

H

OUSING NOW

Victoria/Vancouver Island

YOUR LINK TO THE HOUSING MARKET

More houses, fewer condos in Feb.

Canada Mortgage and Housing Corporation

Victoria new single detached house starts jump

- ♦ Victoria saw 107 new houses begin construction in February, making it the **strongest February for single-detached construction since 1990.**
- ♦ No new apartment condos got underway and 79 were completed, **ending the five-month run-up in under construction totals.**
- ♦ **New home inventories edged down** as sales outpaced completions by six units.
- ♦ Most of the **newly completed apartment condos were absorbed** in Feb., keeping inventories low.
- ♦ The new **townhouse market was undersupplied** as three townhouses started, six completed and seven sold.
- ♦ **The new house average price hit another all-time high at \$591,323 in February.** Rising building costs are expected to maintain upward pressure on prices throughout 2006.

Lull in Nanaimo's strong pace of new construction

- ♦ **Nanaimo saw 39 new homes begin construction in February,** behind January's 54 and February 2005's 67.
- ♦ The new single/semi-detached **house market remained balanced,** with sales almost matching completions.
- ♦ No new apartment condos were started, but 53 completed and 20 sold; **markets remained balanced.** Sales are forecast to remain strong, keeping the market balanced through 2006.

Duncan CA led other Van. Island markets

- ♦ **Duncan CA outpaced Courtenay CA and Parksville-Qualicum,** buoyed by 17 new houses starting in North Cowichan during February. **Strong demand for new homes in less expensive southeast and central Vancouver Island markets** continues.

B.C. Job growth behind higher housing starts

- ♦ BC leads Canada in employment growth during the first two months of 2006, with **Vancouver Island /Coast Region showing the strongest job growth** of all BC development regions. Job growth drives housing demand, and is a major factor behind BC's buoyant homebuilding industry.

FEBRUARY 2006

IN THIS ISSUE

Monthly Highlights..... 1

STATISTICAL TABLES:

Metropolitan Victoria

Starts/Completions/Under Construction . . 2
Inventory & Absorptions by Municipality . . 3

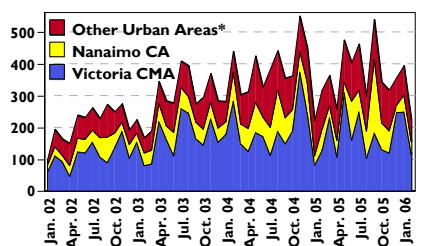
Vancouver Island

New House Prices & Starts/ Completions . 4
Starts/Completions/Under Construction . . 5
Inventory & Absorptions by Municipality . . 6
CMHC Market Watch 7
New Housing Inventory 7
Market Indicator Trends & MLS® Sales . . . 8

CMHC Victoria Noticeboard

- ♦ **Housing Market Outlook** - Spring 2006 edition available in May. Subscribe via website or call (604) 737-4087, daslebiza@cmhc.ca
- ♦ **CMHC to pilot New Home Sales Survey in Victoria** - during 2006 CMHC is contacting builders and developers to test feasibility of a new home sales survey. Questions? (250) 363-8045, pprill@cmhc.ca
- ♦ **Check out the expanded FREE market info on CMHC's website:** www.cmhc-schl.gc.ca/mktinfo/store
- ♦ **CMHC tracks homebuilding** - next release April 10. (250) 363-8045, pprill@cmhc.ca

Vancouver Island Homebuilding
Jan. 2002 - Feb. 2006



* includes Duncan CA, Courtenay CA, Parksville-Qualicum

♦ Homebuilding slower in February.

