row Rental	Apt Condo Rental	TOTAL				
Victoria City	0	5	0	0	114	0	119	2	1	0	0	131	0	134	11	27	0	4	596	3	641	
Oak Bay	1	0	0	0	0	1	1	0	0	0	0	0	0	0	19	0	0	0	0	0	0	19
Esquimalt	2	6	0	0	0	8	8	0	0	4	0	0	0	4	17	10	3	0	258	0	288	
Saanich	22	0	0	0	0	22	22	25	0	0	0	0	0	25	168	3	23	0	183	0	377	
C. Saanich	1	0	0	0	0	1	1	0	0	0	0	0	0	0	24	0	4	0	0	0	28	
N. Saanich	2	0	0	0	0	2	2	2	0	0	0	0	0	2	39	4	0	0	0	0	43	
Sidney	1	0	0	0	0	1	1	2	0	6	0	0	0	8	13	0	6	0	51	0	70	
View Royal	4	2	8	0	0	14	14	8	0	3	0	0	0	11	36	6	21	0	0	0	63	
RDA H	4	0	0	0	0	4	4	4	0	0	0	0	0	4	36	2	0	0	0	0	38	
Highlands	1	0	0	0	0	1	1	2	0	0	0	0	0	2	17	0	0	0	0	0	17	
Langford	37	0	0	0	22	59	59	22	0	0	0	0	0	22	149	6	4	0	40	0	199	
Colwood	8	0	0	0	0	8	8	6	0	24	0	0	0	30	53	6	18	0	58	0	135	
Metchosin	1	0	0	0	0	1	1	0	0	0	0	0	0	0	8	0	0	0	0	0	8	
Sooke	8	0	0	0	0	8	8	8	0	0	0	0	0	8	49	0	9	0	0	0	58	
Indian Res.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1	
MONTH TOTAL	92	13	8	0	136	249	249	81	1	37	0	131	0	250	640	64	88	4	1186	3	1985	
YEAR-TO-DATE	569	54	78	0	568	1272	1272	550	60	101	4	523	0	1238	---	---	---	---	---	---	---	---

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

METROPOLITAN VICTORIA

Inventory and Absorptions by Municipality

July 2005 AND YEAR-TO-DATE 2004 & 2005

	INVENTORY OF NEW HOMES						ABSORPTION OF NEW HOMES							
	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi Total	Grand Total	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi Total	Grand Total
Victoria City	22	0	5	0	27	9	36	131	0	0	0	131	4	135
Oak Bay	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Esquimalt	5	0	0	0	5	0	5	4	0	4	0	8	0	8
Saanich	0	0	1	0	1	13	14	0	0	0	0	0	25	25
C. Saanich	0	0	0	0	0	1	1	2	0	0	0	2	0	2
N. Saanich	0	0	0	0	0	0	0	0	0	0	0	0	2	2
Sidney	2	0	1	0	3	4	7	0	0	5	0	5	3	8
View Royal	0	0	2	0	2	3	5	0	0	2	0	2	6	8
RDA H	0	0	0	0	0	1	1	0	0	0	0	0	4	4
Highlands	0	0	0	0	0	1	1	0	0	0	0	0	2	2
Langford	2	0	0	0	2	19	21	4	0	0	0	4	23	27
Colwood	3	0	11	0	14	2	16	1	0	16	0	17	7	24
Metchosin	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sooke	0	0	1	0	1	5	6	0	0	0	0	0	9	9
Indian Res.	0	0	0	0	0	1	1	0	0	0	0	0	0	0
MONTH TOTAL	34	0	21	0	55	59	114	142	0	27	0	169	85	254
Y.T.D. AVG. 2005	37	0	20	0	57	64	121	504	1	103	4	612	614	1226
Y.T.D. AVG. 2004	24	12	17	0	53	60	113	235	135	83	0	453	619	1072

