

H

OUSING NOW

YOUR LINK TO THE HOUSING MARKET

Homebuilding pace strong in May

Canada Mortgage and Housing Corporation

Date Released:
JUNE 2006

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CMHC Victoria Noticeboard

◆ **Housing Market Outlook** - Spring 2006 edition now available, with forecast for 2007. Subscribe via website or call 1-800-668-2642.

www.cmhc.ca/en/hoficlincl/homain

◆ **CMHC tracks homebuilding** - next release July 11. (250) 363-8045, pprill@cmhc.ca

◆ **Plan now to attend CMHC's annual Housing Outlook Conference** November 14 in Vancouver. Watch this space for further details or call 1-800-668-2642 to learn more.

Victoria new house prices escalating

◆ Victoria's new house average price hit a new high in May, topping \$600,000. Rising building costs will maintain upward pressure on prices through this year and into 2007.

◆ Victoria saw 143 new homes start construction in May. Year-to-date totals are now on par with 2005.

◆ Single-detached house construction is 9% ahead of last year while apartment condo projects now lag 35% behind 2005 levels.

◆ Thirty new townhouses got underway in May, moving the undersupplied market into balance. Two townhouses sold and two remained in inventory.

◆ Apartment condo sales again eclipsed completions, drawing down inventory levels. The market remains balanced but demand is rising faster than supply.

◆ Total new home sales outpaced completions by six units, edging inventories down.

Nanaimo homebuilding triple last May's level

◆ Homebuilding is 56% ahead of last year in Nanaimo, boosted by 104 new home starts in May.

◆ Sales came in 11 below the number of units completed in May, but balanced market conditions prevailed for single/semi detached houses and for apartments.

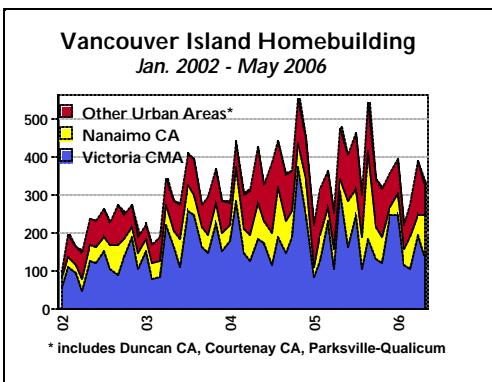
◆ The new townhouse market remains undersupplied with just eight units under construction, two in inventory, and no sales or completions.

Fewer new homes in May '06 for other Island markets

◆ Both May 2006 and year-to-date 2006 new home starts remain below 2005 levels in Courtenay (43 in May), Duncan (24) and Parksville-Qualicum (19) CAs. However, the number of units under

B.C. experiencing growing labour force

◆ More people are entering the BC labour force and employment levels are 3% higher than in May 2005. Buoyant job growth is fuelling demand for homes throughout BC. Vancouver Island job growth is particularly strong and is one of the factors behind 2006's robust residential construction.



◆ Homebuilding strong but dips in May.

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

METROPOLITAN VICTORIA
Starts/Completions/Under Construction
May 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	4	10	0	0	23	0	37	0	1	0	0	164	0	165	27	36	41	0	526	0	630
Oak Bay	1	0	0	0	0	0	1	4	0	0	0	0	0	4	15	1	0	0	0	0	16
Esquimalt	0	0	0	0	0	0	0	0	0	0	0	0	0	0	10	8	0	0	155	0	173
Saanich	16	0	0	0	0	0	16	20	0	0	0	0	0	20	138	2	8	0	108	23	279
C. Saanich	1	0	0	0	0	0	1	7	0	0	0	0	0	7	17	3	0	0	0	0	20
N. Saanich	4	0	0	0	0	0	4	4	0	0	0	0	0	4	39	0	0	0	20	0	59
Sidney	1	1	5	0	0	0	7	1	0	0	0	0	0	1	10	11	5	0	58	0	84
View Royal	3	0	0	0	0	0	3	5	0	0	0	0	0	5	32	2	0	0	0	0	34
RDA H	11	0	0	0	0	0	11	4	0	0	0	0	0	4	50	0	0	0	0	0	50
Highlands	0	0	0	0	0	0	0	1	0	0	0	0	0	1	16	0	0	0	0	0	16
Langford	13	0	25	0	0	0	38	23	0	0	0	12	0	35	185	6	33	0	189	0	413
Colwood	6	6	0	0	0	0	12	12	0	0	0	0	0	12	67	28	0	0	0	0	95
Metchosin	2	0	0	0	0	0	2	1	0	0	0	0	0	1	9	0	0	0	0	0	9
Sooke	11	0	0	0	0	0	11	7	0	0	0	0	0	7	73	0	0	0	0	0	73
MONTH TOTAL	73	17	30	0	23	0	143	89	1	0	0	176	0	266	688	97	87	0	1056	23	1951
YEAR-TO-DATE	400	55	58	0	274	23	810	370	35	39	0	524	20	988	---	---	---	---	---	---	---