Peggy Prill (250) 363-8045
CMHC Victoria - Market Analysis
Website: www.cmhc.ca

Fax (250) 995-2640
(250) 363-8040
E-mail: pprill@cmhc.ca

Canada

CMHC SCHL
HOME TO CANADIANS

METROPOLITAN VICTORIA
Starts/Completions/Under Construction
February 2006

	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	2	0	3	0	0	0	5	0	1	0	0	0	0	1	18	23	41	0	703	0	785
Oak Bay	2	0	0	0	0	0	2	2	0	0	0	0	0	2	17	1	0	0	0	0	18
Esquimalt	1	2	0	0	0	0	3	0	0	0	0	36	0	36	10	12	0	0	155	0	177
Saanich	13	0	0	0	0	0	13	7	0	6	0	12	0	25	141	0	0	0	212	0	353
C. Saanich	1	0	0	0	0	0	1	3	0	0	0	0	0	3	23	3	11	0	0	0	37
N. Saanich	3	0	0	0	0	0	3	1	0	0	0	0	0	1	36	0	0	0	0	0	36
Sidney	2	1	0	0	0	0	3	0	0	0	0	0	0	0	6	9	0	0	74	0	89
View Royal	4	0	0	0	0	0	4	7	0	0	0	0	0	7	31	4	12	0	0	0	47
RDA H	2	0	0	0	0	0	2	6	0	0	0	0	0	6	46	2	0	0	0	0	48
Highlands	3	0	0	0	0	0	3	1	0	0	0	0	0	1	15	0	0	0	0	0	15
Langford	44	0	0	0	0	0	44	18	0	0	0	0	0	18	218	8	0	0	214	0	440
Colwood	11	4	0	0	0	0	15	7	4	0	0	31	0	42	65	12	0	0	0	0	77
Metchosin	2	0	0	0	0	0	2	3	0	0	0	0	0	3	11	0	0	0	0	0	11
Sooke	17	0	0	0	0	0	17	7	0	0	0	0	0	7	73	0	0	0	0	0	73
MONTH TOTAL	107	7	3	0	0	0	117	62	5	6	0	79	0	152	710	74	64	0	1358	0	2206
YEAR-TO-DATE	164	12	8	0	183	0	367	112	15	12	0	131	20	290	---	---	---	---	---	---	---

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

METROPOLITAN VICTORIA

Inventory and Absorptions by Municipality

February 2006 AND YEAR-TO-DATE 2005 & 2006

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	10	0	0	0	10	7	17	Victoria City	2	20	1	0	23	3	26
Oak Bay	0	0	0	0	0	1	1	Oak Bay	0	0	0	0	0	2	2
Esquimalt	2	0	0	0	2	0	2	Esquimalt	34	0	0	0	34	0	34
Saanich	8	0	3	0	11	18	29	Saanich	4	0	3	0	7	6	13
C. Saanich	0	0	0	0	0	1	1	C. Saanich	0	0	0	0	0	3	3
N. Saanich	0	0	0	0	0	7	7	N. Saanich	0	0	0	0	0	1	1
Sidney	0	0	0	0	0	5	5	Sidney	1	0	0	0	1	0	1
View Royal	0	0	0	0	0	4	4	View Royal	0	0	0	0	0	6	6
RDA H	0	0	0	0	0	2	2	RDA H	0	0	0	0	0	4	4
Highlands	0	0	0	0	0	0	0	Highlands	0	0	0	0	0	1	1
Langford	0	0	0	0	0	13	13	Langford	0	0	0	0	0	17	17
Colwood	0	0	3	0	3	11	14	Colwood	31	0	3	0	34	6	40
Metchosin	0	0	0	0	0	1	1	Metchosin	0	0	0	0	0	3	3
Sooke	0	0	1	0	1	3	4	Sooke	0	0	0	0	0	7	7
MONTH TOTAL	20	0	7	0	27	73	100	MONTH TOTAL	72	20	7	0	99	59	158
Y.T.D. AVG. 2006	17	10	8	0	35	69	104	Y.T.D. TOTAL 2006	124	20	14	0	158	110	268
Y.T.D. AVG. 2005	30	0	22	0	52	63	115	Y.T.D. TOTAL 2005	70	1	26	0	97	175	272

