

H

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Ottawa

YOUR LINK TO THE HOUSING MARKET

HOUSING STARTS CONTINUED TO TUMBLE IN APRIL

Canada Mortgage and Housing Corporation

www.cmhc.ca

Housing starts tumbled by over a third in April, representing the fourth consecutive year-over-year monthly decline in residential construction for Ottawa this year. Rising listings in the resale market have translated into more supply available for potential homebuyers, and, consequently, industry is responding accordingly by pulling back on construction levels. From January to April of 2005, residential construction has fallen sharply, declining by 35 per cent to 1,234 units compared to the 1,911 units pegged during the same period in 2004. It is also important to consider that the number of newly built and unoccupied dwellings has also grown since last year and this is likely putting additional pressure on builders to put off future projects for now.

Single-family construction continued to slide in April, reaching 175 starts for a decrease of 34 per cent compared to April of last year. Besides the growing supply of homes, it was not unexpected that single-detached construction would be down this year as new home sales have declined on a year-over-year basis since January of this year. Single-family starts fell below the 10-year average for April in this city. In the first four months of 2005, single starts dropped by a third, falling to 441 units to date this year compared to the 653 units recorded back during the same period in 2004.

Multi-family construction fell in April, retreating by 36 per cent to 238 units in contrast to the 374 units recorded back in April of 2004. This particular sector is getting hit harder by the

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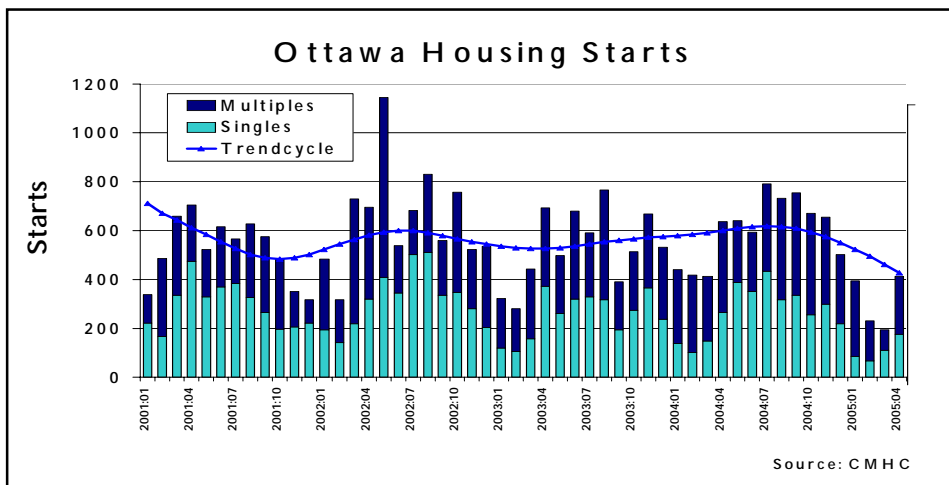
New Homes

- 1 Housing starts continued to tumble in April

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slowdown in residential construction as the rate of decrease has been greater than that of single-family market in the last few months. From January to April of 2005, multi-family starts are down by 37 per cent, achieving 793 units compared to the 1,258 units recorded during the same period in 2004. The slowdown on the multi-residential side has been hardest on the townhouse market, with starts declining 69 per cent year-over-year in April and a decline of 50 per cent year-to-date; meanwhile, apartment construction recorded its first year-over-year increase in 2005 with a four per cent in April, but it still lags in year-to-date activity by 16 per cent.