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

METROPOLITAN VICTORIA ABSORBED NEW HOUSE PRICES

	NO. OF UNITS		AVERAGE PRICE			MEDIAN PRICE		
	2004	2005	2004	2005	% Chg	2004	2005	% Chg
January	80	63	\$378,880	\$482,247	27.3	\$359,900	\$450,000	25.0
February	97	72	453,973	480,806	5.9	385,900	433,450	12.3
March	67	81	372,211	488,360	31.2	359,900	419,900	16.7
April	71	58	481,230	458,350	-4.8	412,900	395,950	-4.1
May	90	85	458,695	475,354	3.6	416,200	459,900	10.5
June	58	74	466,053	501,696	7.6	399,450	483,500	21.0
July	78	82	408,943	524,561	28.3	359,450	493,700	37.3
August	89		463,498			432,500		
September	80		428,044			417,400		
October	78		407,190			399,900		
November	53		438,053			394,000		
December	79		431,206			409,999		

NANAIMO CA * ABSORBED NEW HOUSE PRICES

	NO. OF UNITS		AVERAGE PRICE			MEDIAN PRICE		
	2004	2005	2004	2005	% Chg	2004	2005	% Chg
January	26	33	\$299,948	\$330,330	10.1	\$282,700	\$316,900	12.1
February	28	35	331,957	353,569	6.5	335,640	349,900	4.2
March	42	38	289,925	321,282	10.8	269,900	322,400	19.5
April	26	37	274,842	343,431	25.0	259,900	312,900	20.4
May	42	51	291,363	346,055	18.8	272,750	307,000	12.6
June	23	42	335,317	333,481	-0.5	314,400	331,400	5.4
July	30	27	323,455	364,022	12.5	290,650	343,900	18.3
August								
September								
October								
November								
December								

* Nanaimo CA boundaries revised as per Statistics Canada Definitions effective January 2005, 2004 comparative figures reflect this boundary change as well

VANCOUVER ISLAND STARTS/COMPLETIONS SUMMARY 2004 & 2005 Year-to-Date

	STARTS					STARTS					COMPLETIONS					COMPLETIONS				
	Jan.-Jul. 2005					Jan.-Jul. 2004 **					Jan.-Jul. 2005					Jan.-Jul. 2004**				
	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL
Campbell River *	88	4	8	28	128	64	20	0	21	105	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Courtenay	220	40	31	113	404	230	28	23	94	375	226	18	21	83	348	196	34	20	24	274
Parksville/Qualicum	103	22	10	29	164	159	49	43	0	251	142	50	28	0	220	116	24	9	0	149
Nanaimo **	332	38	3	35	408	336	36	6	0	378	300	30	9	24	363	257	35	7	0	299
Duncan	124	64	17	46	251	111	16	0	0	127	86	12	0	7	105	90	10	0	0	100
Port Alberni *	37	0	0	0	37	13	0	16	0	29	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Victoria	569	54	78	571	1272	621	99	58	434	1212	550	60	105	523	1238	555	63	74	369	1061
Total	1473	222	147	822	2664	1534	248	146	549	2477	1304	170	163	637	2274	1214	166	110	393	1883

* updated quarterly, to June

** Nanaimo 2004 figures are shown for revised 2005 census agglomeration boundary definitions, for comparison purposes on the above table only

