



# HOUSING NOW

## Oshawa

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#### NEW HOME MARKET

##### Another solid year

The Oshawa Census Metropolitan Area (CMA) concluded 2005 with a respectable number of housing starts. A total of 2,934 homes were started only 6.9 per cent below the previous year's strong level of residential construction.

Economic and demographic conditions supported healthy local housing demand. Low interest rates sustained homeownership affordability. Respectable Oshawa employment growth throughout 2005 provided homebuyers with the ability and confidence to purchase

homes. Though slightly below the previous year's level, 2005 migration flows into the area were strong. Migrants have favoured Oshawa for its relatively affordable house prices compared to Toronto's.

High fourth quarter 2005 housing starts played an important role in sustaining 2005 construction levels. In this quarter Oshawa residential home starts, at 762 units, increased by 26.6 per cent compared to the same period the previous year. Oshawa CMA single-detached home starts totalled 531, 10.2 per cent above the figures

#### fourth quarter 2005

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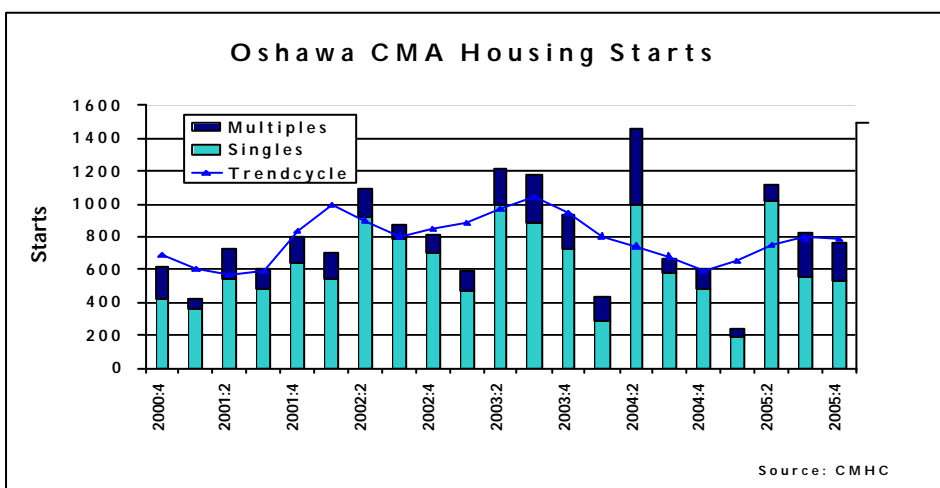
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registered in the same quarter of 2004. Strong single-detached home construction in Oshawa City, where home starts more than doubled, was responsible for that increase. Fourth quarter of 2005 growth in multiple-family home starts was evident across all Oshawa submarkets. The

Inna Breidburg, CMHC - Market Analysis  
Tel: (416) 218-3425 \* Fax: (416) 218-3314  
ibreidbu@cmhc-schl.gc.ca



largest number of the multiple-family projects was started in Whitby.

The average price for new single-detached homes in Oshawa, at \$294,535 in 2005, was 11 per cent higher than a year ago. Strong price appreciation didn't discourage homebuyers from shopping in the area. In 2005, 38 per cent of new single-detached homes were sold for more than \$300,000 compared to only 21 per cent a year ago. Demand for single-detached homes was strong and encouraged homebuilders to maintain a high level of construction. Single-detached home starts in 2005 inched down by only 2.3 per cent, to 2,301 compared to 2004.

For Toronto workers, the choice whether to buy a house in the Oshawa CMA, and in which community, is a function of price and distance from Toronto. Close proximity to Toronto is one of the reasons why Whitby remains the most popular sub-market and accounts for the largest share of new home construction in the CMA. Whitby is the most expensive municipality in the CMA. In 2005 the average price for new single-

detached homes in Whitby reached \$318,612. More projects were located in North Whitby, which is longer commute to Down Town Toronto. Additionally, the high prices for new single-detached dwellings in Whitby enticed more shoppers, to buy in less expensive communities. As a result in 2005, Oshawa City recorded a 12.6 per cent increase in single-detached home starts compared to the last year.