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

METROPOLITAN VICTORIA
Inventory and Absorptions by Municipality
May 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	5	0	0	0	5	9	14	Victoria City	165	0	0	0	165	1	166
Oak Bay	0	0	0	0	0	2	2	Oak Bay	0	0	0	0	0	3	3
Esquimalt	0	0	0	0	0	1	1	Esquimalt	0	0	0	0	0	0	0
Saanich	5	0	0	0	5	18	23	Saanich	3	0	0	0	3	22	25
C. Saanich	0	0	0	0	0	1	1	C. Saanich	0	0	0	0	0	7	7
N. Saanich	0	0	0	0	0	7	7	N. Saanich	0	0	0	0	0	4	4
Sidney	1	0	0	0	1	3	4	Sidney	0	0	0	0	0	2	2
View Royal	0	0	0	0	0	2	2	View Royal	0	0	2	0	2	3	5
RDA H	0	0	0	0	0	3	3	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	3	0	0	0	3	20	23	Langford	13	0	0	0	13	25	38
Colwood	0	0	2	0	2	9	11	Colwood	0	0	0	0	0	9	9
Metchosin	0	0	0	0	0	0	0	Metchosin	0	0	0	0	0	1	1
Sooke	0	0	0	0	0	4	4	Sooke	0	0	0	0	0	7	7
MONTH TOTAL	14	0	2	0	16	79	95	MONTH TOTAL	181	0	2	0	183	89	272
Y.T.D. AVG. 2006	18	4	6	0	28	74	102	Y.T.D. TOTAL 2006	523	20	46	0	589	382	971
Y.T.D. AVG. 2005	36	0	21	0	57	65	122	Y.T.D. TOTAL 2005	325	1	66	4	396	445	841

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

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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	70	488,360	504,746	3.4	419,900	429,900	2.4
April	58	93	458,350	515,781	12.5	395,950	459,800	16.1
May	85	87	475,354	609,371	28.2	459,900	539,000	17.2
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	37	321,282	363,751	13.2	322,400	369,900	14.7
April	37	42	343,431	428,390	24.7	312,900	398,200	27.3
May	51	49	346,055	370,492	7.1	307,000	349,900	14.0
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.-May 2006					Jan.-May 2005					Jan.-May 2006					Jan.-May 2005				
	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL
Campbell River *	53	16	8	0	77	41	2	4	28	75	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Courtenay	115	56	48	22	241	163	32	18	65	278	106	18	23	0	147	151	12	15	83	261
Parksville/Qualicum	79	18	9	0	106	78	20	6	29	133	85	24	6	4	119	101	36	21	0	158
Nanaimo	265	47	0	27	339	202	16	0	0	218	224	49	3	78	354	235	20	6	24	285
Duncan	77	34	6	0	117	91	42	10	0	143	72	34	3	0	109	75	12	0	7	94
Port Alberni *	15	2	0	0	17	14	0	0	0	14	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Victoria	400	55	58	297	810	368	27	39	427	861	370	35	39	544	988	395	52	68	354	869
Total	1004	228	129	346	1707	957	139	77	549	1722	857	160	74	626	1717	957	132	110	468	1667

* updated quarterly

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VANCOUVER ISLAND
Starts/Completions/Under Construction
May 2006