CMHC Ottawa Office - Market Analysis
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Table 1: Housing Activity Summary for Ottawa

	OWNERSHIP					RENTAL		GRAND **TOTAL
	FREEHOLD			CONDOMINIUM		ROW	APT	
	*SINGLE	*SEMI	ROW	ROW	APT			
STARTS								
April 2005	175	10	56	0	145	0	27	413
April 2004	264	30	164	11	165	4	0	638
% Change	-33.7	-66.7	-65.9	-100.0	-12.1	-100.0	NA	-35.3
Year-to-date 2005	441	48	231	131	356	0	27	1,234
Year-to-date 2004	653	76	550	86	442	87	17	1,911
% Change	-32.5	-36.8	-58.0	52.3	-19.5	-100.0	58.8	-35.4
Q1 2005	266	38	175	131	211	0	0	821
Q1 2004	389	46	386	75	277	83	17	1,273
% Change	-31.6	-17.4	-54.7	74.7	-23.8	-100.0	-100.0	-35.5
UNDER CONSTRUCTION								
April 2005	1,099	142	785	370	1,287	61	314	4,058
April 2004	1,235	166	1,149	157	1,338	123	473	4,641
COMPLETIONS								
April 2005	207	28	130	43	90	0	2	500
April 2004	266	24	198	0	0	0	0	488
% Change	-22.2	16.7	-34.3	NA	NA	NA	NA	2.5
Year-to-date 2005	855	86	391	134	370	24	21	1,881
Year-to-date 2004	860	64	631	0	186	7	120	1,868
% Change	-0.6	34.4	-38.0	NA	98.9	**	-82.5	0.7
Q1 2005	648	58	261	91	280	24	19	1,381
Q1 2004	594	40	433	0	186	7	120	1,380
% Change	9.1	45.0	-39.7	NA	50.5	**	-84.2	0.1
COMPLETE & NOT ABSORBED								
April 2005	91	24	66	21	85	15	175	477
April 2004	48	34	89	6	55	16	149	397
ABSORPTIONS								
April 2005	198	29	123	36	101	2	6	495
April 2004	253	21	187	0	0	2	2	465
% Change	-21.7	38.1	-34.2	NA	NA	0.0	200.0	6.5
Year-to-date 2005	855	87	398	140	362	23	39	1,904
Year-to-date 2004	849	58	620	2	133	14	68	1,744
% Change	0.7	50.0	-35.8	**	172.2	64.3	-42.6	9.2
Q1 2005	657	58	275	104	261	21	33	1,409
Q1 2004	596	37	433	2	133	12	66	1,279
% Change	10.2	56.8	-36.5	**	96.2	75.0	-50.0	10.2

*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.

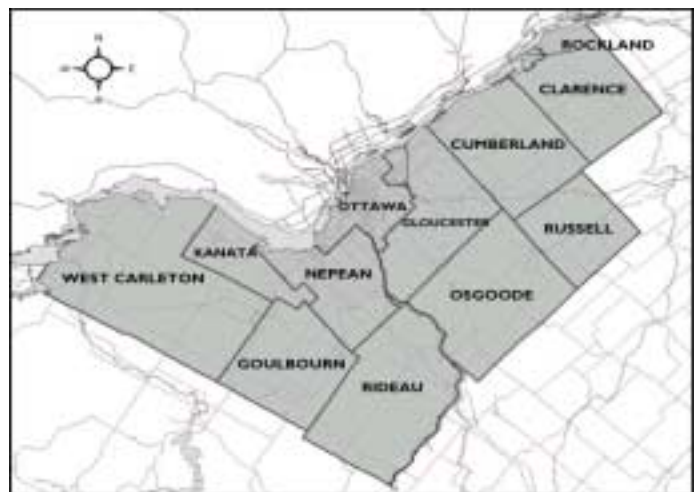


Table 2A: Starts by Area and by Intended Market - Current Month

Sub Market Area	SINGLES			MULTIPLES			TOTAL		
	Apr 04	Apr 05	% change	Apr 04	Apr 05	% change	Apr 04	Apr 05	% change
Ottawa	264	175	-33.7	374	238	-36.4	638	413	-35.3
Ottawa City	241	149	-38.2	366	209	-42.9	607	358	-41.0
Ottawa, Vanier, Rockcliffe	19	5	-73.7	52	145	178.8	71	150	111.3
Nepean inside greenbelt	1	1	0.0	141	0	-100.0	142	1	-99.3
Nepean outside greenbelt	59	35	-40.7	11	8	-27.3	70	43	-38.6
Gloucester inside greenbelt	0	0	NA	22	0	-100.0	22	0	-100.0
Gloucester outside greenbelt	25	41	64.0	50	16	-68.0	75	57	-24.0
Kanata	39	8	-79.5	45	34	-24.4	84	42	-50.0
Cumberland	59	22	-62.7	39	6	-84.6	98	28	-71.4
Goulbourn	24	21	-12.5	6	0	-100.0	30	21	-30.0
West Carleton	4	5	25.0	0	0	NA	4	5	25.0
Rideau	3	3	0.0	0	0	NA	3	3	0.0
Osgoode	8	8	0.0	0	0	NA	8	8	0.0
Clarence-Rockland City	14	11	-21.4	8	27	**	22	38	72.7
Russell Twp.	9	15	66.7	0	2	NA	9	17	88.9