## RESALE MARKET

### *Resales have softened*

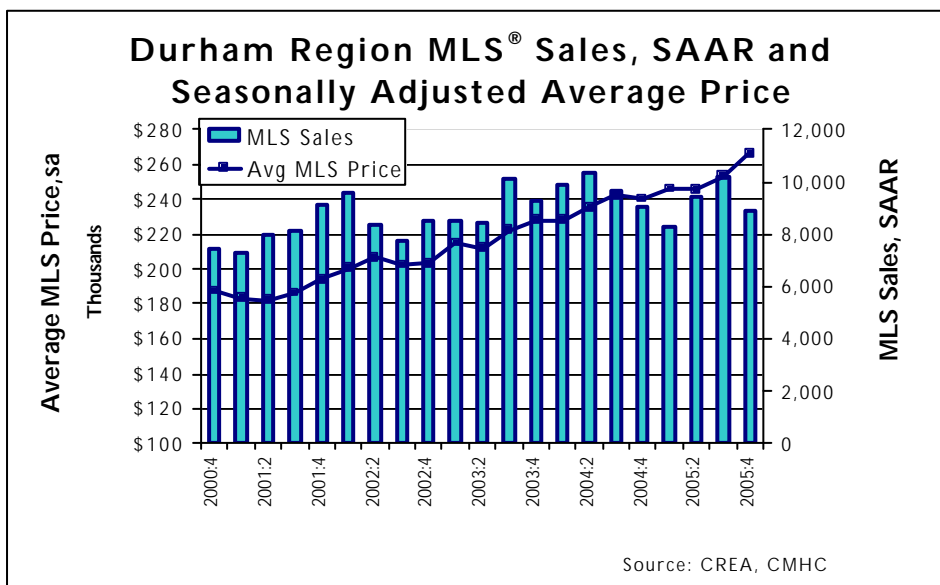
Despite lower resale home numbers, 2005 was the second highest resale year ever. A total of 5,894 existing homes were sold in 2005, a 6.9 per cent decline from the previous year. This slow down was most evident in Oshawa City and in Clarington. Whitby, with 2,025 sales transactions through Multiple Listing Services, experienced a 2.8 per cent increase over the previous year.

Oshawa registered a record supply of resale home listings in 2005, which outpaced the 2004 level by 11.9 per cent. Encouraged by rising home prices and home equity gains, more homeowners listed their homes for sale. The higher listings were evident

across all of three Oshawa submarkets.

The Sales-to-New Listings Ratio (SNLR), a good indicator of a market's state, currently suggests that future home price growth will be more modest. Oshawa's resale market has shifted from a pronounced sellers' market in 2004, with 70 per cent SNLR, closer to a balanced market, with a 58 per cent ratio in 2005.

On the pricing front, even though more balanced market conditions now prevails, resale home prices grew more than three times the general rate of inflation. The average price of a resale home in Oshawa hit the \$236,477 mark, rising 7.1 per cent above its 2004 level. Particularly strong home price appreciation occurred in the fourth quarter of 2005, when average home price at \$242,376 was 10.2 per cent higher than in the same quarter of 2004.



### Did you know?

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Table 1: Housing Activity Summary for Oshawa CMA

	OWNERSHIP					RENTAL		GRAND TOTAL
	FREEHOLD			CONDOMINIUM				
	*SINGLE	*SEMI	ROW	ROW	APT	ROW	APT	
<b>STARTS</b>								
Q4 2005	531	4	17	0	210	0	0	762
Q4 2004	482	20	82	0	18	0	0	602
% Change	10.2	-80.0	-79.3	NA	**	NA	NA	26.6
Year-to-date 2005	2,301	10	246	22	314	37	4	2,934
Year-to-date 2004	2,356	68	491	28	210	0	0	3,153
% Change	-2.3	-85.3	-49.9	-21.4	49.5	NA	NA	-6.9
<b>UNDER CONSTRUCTION</b>								
December 2005	1,270	14	165	19	312	16	4	1,800
December 2004	1,141	50	117	16	282	0	0	1,606
<b>COMPLETIONS</b>								
Q4 2005	685	4	42	3	18	12	3	767
Q4 2004	776	16	240	12	36	0	0	1,080
% Change	-11.7	-75.0	-82.5	-75.0	-50.0	NA	NA	-29.0
Year-to-date 2005	2,174	46	198	19	162	21	3	2,623
Year-to-date 2004	2,801	86	708	12	36	0	4	3,647
% Change	-22.4	-46.5	-72.0	58.3	**	NA	-25.0	-28.1
<b>COMPLETE &amp; NOT ABSORBED</b>								
December 2005	25	0	20	1	3	0	0	49
December 2004	13	4	9	0	0	0	0	26
<b>ABSORPTIONS</b>								
Q4 2005	678	5	41	2	15	12	3	756
Q4 2004	767	14	238	12	36	0	0	1,067
% Change	-11.6	-64.3	-82.8	-83.3	-58.3	NA	NA	-29.1
Year-to-date 2005	2,153	50	190	18	159	21	3	2,594
Year-to-date 2004	2,818	83	728	12	37	0	4	3,682
% Change	-23.6	-39.8	-73.9	50.0	**	NA	-25.0	-29.5