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

Page 3

METROPOLITAN VICTORIA

ABSORBED NEW HOUSE PRICES

	NO. OF UNITS		AVERAGE PRICE			MEDIAN PRICE		
	2005	2006	2005	2006	% Chg	2005	2006	% Chg
January	63	39	\$482,247	\$585,528	21.4	\$450,000	\$549,900	22.2
February	72	56	480,806	591,323	23.0	433,450	512,400	18.2
March	81		488,360			419,900		
April	58		458,350			395,950		
May	85		475,354			459,900		
June	74		501,696			483,500		
July	82		524,561			493,700		
August	73		488,153			489,900		
September	68		546,007			499,900		
October	86		546,067			497,500		
November	66		536,200			487,900		
December	88		532,416			519,950		

NANAIMO CA

ABSORBED NEW HOUSE PRICES

	NO. OF UNITS		AVERAGE PRICE			MEDIAN PRICE		
	2005	2006	2005	2006	% Chg	2005	2006	% Chg
January	33	49	\$330,330	\$351,255	6.3	\$316,700	\$349,900	10.5
February	35	31	353,569	372,003	5.2	349,900	369,900	5.7
March	38		321,282			322,400		
April	37		343,431			312,900		
May	51		346,055			307,000		
June	42		333,431			331,400		
July	27		364,022			343,900		
August	39		363,797			345,900		
September	50		353,184			349,900		
October	36		361,583			343,900		
November	55		399,625			375,000		
December	26		395,358			389,900		

VANCOUVER ISLAND

STARTS/COMPLETIONS SUMMARY

2005 & 2006 Year-to-Date

	STARTS					STARTS					COMPLETIONS					COMPLETIONS				
	Jan.-Feb. 2006					Jan.-Feb. 2005					Jan.-Feb. 2006					Jan.-Feb. 2005				
	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL
Campbell River *	0	0	0	0	0	0	0	0	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Courtenay	41	4	19	0	64	57	6	4	59	126	56	8	10	0	74	64	2	3	0	69
Parksville/Qualicum	38	14	3	0	55	38	2	3	29	72	29	14	3	4	50	38	16	3	0	57
Nanaimo	76	17	0	0	93	87	8	0	0	95	90	7	0	53	150	82	8	3	0	93
Duncan	32	8	0	0	40	15	12	7	0	34	25	10	0	0	35	23	2	0	7	32
Port Alberni *	0	0	0	0	0	0	0	0	0	0	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Victoria	164	12	8	183	367	130	11	24	46	211	112	15	12	151	290	153	27	23	78	281
Total	351	55	30	183	619	327	39	38	134	538	312	54	25	208	599	360	55	32	85	532