	UNDER CONSTR: APR. 2006					STARTS					COMPLETIONS					UNDER CONSTR: MAY 2006				
	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total
Comox Town	19	2	24	22	67	3	0	5	0	8	1	0	0	0	1	21	2	29	22	74
Courtenay City	96	56	35	150	337	13	14	4	0	31	9	0	0	0	9	100	70	39	150	359
Cumberland	15	4	0	0	19	2	0	0	0	2	0	0	0	0	0	17	4	0	0	21
Comox Strath RDA A	26	0	0	0	26	0	0	0	0	0	1	0	0	0	1	25	0	0	0	25
Comox Strath RDA B	23	2	0	0	25	2	0	0	0	2	2	0	0	0	2	23	2	0	0	25
Courtenay CA	179	64	59	172	474	20	14	9	0	43	13	0	0	0	13	186	78	68	172	504
Parksville City	37	38	9	0	84	7	0	0	0	7	4	6	0	0	10	40	32	9	0	81
Qualicum Beach Town	20	2	0	16	38	5	0	0	0	5	0	0	0	0	0	25	2	0	16	43
Nanaimo RDA G	49	2	0	0	51	7	0	0	0	7	5	0	0	0	5	51	2	0	0	53
Parksville-Qualicum	106	42	9	16	173	19	0	0	0	19	9	6	0	0	15	116	36	9	16	177
Nanaimo City	273	46	11	197	527	43	22	0	27	92	67	18	3	0	88	249	50	8	224	531
Lantzville	3	0	0	0	3	0	0	0	0	0	0	0	0	0	0	3	0	0	0	3
Nanaimo RDA A	16	0	0	0	16	5	0	0	0	5	0	0	0	0	0	21	0	0	0	21
Nanaimo RDA C	17	0	0	0	17	6	0	0	0	6	0	0	0	0	0	23	0	0	0	23
Nanaimo RDA D	3	0	0	0	3	1	0	0	0	1	0	0	0	0	0	4	0	0	0	4
Nanaimo CA	312	46	11	197	566	55	22	0	27	104	67	18	3	0	88	300	50	8	224	582
North Cowichan	87	40	21	24	172	12	3	3	0	18	17	2	3	0	22	82	41	21	24	168
Duncan City	4	4	0	22	30	0	0	0	0	0	0	2	0	0	2	4	2	0	22	28
Cowich. Valley RDA D	10	0	12	0	22	0	0	0	0	0	1	0	0	0	1	9	0	12	0	21
Cowich. Valley RDA E	12	0	0	0	12	5	1	0	0	6	1	0	0	0	1	16	1	0	0	17
Duncan CA	113	44	33	46	236	17	4	3	0	24	19	4	3	0	26	111	44	33	46	234
TOTAL	710	196	112	431	1449	111	40	12	27	190	108	28	6	0	142	713	208	118	458	1497

NANAIMO CA

Inventory and Absorptions by Municipality

May 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	47	0	2	0	49	42	91	Nanaimo	7	4	1	0	12	65	77
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	0	0
MONTH TOTAL	47	0	2	0	49	42	91	MONTH TOTAL	7	4	1	0	12	65	77
Y.T.D. AVG. 2006	50	1	0	0	51	31	82	Y.T.D. TOTAL 2006	37	25	2	0	64	268	332
Y.T.D. AVG. 2005	1	0	0	0	1	28	29	Y.T.D. TOTAL 2005	0	0	6	0	6	238	244

COURTENAY CA

Inventory and Absorptions by Municipality

May 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	0	0	Comox Town	0	0	0	0	0	1	1
Courtenay	6	0	11	0	17	17	34	Courtenay	1	0	1	0	2	11	13
Cumberland	0	0	0	0	0	0	0	Cumberland	0	0	0	0	0	1	1
Comox Strath A,B	27	0	0	0	27	0	27	Comox Strath A,B	0	0	0	0	0	3	3
MONTH TOTAL	33	0	11	0	44	17	61	MONTH TOTAL	1	0	1	0	2	16	18
Y.T.D. AVG. 2006	34	0	10	0	44	22	66	Y.T.D. TOTAL 2006	4	0	22	0	26	119	145
Y.T.D. AVG. 2005	8	0	2	0	10	22	32	Y.T.D. TOTAL 2005	47	0	11	4	62	144	206

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

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CMHC Market Watch

VICTORIA AND NANAIMO New Ownership Construction

MAY 2006

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	79	758	837	95	8.8	1.8	Balanced.
Row Condo	2	87	89	7	12.7	2.7	Balanced.
Apt Condo	14	1056	1070	83	12.9	-1.1	Balanced.