\*Includes all market types

\*\*Year-over-year change greater than 200 per cent.

Source: CMHC

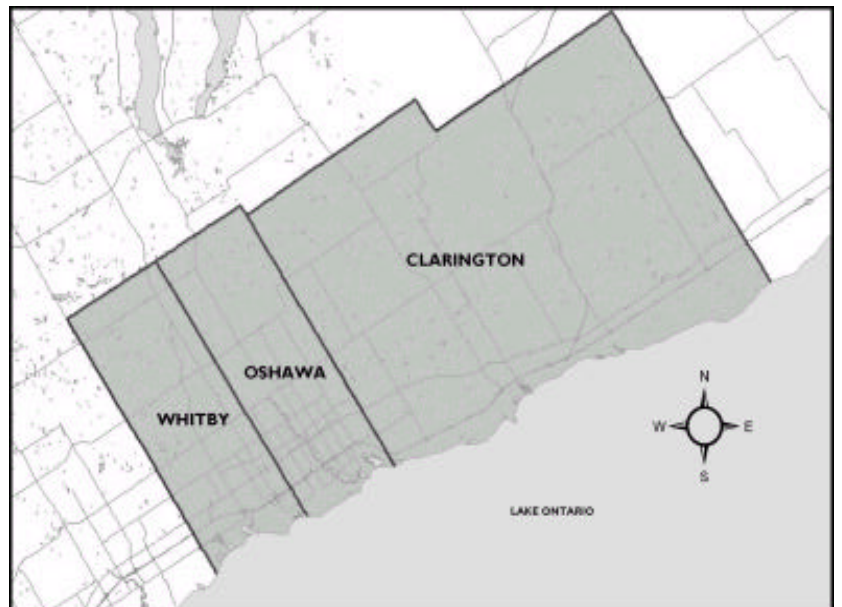
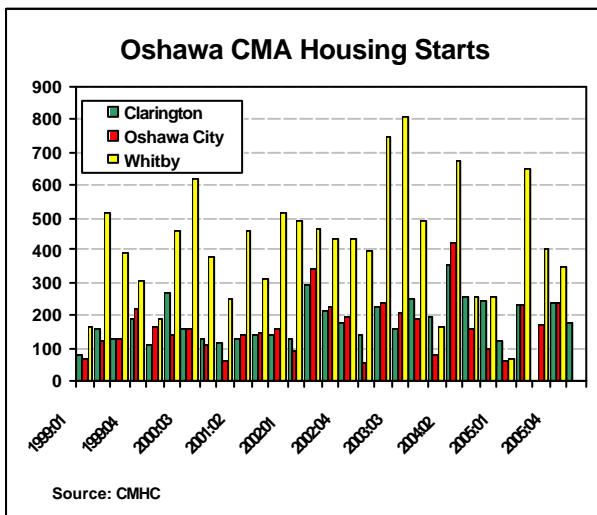


Table 2A: Starts by Area and by Intended Market - Current Quarter

Sub Market Area	SINGLES			MULTIPLES			TOTAL		
	Q4 2004	Q4 2005	% change	Q4 2004	Q4 2005	% change	2004	2005	% change
<b>Oshawa CMA</b>	482	531	10.2	120	231	92.5	602	762	26.6
Clarington	206	129	-37.4	39	46	17.9	245	175	-28.6
Oshawa City	99	236	138.4	0	3	NA	99	239	141.4
Whitby	177	166	-6.2	81	182	124.7	258	348	34.9