* updated quarterly

Preliminary
Page 4

VANCOUVER ISLAND

Starts/Completions/Under Construction

February 2006

	UNDER CONSTR: JAN. 2006					STARTS					COMPLETIONS					UNDER CONSTR: FEB. 2006				
	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total
Comox Town	14	2	20	22	58	1	0	0	0	1	3	0	0	0	3	12	2	20	22	56
Courtenay City	103	30	26	128	287	9	0	6	0	15	21	2	0	0	23	91	28	32	128	279
Cumberland	14	0	0	0	14	0	0	6	0	6	4	0	0	0	4	10	0	6	0	16
Comox Strath RDA A	27	0	0	0	27	0	0	0	0	0	5	0	0	0	5	22	0	0	0	22
Comox Strath RDA B	29	2	0	0	31	0	0	0	0	0	2	0	0	0	2	27	2	0	0	29
Courtenay CA	187	34	46	150	417	10	0	12	0	22	35	2	0	0	37	162	32	58	150	402
Parksville City	45	44	6	0	95	6	4	0	0	10	8	10	0	0	18	43	38	6	0	87
Qualicum Beach Town	19	2	0	20	41	2	0	0	0	2	2	0	0	4	6	19	2	0	16	37
Nanaimo RDA G	68	2	0	0	70	5	0	0	0	5	6	0	0	0	6	67	2	0	0	69
Parksville-Qualicum	132	48	6	20	206	13	4	0	0	17	16	10	0	4	30	129	42	6	16	193
Nanaimo City	225	64	11	275	575	37	2	0	0	39	38	4	0	53	95	224	62	11	222	519
Lantzville	2	0	0	0	2	0	0	0	0	0	0	0	0	0	0	2	0	0	0	2
Nanaimo RDA A	20	0	0	0	20	0	0	0	0	0	3	0	0	0	3	17	0	0	0	17
Nanaimo RDA C	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nanaimo RDA D	2	0	0	0	2	0	0	0	0	0	0	0	0	0	0	2	0	0	0	2
Nanaimo CA	249	64	11	275	599	37	2	0	0	39	41	4	0	53	98	245	62	11	222	540
North Cowichan	79	22	18	24	143	17	6	0	0	23	7	0	0	0	7	89	28	18	24	159
Duncan City	1	14	0	22	37	1	0	0	0	1	0	0	0	0	0	2	14	0	22	38
Cowich. Valley RDA D	11	0	12	0	23	2	0	0	0	2	3	0	0	0	3	10	0	12	0	22
Cowich. Valley RDA E	10	0	0	0	10	3	0	0	0	3	1	0	0	0	1	12	0	0	0	12
Duncan CA	101	36	30	46	213	23	6	0	0	29	11	0	0	0	11	113	42	30	46	231
TOTAL	669	182	93	491	1435	83	12	12	0	107	103	16	0	57	176	649	178	105	434	1366

Preliminary
Page 5

NANAIMO CA

Inventory and Absorptions by Municipality

February 2006 AND YEAR-TO-DATE 2005 & 2006

	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	64	0	0	0	64	36	100	Nanaimo	20	0	0	0	20	39	59
Lantzville	0	0	0	0	0	0	0	Lantzville	0	0	0	0	0	0	0
Nanaimo A,C,D	0	0	0	0	0	0	0	Nanaimo A,C,D	0	0	0	0	0	3	3
MONTH TOTAL	64	0	0	0	64	36	100	MONTH TOTAL	20	0	0	0	20	42	62
Y.T.D. AVG. 2006	48	0	0	0	48	35	83	Y.T.D. TOTAL 2006	20	0	1	0	21	98	119
Y.T.D. AVG. 2005	1	0	0	0	1	25	26	Y.T.D. TOTAL 2005	0	0	3	0	3	81	84

COURTENAY CA

Inventory and Absorptions by Municipality

February 2006 AND YEAR-TO-DATE 2005 & 2006

	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	1	1	Comox Town	0	0	0	0	0	4	4
Courtenay	7	0	8	0	15	21	36	Courtenay	1	0	2	0	3	18	21
Cumberland	0	0	0	0	0	1	1	Cumberland	0	0	0	0	0	3	3
Comox Strath A,B	27	0	0	0	27	0	27	Comox Strath A,B	1	0	0	0	1	8	9
MONTH TOTAL	34	0	8	0	42	23	65	MONTH TOTAL	2	0	2	0	4	33	37
Y.T.D. AVG. 2006	35	0	9	0	44	22	66	Y.T.D. TOTAL 2006	3	0	12	0	15	55	70
Y.T.D. AVG. 2005	1	0	1	0	2	18	20	Y.T.D. TOTAL 2005	0	0	5	0	5	52	57

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
Page 6

CMHC Market Watch

VICTORIA AND NANAIMO New Ownership Construction FEBRUARY 2006

METRO VICTORIA

	Completed & Unoccupied ¹	Under Construction	Total Supply	Monthly Absorption Forecast ²	Duration of Supply (Months)	Surplus/Shortfall ³ (Months)	Market Classification ⁴
Single & Semi	73	761	834	90	9.3	2.3	Balanced.
Row Condo	7	64	71	9	7.9	-2.1	Undersupplied.
Apt Condo	20	1358	1378	82	16.8	2.8	Oversupplied.

need to know

NANAIMO CA

	Completed & Unoccupied ¹	Under Construction	Total Supply	Monthly Absorption Forecast ²	Duration of Supply (Months)	Surplus/Shortfall ³ (Months)	Market Classification ⁴
Single & Semi	36	275	311	43	7.2	0.2	Balanced.
Row Condo	0	11	11	2	5.5	-5.5	Undersupplied.
Apt Condo	64	197	261	22	11.9	-1.1	Balanced.

