

# H O U S I N G N O W

Halifax

YOUR LINK TO THE HOUSING MARKET

## Hurricane Juan dampens housing market in October

Canada Mortgage and Housing Corporation

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OCTOBER 2003

✓ Both single-detached and multiple-unit housing starts in Metro Halifax declined in October, resulting in a 61% fall in total housing starts compared with October 2002. There were 102 total housing starts across the municipality in October, compared with 264 total starts last year. While single starts dropped 30 per cent from 132 in October 2002 to a more typical 93 last month, the absence of any new apartment projects beginning construction last month resulted in a sharp decline in multiple unit starts which fell from 132 units in October 2002 to only 9 units last month.

✓ This fairly steep decline in part reflects a weakening in aggregate home ownership demand in Metro. However, the impact of Hurricane Juan also affected October numbers. Much of Metro went without power for the first part of the month and downed trees resulted in hazards and traffic tie-ups which hampered the ability of contractors to get around, leading to widespread delays. Furthermore, with a labour sector operating at near full capacity, existing trades labour availability problems were exacerbated as industry efforts were partially diverted to repairing damaged homes for much of the month of October.

✓ October declines in housing starts were widespread by type of unit and by area. Single-detached, semi-detached, row and rental starts were lower last month than in October 2002 with only condo keeping pace. Across Metro, all geographic submarkets posted lower levels of single-detached and total starts last month compared with last October.

✓ Total starts are down 15 per cent so far this year compared with the first ten months of 2002, with lower levels of single-detached and rental starts more than offsetting higher semi, row and condo starts. Nevertheless, the industry was slightly busier last month than it was in October 2002 with 1,717 units under construction compared with 1,673, with the almost 500 condo units underway accounting for all of the difference and then some.

✓ Hurricane Juan also rained heavily on the resale market last month, accelerating the annual wind-down in the home buying season. Residential MLS® home sales in Metro Halifax declined by a startling 24 per cent as potential buyers were preoccupied with recovering from the storm's aftermath. Property damage from Juan and reduced buyer traffic also discouraged potential sellers, resulting in a 5 per cent decline in new listings. Furthermore, for the first time in almost a year, monthly average price growth declined last month, albeit very slightly. Average sale price was down to \$167,335 last month.

✓ Looking ahead, weakening home ownership demand is expected to result in further slowing in single-detached home building as well as existing home sales. The magnitude of these declines is likely to be amplified by the comparatively high levels of sales and construction that closed out 2002.

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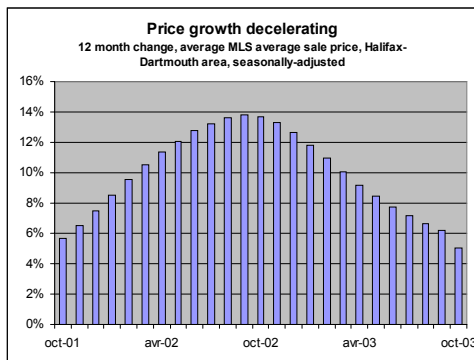
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Source: Canadian Real Estate Association, CMHC  
MLS is a registered trademark of CREA



HOME TO CANADIANS  
Canada

**TABLE I  
ACTIVITY SUMMARY BY INTENDED MARKET  
HALIFAX CMA  
OCTOBER 2003**

		SINGLE	FREEHOLD SEMI	ROW	CONDOMINIUM	RENTAL	GRAND TOTAL
<b>PENDING STARTS</b>	- Current Month	130	16	0	20	284	450
	- Previous Year	223	16	0	0	127	366
<b>STARTS</b>	- Current Month	93	2	3	4	0	102
	- Previous Year	132	10	17	4	101	264
	- Year-To-Date 2003	1,282	203	89	313	320	2,207
	- Year-To-Date 2002	1,574	154	76	137	668	2,609
<b>UNDER CONSTRUCTION</b>	- 2003	476	102	82	493	564	1,717
	- 2002	641	72	54	181	725	1,673
<b>COMPLETIONS</b>	- Current Month	190	19	9	0	0	218
	- Previous Year	160	6	16	82	0	264
	- Year-To-Date 2003	1,411	169	91	290	490	2,451
	- Year-To-Date 2002	1,214	118	28	212	623	2,195
<b>COMPLETED &amp; NOT ABSORBED</b>	- 2003	38	3	0	0	152	193
	- 2002	41	8	0	84	30	163
<b>TOTAL SUPPLY</b>	- 2003	514	105	82	493	716	1,910
	- 2002	682	80	54	265	755	1,836
<b>ABSORPTIONS</b>	- Current Month	191	23	9	0	0	223
	- Previous Year	143	9	16	15	0	183
	- Year-To-Date 2003	1,428	169	91	382	371	2,441
	- Year-To-Date 2002	1,224	120	28	170	722	2,264
	3-month Average	155	20	15	70	63	323
	12-month Average	140	16	8	36	31	231