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	2004	2005	% change
<b>Oshawa CMA</b>	2,356	2,301	-2.3	797	633	-20.6	3,153	2,934	-6.9
Clarington	853	583	-31.7	198	184	-7.1	1,051	767	-27.0
Oshawa City	571	643	12.6	180	54	-70.0	751	697	-7.2
Whitby	932	1,075	15.3	419	395	-5.7	1,351	1,470	8.8

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

Sub Market Area	Q4 2004	Q4 2005	% Change	YTD 2004	YTD 2005	% Change
<b>Oshawa CMA</b>	273,582	302,046	10.4	264,979	294,535	11.2
Clarington	236,568	279,717	18.2	237,347	261,767	10.3
Oshawa City	254,902	308,603	21.1	256,146	293,105	14.4
Whitby	311,053	307,029	-1.3	283,068	318,612	12.6

Source: CMHC

Note: NA may appear where CMHC data suppression rules apply

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Table 4: Completed and Absorbed Single-Detached Units by Price Range

AREA	PRICE RANGES										TOTAL
	<\$199,999		\$200 -249,999		\$250-299,999		\$300-349,999		\$350,000+		
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	
<b>Oshawa CMA</b>											
Q4 2005	2	0.3	169	24.9	221	32.6	157	23.2	129	19.0	678
Q4 2004	74	9.6	243	31.7	255	33.2	129	16.8	66	8.6	767
YTD 2005	113	5.2	598	27.8	627	29.1	458	21.3	357	16.6	2,153
YTD 2004	282	10.0	1007	35.7	952	33.8	410	14.5	167	5.9	2,818
<b>Clarington</b>											
Q4 2005	2	1.5	52	39.4	47	35.6	16	12.1	15	11.4	132
Q4 2004	42	19.1	117	53.2	44	20.0	13	5.9	4	1.8	220
YTD 2005	99	13.9	319	44.9	170	23.9	55	7.7	67	9.4	710
YTD 2004	173	25.9	310	46.4	115	17.2	39	5.8	31	4.6	668
<b>Oshawa City</b>											
Q4 2005	0	0.0	25	17.4	42	29.2	49	34.0	28	19.4	144
Q4 2004	30	13.6	68	30.9	91	41.4	25	11.4	6	2.7	220
YTD 2005	14	3.1	118	26.2	144	32.0	104	23.1	70	15.6	450
YTD 2004	80	10.5	278	36.6	286	37.7	96	12.6	19	2.5	759
<b>Whitby</b>											
Q4 2005	0	0.0	92	22.9	132	32.8	92	22.9	86	21.4	402
Q4 2004	2	0.6	58	17.7	120	36.7	91	27.8	56	17.1	327
YTD 2005	0	0.0	161	16.2	313	31.5	299	30.1	220	22.2	993
YTD 2004	29	2.1	419	30.1	551	39.6	275	19.8	117	8.4	1,391

Source: CMHC

Note: NA may appear where CMHC data suppression rules apply

CMHC has recently published two new reports - **Residential Intensification Case Studies: Municipal Incentives** and **Residential Intensification Case Studies: Built Projects**. The former profiles municipal initiatives (e.g. infill development, brownfield redevelopment, secondary suites) that have been successfully implemented to overcome obstacles and encourage residential intensification. The latter report includes 23 examples to illustrate the unique challenges and rewards of intensification.

To download the Research Highlights or order the full reports on-line, click on [www.cmhc.ca](http://www.cmhc.ca) For more information, or to order by phone, call 1-800-668-2642.