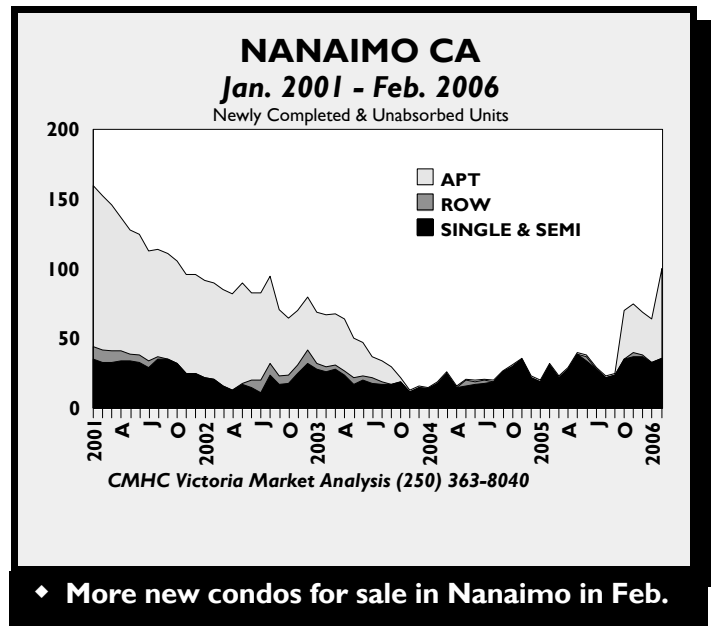
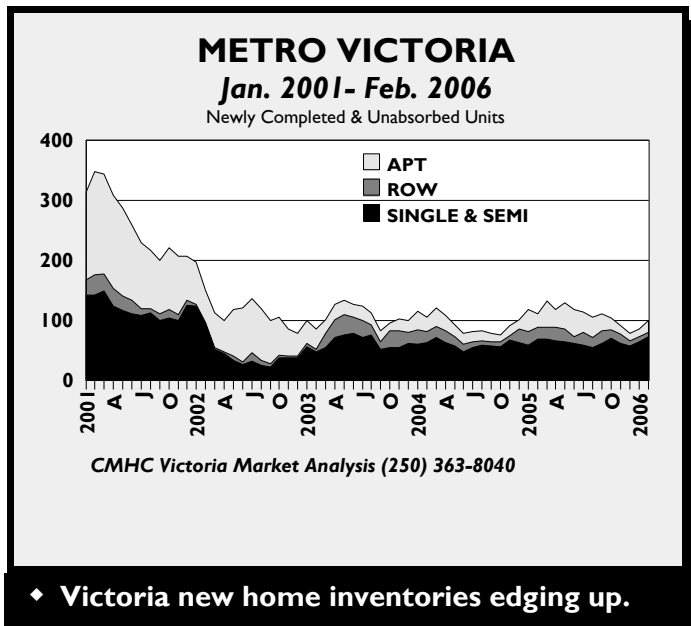
need to know

¹⁻⁴ Refer to CMHC Definitions insert.