NANAIMO CA

need to know

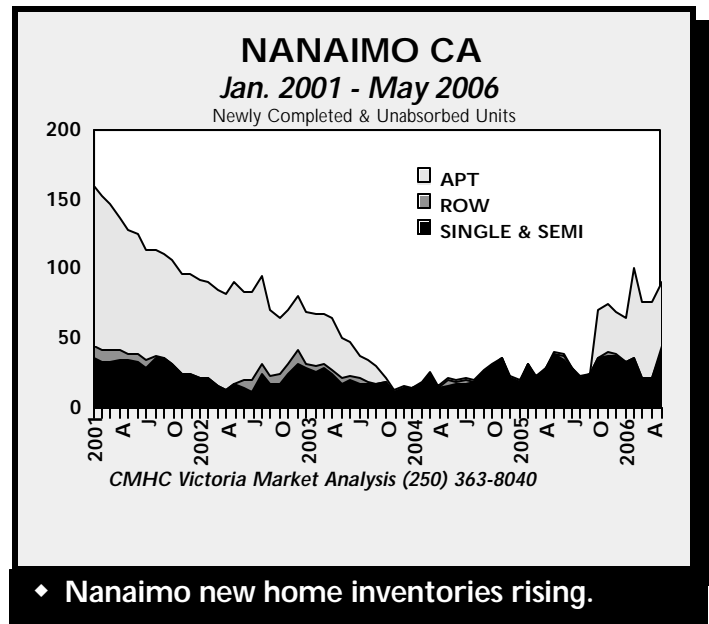
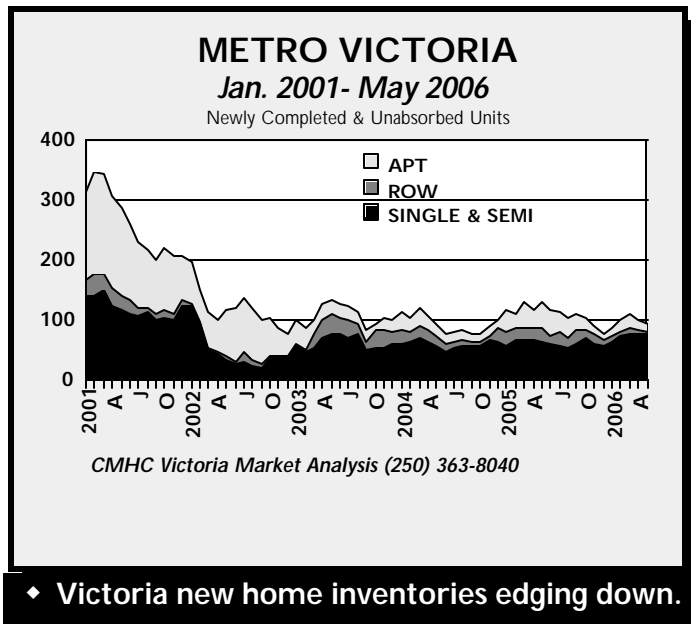
	Completed & Unoccupied ¹	Under Construction	Total Supply	Monthly Absorption Forecast ²	Duration of Supply (Months)	Surplus/Shortfall ³ (Months)	Market Classification ⁴
Single & Semi	42	299	341	49	7.0	-0.0	Balanced.
Row Condo	2	8	10	2	5.0	-6.0	Undersupplied.
Apt Condo	47	224	271	22	12.3	-0.7	Balanced.

¹⁻⁴ Refer to CMHC Definitions insert.