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VANCOUVER ISLAND

Starts/Completions/Under Construction

July 2005

	UNDER CONSTR: JUN. 2005				STARTS				COMPLETIONS				UNDER CONSTR: JUL. 2005			
	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	
Comox Town	51	4	9	14	78	7	0	0	0	7	9	0	0	0	9	
Courtenay City	92	40	21	135	288	15	4	6	34	59	19	0	0	0	19	
Cumberland	11	2	0	0	13	0	0	0	0	0	4	0	0	0	4	
Comox Strath RDA A	24	0	0	0	24	0	0	0	0	0	5	0	0	0	5	
Comox Strath RDA B	46	2	0	0	48	2	0	0	0	2	7	0	0	0	7	
Indian Res.	1	0	0	0	1	1	0	0	0	1	0	0	0	0	0	
Courtenay CA	225	48	30	149	452	25	4	6	34	69	44	0	0	0	44	
Parksville City	33	54	3	0	90	0	2	4	0	6	13	4	0	0	17	
Qualicum Beach Town	18	4	3	29	54	1	0	0	0	1	1	2	3	0	6	
Nanaimo RDA G	64	12	4	0	80	7	0	0	0	7	14	6	4	0	24	
Parksville-Qualicum	115	70	10	29	224	8	2	4	0	14	28	12	7	0	47	
Nanaimo City	196	26	7	128	357	52	10	0	0	62	26	4	0	0	30	
Lantzville	2	0	0	0	2	0	0	0	0	0	0	0	0	0	0	
Nanaimo RDA A	11	0	0	0	11	5	0	0	0	5	0	0	0	0	0	
Nanaimo RDA C	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Nanaimo RDA D	11	0	0	0	11	2	0	0	0	2	0	0	0	0	0	
Nanaimo CA *	220	26	7	128	381	59	10	0	0	69	26	4	0	0	30	
North Cowichan	96	36	17	24	173	14	4	0	0	18	3	0	0	0	3	
Duncan City	1	10	0	0	11	0	18	0	22	40	0	0	0	0	0	
Cowich. Valley RDA D	20	0	0	0	20	1	0	0	0	1	3	0	0	0	3	
Cowich. Valley RDA E	9	0	0	0	9	2	0	0	0	2	0	0	0	0	0	
Duncan CA	126	46	17	24	213	17	22	0	22	61	6	0	0	0	6	
TOTAL	686	190	64	330	1270	109	38	10	56	213	104	16	7	0	127	

* Nanaimo CA boundaries revised as per Statistics Canada Definitions effective January 2005

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NANAIMO CA

Inventory and Absorptions by Municipality

July 2005 AND YEAR-TO-DATE 2004 & 2005

	INVENTORY OF NEW HOMES						ABSORPTION OF NEW HOMES						
	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi Total	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi Total	Grand Total
Nanaimo City	1	0	0	0	1	28	0	0	3	0	3	35	38
Lantzville	0	0	0	0	0	0	0	0	0	0	0	0	0
Nanaimo A,C,D	0	0	0	0	0	0	0	0	0	0	0	1	1
MONTH TOTAL	1	0	0	0	1	28	0	0	3	0	3	36	39
Y.T.D. AVG. 2005	1	0	0	0	1	29	0	0	9	0	9	324	333
Y.T.D. AVG. 2004	1	0	1	0	2	18	2	0	12	0	14	289	303

* Nanaimo CA boundaries revised as per Statistics Canada Definitions effective January 2005, comparatives for 2004 have been adjusted

COURTENAY CA

Inventory and Absorptions by Municipality

July 2005 AND YEAR-TO-DATE 2004 & 2005

	INVENTORY OF NEW HOMES						ABSORPTION OF NEW HOMES						
	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi Total	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi Total	Grand Total
Comox Town	6	0	2	0	8	3	0	0	0	0	0	10	10
Courtenay	0	0	2	0	2	11	0	0	0	0	0	24	24
Cumberland	0	0	0	0	0	0	0	0	0	0	0	4	4
Comox Strath A,B	31	0	0	0	31	0	0	0	0	0	0	12	12
Indian Res.	0	0	0	0	0	0	0	0	0	0	0	0	0
MONTH TOTAL	37	0	4	0	41	14	0	0	0	0	0	50	50
Y.T.D. AVG. 2005	16	0	2	0	18	21	47	0	15	4	66	224	290
Y.T.D. AVG. 2004	0	0	3	0	3	11	24	0	23	4	51	212	263

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

CMHC Market Watch

VICTORIA AND NANAIMO New Ownership Construction JULY 2005

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	59	684	743	95	7.8	0.8	Balanced.
Row Condo	21	88	109	13	8.4	-1.6	Balanced.
Apt Condo	34	1186	1220	65	18.8	4.8	Oversupplied.