VICTORIA AND NANAIMO

New Housing Inventory

JANUARY 2001 to FEBRUARY 2006

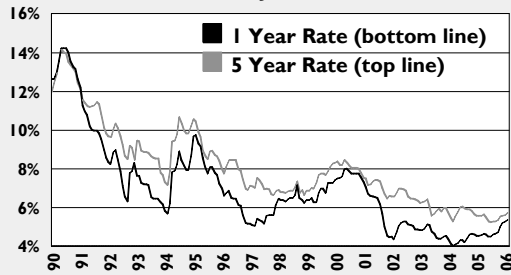


Preliminary
Page 7

KEY ECONOMIC INDICATORS

MORTGAGE RATES

One & Five Year Terms Jan. 1990 - Feb. 2006

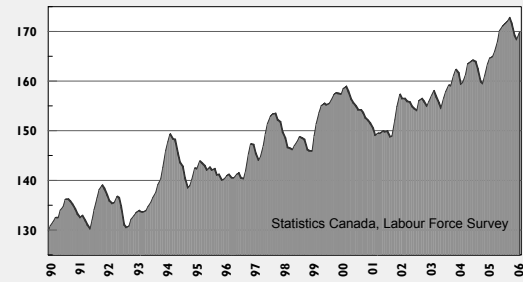


CMHC Market Analysis (250) 363-8040

◆ Mortgage rates nudge up this winter.

METRO VICTORIA

Employed Labour Force Jan. 1990 - Feb. 2006

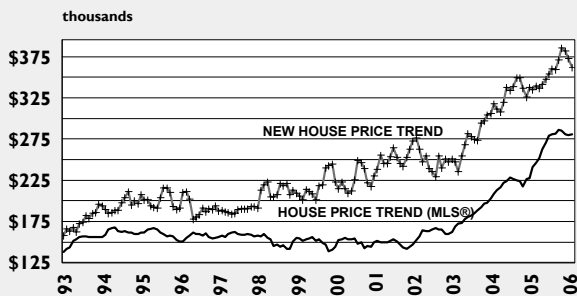


CMHC Market Analysis (250) 363-8040

◆ Victoria saw strong job growth in 2nd half 05.

NANAIMO

Average House Price Trend Jan. 1993 - Feb. 2006

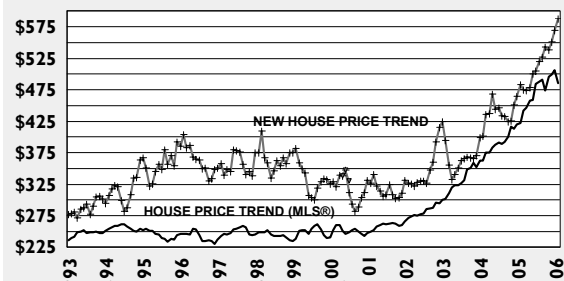


NOTE: Price trends calculated as 3 month moving average.
CMHC Market Analysis (250) 363-8040 DATA: Vancouver Island Real Estate Board, CMHC

◆ Nanaimo house price trends down.

METRO VICTORIA

Average House Price Trend Jan. 1993 - Feb. 2006



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

◆ Victoria new house price trend still climbing.

Vancouver Island Housing Markets

MLS® SALES SINGLE-FAMILY DETACHED	February 2006				January-February 2006			
	Sales Feb. 2006	% Change Feb. 2005	Avg Price Feb. 2006	% Change Feb. 2005	Sales Y.T.D.	% Chg. Y.T.D. 05-06	Avg Price Y.T.D.	% Chg. Y.T.D. 05-06
Metro Victoria	332	5%	\$492,483	13%	578	7%	\$486,814	16%
Nanaimo	119	-7%	\$289,927	23%	203	-1%	\$282,310	19%
Duncan-Cowichan Valley	67	3%	\$279,525	16%	127	35%	\$287,366	17%
Port Alberni*	31	29%	\$158,831	25%	47	21%	\$163,763	36%
Parksville-Qualicum Beach	52	-17%	\$321,510	20%	85	-2%	\$331,897	23%
Comox Valley	75	1%	\$296,910	21%	128	20%	\$287,739	21%
Campbell River	52	58%	\$251,145	27%	88	57%	\$244,211	28%

* 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.