## Table 5: Resale Housing Activity for Oshawa CMA

	Number of Sales	Yr/Yr %	Number of New Listings	Sales-to-New Listings	Average Price (\$)	Yr/Yr %
<b>Durham Region</b>						
Q4 2004	1,933	-2.5%	2,622	73.7%	\$237,225	6.6%
Q4 2005	1,904	-1.5%	3,194	59.6%	\$259,019	9.2%
YTD 2004	10,345	8.8%	15,661		\$240,025	8.7%
YTD 2005	9,704	-6.2%	17,508		\$254,884	6.2%
<b>Oshawa CMA</b>						
Q4 2004	1,206	0.6%	1,521	79.3%	\$220,009	7.9%
Q4 2005	1,145	-5.1%	1,874	61.1%	\$242,376	10.2%
YTD 2004	6,328	13.3%	9,081		\$220,873	9.2%
YTD 2005	5,894	-6.9%	10,160		\$236,477	7.1%
<b>Whitby</b>						
Q4 2004	375	-3.1%	549	68.3%	\$264,172	5.6%
Q4 2005	419	11.7%	645	65.0%	\$281,841	6.7%
YTD 2004	1,969	9.6%	3,038		\$266,455	8.9%
YTD 2005	2,025	2.8%	3,741		\$278,456	4.5%
<b>Oshawa City</b>						
Q4 2004	520	-8.3%	590	88.1%	\$183,196	7.9%
Q4 2005	469	-9.8%	803	58.4%	\$205,320	12.1%
YTD 2004	2,742	13.3%	3,729		\$186,474	9.9%
YTD 2005	2,345	-14.5%	3,929		\$199,076	6.8%
<b>Clarington</b>						
Q4 2004	311	26.9%	382	81.4%	\$228,310	9.0%
Q4 2005	257	-17.4%	426	60.3%	\$245,660	7.6%
YTD 2004	1,617	18.1%	2,314		\$223,698	9.6%
YTD 2005	1,524	-5.8%	2,490		\$238,247	6.5%

### Oshawa CMA

	Annual Sales	Yr/Yr %	Annual New Listings	Yr/Yr %	Annual Average Price	Yr/Yr %
1997	4,314		6,232		\$147,408	
1998	4,237	-1.8%	6,009	-3.6%	\$150,995	2.4%
1999	4,454	5.1%	6,063	0.9%	\$155,994	3.3%
2000	4,401	-1.2%	6,368	5.0%	\$164,416	5.4%
2001	4,937	12.2%	6,937	8.9%	\$172,603	5.0%
2002	5,186	5.0%	6,859	-1.1%	\$186,785	8.2%
2003	5,586	7.7%	7,772	13.3%	\$202,272	8.3%
2004	6,328	13.3%	9,081	16.8%	\$220,873	9.2%
2005	5,894	-6.9%	10,160	11.9%	\$236,477	7.1%

Source: Toronto Real Estate Board

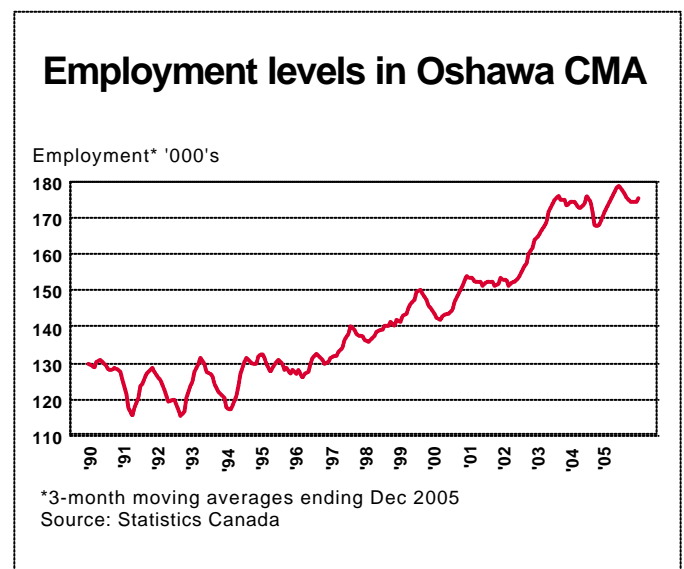
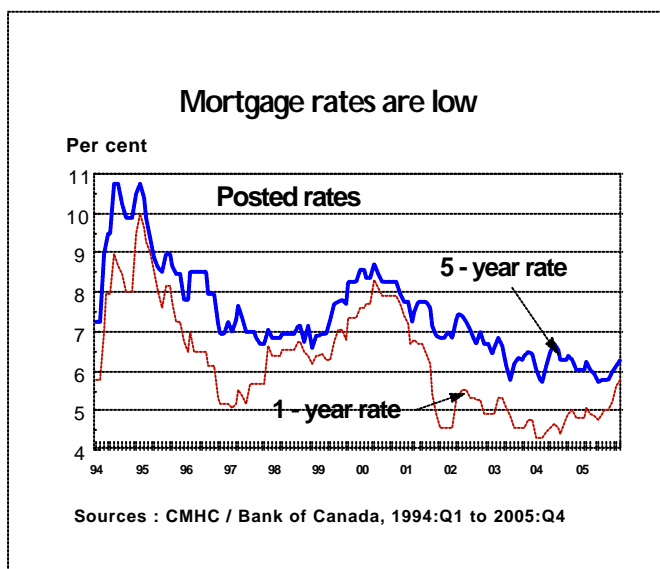
Table 6: Economic Indicators