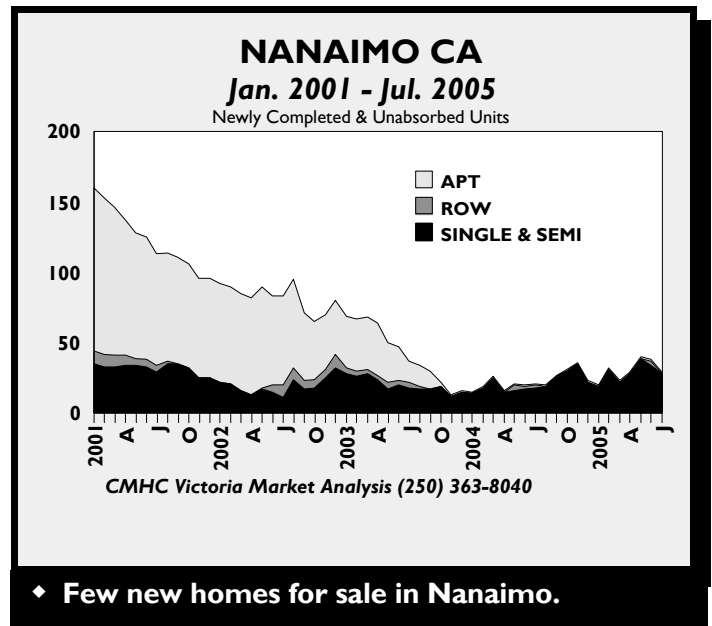
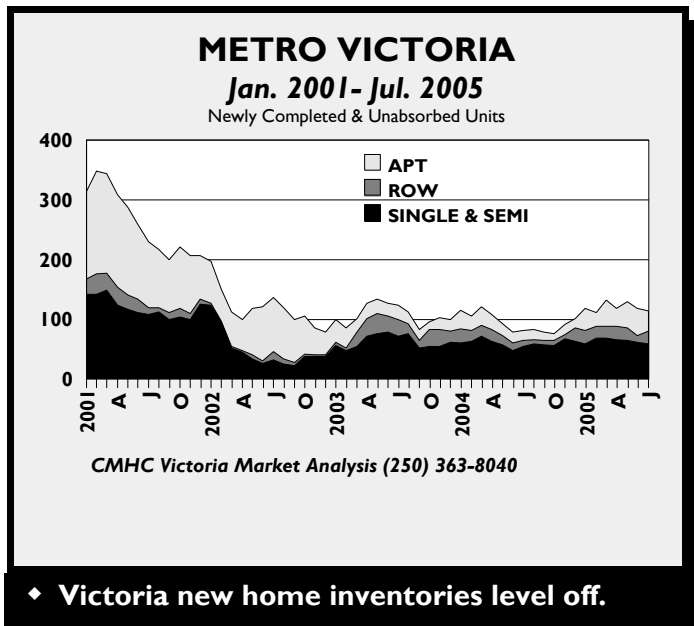
NANAIMO CA

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	28	260	288	45	6.4	-0.6	Balanced.
Row Condo	0	7	7	2	3.5	-7.5	Undersupplied.
Apt Condo	1	103	104	15	6.9	-6.1	Undersupplied.

¹⁻⁴ Refer to CMHC Definitions insert.