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	653	441	-32.5	1,258	793	-37.0	1,911	1,234	-35.4
Ottawa City	609	395	-35.1	1,248	756	-39.4	1,857	1,151	-38.0
Ottawa, Vanier, Rockcliffe	49	17	-65.3	412	380	-7.8	461	397	-13.9
Nepean inside greenbelt	1	2	100.0	205	12	-94.1	206	14	-93.2
Nepean outside greenbelt	185	100	-45.9	79	114	44.3	264	214	-18.9
Gloucester inside greenbelt	2	4	100.0	51	0	-100.0	53	4	-92.5
Gloucester outside greenbelt	41	49	19.5	171	40	-76.6	212	89	-58.0
Kanata	73	45	-38.4	224	80	-64.3	297	125	-57.9
Cumberland	136	48	-64.7	87	130	49.4	223	178	-20.2
Goulbourn	73	80	9.6	19	0	-100.0	92	80	-13.0
West Carleton	15	21	40.0	0	0	NA	15	21	40.0
Rideau	6	5	-16.7	0	0	NA	6	5	-16.7
Osgoode	28	24	-14.3	0	0	NA	28	24	-14.3
Clarence-Rockland City	24	25	4.2	10	33	**	34	58	70.6
Russell Twp.	20	21	5.0	0	4	NA	20	25	25.0

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

Sub Market Area	Apr 04	Apr 05	% change	YTD 2004	YTD 2005	% change
Ottawa	319,643	355,331	11.2	323,266	347,388	7.5
Ottawa City	384,278	392,660	2.2	367,802	403,650	9.7
Cumberland	306,391	296,479	-3.2	309,563	313,130	1.2
Gloucester	327,638	345,628	5.5	325,280	343,365	5.6
Nepean	315,786	347,071	9.9	324,428	349,957	7.9
Kanata	343,484	426,639	24.2	360,720	387,825	7.5
Rest of CMA	315,675	358,521	13.6	309,920	345,201	11.4

** 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	133	-23.6	320	265	-17.2
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			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			97			185		
Year-to-date	619	510	-17.6	724	560	-22.7	1,343	1,070	-20.3
YEARLY TOTAL	2,057			2,452			4,509		