		Interest and Exchange Rates			Inflation Rate (%)	Oshawa CMA Labour Market			
		P & I* Per \$100,000	Mortgage Rate (%)		Exch. Rate (\$US/\$Cdn)	Ontario 1996=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	1.7	174.6	0.2	5.0
	February	627.97	4.3	5.8	0.749	1.2	174.4	-0.1	4.9
	March	622.08	4.3	5.7	0.763	1.2	173.0	-0.8	5.0
	April	648.75	4.5	6.2	0.729	1.8	172.6	-0.2	5.3
	May	669.82	4.6	6.5	0.733	2.8	172.9	0.2	5.2
	June	681.99	4.7	6.7	0.750	2.3	174.5	0.9	5.1
	July	672.86	4.6	6.6	0.752	2.0	173.7	-0.5	4.7
	August	657.75	4.4	6.3	0.762	1.3	171.1	-1.5	5.2
	September	657.75	4.8	6.3	0.793	1.4	168.7	-1.4	5.6
	October	663.77	4.9	6.4	0.821	1.6	168.5	-0.1	5.8
	November	657.75	5.0	6.3	0.843	1.5	170.3	1.1	5.9
	December	642.78	4.8	6.1	0.832	1.1	171.6	0.8	5.8
2005	January	642.78	4.8	6.1	0.806	1.0	172.8	0.7	6.2
	February	642.78	4.8	6.1	0.811	1.4	175.0	1.3	6.4
	March	654.74	5.1	6.3	0.827	1.9	176.3	0.7	7.2
	April	642.78	4.9	6.1	0.795	1.9	178.0	1.0	7.0
	May	636.84	4.9	6.0	0.797	1.3	177.4	-0.3	6.6
	June	622.08	4.8	5.7	0.816	1.6	176.8	-0.3	6.0
	July	627.97	4.9	5.8	0.817	1.7	175.6	-0.7	6.0
	August	627.97	5.0	5.8	0.842	2.4	175.3	-0.2	6.6
	September	627.97	5.0	5.8	0.860	2.7	175.5	0.1	6.0
	October	639.81	5.3	6.0	0.847	2.3	175.3	-0.1	6.2
	November	648.75	5.6	6.2	0.857	1.9	175.8	0.3	6.0
	December	657.75	5.8	6.3	0.860	2.1	175.8	0.0	6.6

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

\*\* Seasonally Adjusted

Sources: CMHC, Statistics Canada, Bank of Canada





## Definitions

- 1. 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.
- 2. Under Construction:** those units which have been started but which are not complete.
- 3. 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
- 4. Completed and Not Absorbed:** all completed units of new construction (excluding model homes not available for sale) which have never been sold or leased.
- 5. Absorptions:** the number of completed units (excluding model homes) that have been sold or leased.
- 6. Seasonally Adjusted (SA):** Actual monthly (or quarterly) figures adjusted to remove normal seasonal variation.
- 7. Seasonally Adjust Annual Rates (SAAR):** Seasonally adjusted monthly figures multiplied by 12 (or quarterly figures multiplied by 4) to reflect annualized levels of activity.
- 8. Definitions for CMA, NHPI, CPI, and Inflation Rate** can be found in the Statistics Canada website - <http://www.statcan.ca>

## Your Guide to Renting a Home – CMHC's new, online guide for tenants, landlords, and property managers

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"Your Guide to Renting a Home" is located on the CMHC Web site at [www.cmhc.ca](http://www.cmhc.ca). From the left-hand menu, you can select "Buying or Renting a Home" and click on "Renting a Home".

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