VICTORIA AND NANAIMO New Housing Inventory JANUARY 2001 to JULY 2005

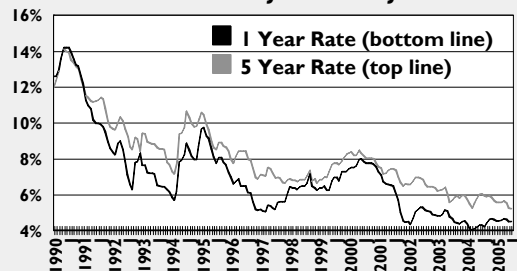


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KEY ECONOMIC INDICATORS

MORTGAGE RATES

One & Five Year Terms Jan. 1990 - Jul. 2005

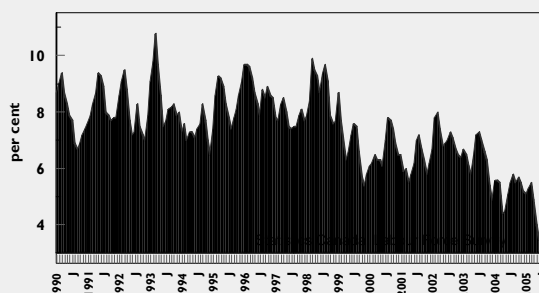


CMHC Market Analysis (250) 363-8040

◆ Mortgage rates edging down.

METRO VICTORIA

Unemployment Rate: Jan. 1990 - Jul. 2005

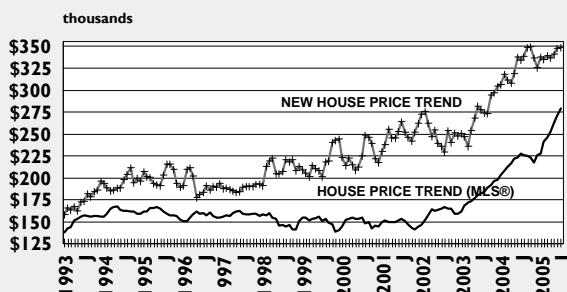


CMHC Market Analysis (250) 363-8040

◆ Victoria unemployment at new low.

NANAIMO

Average House Price Trend Jan. 1993 - Jul. 2005

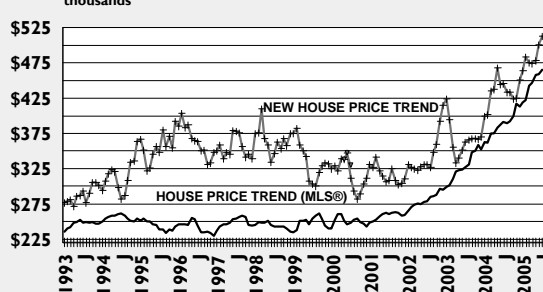


NOTE: Price trends calculated as 3 month moving average.
CMHC Market Analysis (250) 363-8040 DATA: Vancouver Island Real Estate Board, CMHC

◆ Nanaimo new house price trend levels off.

METRO VICTORIA

Average House Price Trend Jan. 1993 - Jul. 2005



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 climbing.

Vancouver Island Housing Markets

MLS® SALES SINGLE-FAMILY DETACHED	July 2005				January-July 2005			
	Sales Jul. 2005	% Change Jul. 2004	Avg Price Jul. 2005	% Change Jul. 2004	Sales Y.T.D.	% Chg. Y.T.D. 04-05	Avg Price Y.T.D.	% Chg. Y.T.D. 04-05
Metro Victoria	353	-7%	\$460,274	16%	2,748	0%	\$446,503	18%
Nanaimo	153	4%	\$280,485	28%	1,038	4%	\$258,084	19%
Duncan-Cowichan Valley	84	20%	\$264,343	13%	539	-1%	\$257,075	22%
Port Alberni*	45	2%	\$145,800	22%	266	7%	\$145,630	22%
Parksville-Qualicum Beach	83	4%	\$314,752	19%	491	-5%	\$296,186	20%
Comox Valley	100	35%	\$253,054	16%	584	-8%	\$244,144	18%
Campbell River	48	-19%	\$227,563	29%	343	2%	\$216,086	25%

* 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**.