VICTORIA AND NANAIMO

New Housing Inventory

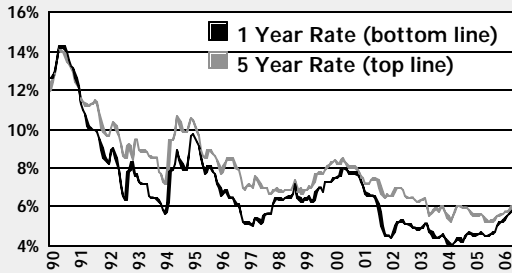
JANUARY 2001 to MAY 2006



KEY ECONOMIC INDICATORS

MORTGAGE RATES

One & Five Year Terms Jan. 1990 - May 2006

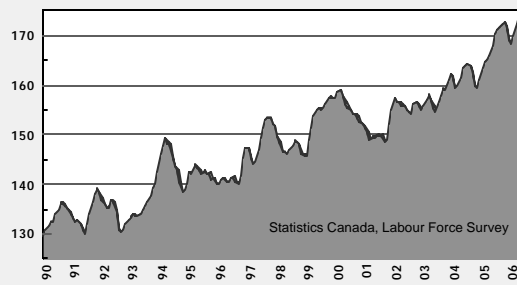


CMHC Market Analysis (250) 363-8040

◆ Mortgage rates continue uptrend.

METRO VICTORIA

Employed Labour Force Jan. 1990 - May 2006

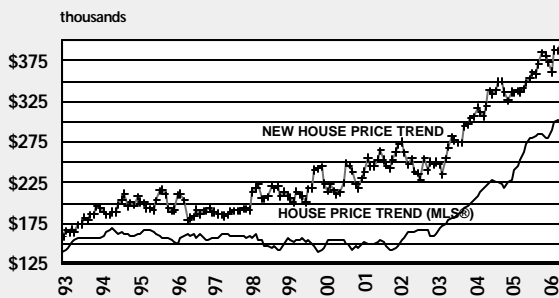


CMHC Market Analysis (250) 363-8040

◆ Victoria sees 3000 more jobs than in May 05.

NANAIMO

Average House Price Trend Jan. 1993 - May 2006

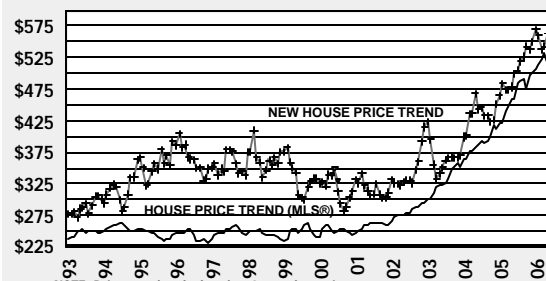


NOTE: Price trends calculated as 3 month moving average.
CMHC Market Analysis (250) 363-8040 DATA: Vancouver Island Real Estate Board, CMHC

◆ Nanaimo house price trends plateauing.

METRO VICTORIA

Average House Price Trend Jan. 1993 - May 2006
thousands



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

◆ Victoria resale house price increases slowing.

Vancouver Island Housing Markets

MLS® SALES SINGLE-FAMILY DETACHED	May 2006				January-May 2006			
	Sales May 2006	% Change May 2005	Avg Price May 2006	% Change May 2005	Sales Y.T.D.	% Chg. Y.T.D. 05-06	Avg Price Y.T.D.	% Chg. Y.T.D. 05-06
Metro Victoria	449	-5%	\$515,755	16%	1,862	-5%	\$517,082	18%
Nanaimo	153	-6%	\$297,152	17%	648	-8%	\$295,291	19%
Duncan-Cowichan Valley	100	10%	\$309,317	14%	410	13%	\$303,171	20%
Port Alberni*	41	-16%	\$192,958	27%	168	1%	\$177,588	26%
Parksville-Qualicum Beach	70	-11%	\$329,519	9%	295	-8%	\$336,506	18%
Comox Valley	129	34%	\$315,497	24%	411	8%	\$298,370	25%
Campbell River	83	60%	\$284,331	22%	279	20%	\$265,191	26%

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

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CMHC – HOME TO CANADIANS

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