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											
April 2005	7	3.7	35	18.4	117	61.6	25	13.2	6	3.2	190
April 2004	20	11.0	55	30.4	85	47.0	12	6.6	9	5.0	181
YTD 2005	36	5.5	149	22.7	371	56.5	77	11.7	24	3.7	657
YTD 2004	72	12.1	179	30.0	271	45.5	49	8.2	25	4.2	596
Ottawa City											
April 2005	0	0.0	0	0.0	3	60.0	0	0.0	2	40.0	5
April 2004	0	0.0	2	25.0	3	37.5	1	12.5	2	25.0	8
YTD 2005	1	7.7	1	7.7	6	46.2	3	23.1	2	15.4	13
YTD 2004	1	3.1	6	18.8	21	65.6	2	6.3	2	6.3	32
Cumberland											
April 2005	3	10.3	6	20.7	17	58.6	3	10.3	0	0.0	29
April 2004	1	3.3	7	23.3	22	73.3	0	0.0	0	0.0	30
YTD 2005	11	10.4	35	33.0	55	51.9	3	2.8	2	1.9	106
YTD 2004	5	6.2	24	29.6	49	60.5	2	2.5	1	1.2	81
Gloucester											
April 2005	0	0.0	8	14.5	46	83.6	1	1.8	0	0.0	55
April 2004	0	0.0	4	17.4	17	73.9	1	4.3	1	4.3	23
YTD 2005	1	1.0	12	11.9	81	80.2	5	5.0	2	2.0	101
YTD 2004	3	4.2	18	25.4	46	64.8	3	4.2	1	1.4	71
Nepean											
April 2005	0	0.0	7	20.0	17	48.6	9	25.7	2	5.7	35
April 2004	3	6.5	19	41.3	17	37.0	5	10.9	2	4.3	46
YTD 2005	0	0.0	38	25.2	86	57.0	23	15.2	4	2.6	151
YTD 2004	4	3.1	49	38.6	55	43.3	12	9.4	7	5.5	127
Kanata											
April 2005	0	0.0	4	19.0	13	61.9	4	19.0	0	0.0	21
April 2004	0	0.0	6	28.6	10	47.6	3	14.3	2	9.5	21
YTD 2005	0	0.0	12	15.8	42	55.3	17	22.4	5	6.6	76
YTD 2004	0	0.0	18	24.0	35	46.7	18	24.0	4	5.3	75
Rest of CMA											
April 2005	4	8.9	10	22.2	21	46.7	8	17.8	2	4.4	45
April 2004	16	30.2	17	32.1	16	30.2	2	3.8	2	3.8	53
YTD 2005	23	11.0	51	24.3	101	48.1	26	12.4	9	4.3	210
YTD 2004	59	28.1	64	30.5	65	31.0	12	5.7	10	4.8	210

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	51.7	247,681	2.8	242,606
	May									
	June									
	July									
	August									
	September									
	October									
	November									
	December									
Q1 2004	3,026	9.9	13,292	5,573	21,192	62.7	232,126	9.5	233,170	
Q1 2005	2,699	-10.8	12,568	5,911	23,028	54.6	244,565	5.4	245,845	
YTD 2004	4,537	13.1		7,859			235,727	10.0		
YTD 2005	4,139	-8.8		8,669			245,649	4.2		

	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	Apr 04	Apr 05	% Change	YTD 2004	YTD 2005	% Change
Orléans	\$229,451	\$240,439	4.8	\$229,290	\$235,371	2.7
East End	\$207,812	\$220,504	6.1	\$206,671	\$212,056	2.6
SouthEast	\$247,617	\$252,983	2.2	\$241,828	\$254,284	5.2
Downtown	\$335,437	\$337,239	0.5	\$329,249	\$335,082	1.8
West End	\$251,993	\$263,252	4.5	\$247,446	\$256,018	3.5
Nepean	\$243,646	\$258,609	6.1	\$241,882	\$248,490	2.7
Barrhaven	\$223,162	\$238,820	7.0	\$225,598	\$240,027	6.4
Kanata-Stittsville	\$252,618	\$269,394	6.6	\$247,549	\$253,954	2.6

** 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			617.2	0.0	7.0
May									
June									
July									
August									
September									
October									
November									
December									

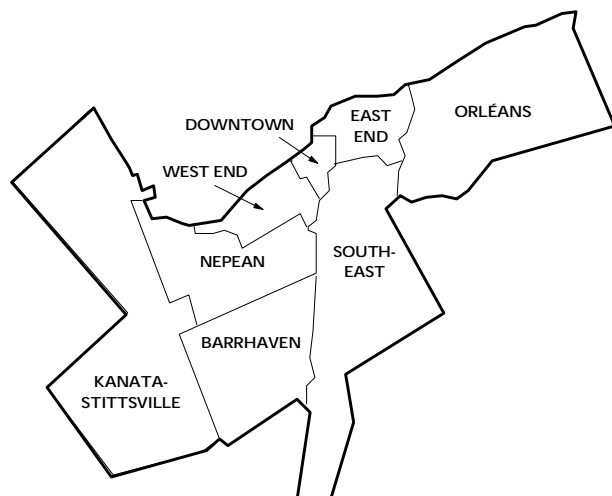
* Principal and Interest Payment assumes a five year mortgage rate and 25 year amortization period.

** 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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