Source: CMHC

**TABLE 2  
HOUSING ACTIVITY BY AREA AND BY INTENDED MARKET  
HALIFAX CMA  
OCTOBER 2003**

STARTS	OWNERSHIP						GRAND TOTAL	COMPLETIONS	OWNERSHIP						GRAND TOTAL
	SINGLE	FREEHOLD	SEMI	ROW	CONDO	RENTAL			SINGLE	FREEHOLD	SEMI	ROW	CONDO	RENTAL	
<b>HALIFAX CITY</b>															
Current Month	12	2	3	0	0	0	17	Current Month	17	6	0	0	0	0	23
Previous Year	19	2	8	0	101	0	130	Previous Year	20	2	16	0	0	0	38
Year-To-Date 2003	142	80	56	298	279	0	855	Year-To-Date 2003	150	54	32	125	418	0	779
Year-To-Date 2002	184	18	32	75	506	0	815	Year-To-Date 2002	157	34	24	75	623	0	913
<b>DARTMOUTH CITY</b>															
Current Month	24	0	0	4	0	0	28	Current Month	71	10	9	0	0	0	90
Previous Year	31	6	6	4	0	0	47	Previous Year	13	0	0	0	0	0	13
Year-To-Date 2003	302	70	33	15	23	0	443	Year-To-Date 2003	409	86	56	165	8	0	724
Year-To-Date 2002	402	84	41	16	98	0	641	Year-To-Date 2002	242	26	4	9	0	0	281
<b>BEDFORD-HAMMOND PLAINS</b>															
Current Month	20	0	0	0	0	0	20	Current Month	23	0	0	0	0	0	23
Previous Year	26	0	3	0	0	0	29	Previous Year	50	0	0	82	0	0	132
Year-To-Date 2003	205	2	0	0	18	0	225	Year-To-Date 2003	195	2	3	0	64	0	264
Year-To-Date 2002	309	0	3	46	64	0	422	Year-To-Date 2002	256	2	0	128	0	0	386
<b>SACKVILLE</b>															
Current Month	9	0	0	0	0	0	9	Current Month	6	0	0	0	0	0	6
Previous Year	10	0	0	0	0	0	10	Previous Year	19	0	0	0	0	0	19
Year-To-Date 2003	103	4	0	0	0	0	107	Year-To-Date 2003	103	2	0	0	0	0	105
Year-To-Date 2002	185	12	0	0	0	0	197	Year-To-Date 2002	172	14	0	0	0	0	186
<b>FALL RIVER-BEAVERBANK</b>															
Current Month	10	0	0	0	0	0	10	Current Month	27	0	0	0	0	0	27
Previous Year	11	0	0	0	0	0	11	Previous Year	29	2	0	0	0	0	31
Year-To-Date 2003	155	4	0	0	0	0	159	Year-To-Date 2003	138	2	0	0	0	0	140
Year-To-Date 2002	147	2	0	0	0	0	149	Year-To-Date 2002	142	2	0	0	0	0	144
<b>HALIFAX COUNTY SOUTHWEST</b>															
Current Month	11	0	0	0	0	0	11	Current Month	29	2	0	0	0	0	31
Previous Year	19	2	0	0	0	0	21	Previous Year	25	2	0	0	0	0	27
Year-To-Date 2003	221	42	0	0	0	0	263	Year-To-Date 2003	224	20	0	0	0	0	244
Year-To-Date 2002	171	36	0	0	0	0	207	Year-To-Date 2002	153	40	0	0	0	0	193
<b>HALIFAX COUNTY EAST</b>															
Current Month	7	0	0	0	0	0	7	Current Month	17	1	0	0	0	0	18
Previous Year	16	0	0	0	0	0	16	Previous Year	4	0	0	0	0	0	4
Year-To-Date 2003	154	1	0	0	0	0	155	Year-To-Date 2003	192	3	0	0	0	0	195
Year-To-Date 2002	176	2	0	0	0	0	178	Year-To-Date 2002	92	0	0	0	0	0	92

Source: CMHC

**TABLE 3  
UNDER CONSTRUCTION BY AREA  
AND INTENDED MARKET  
HALIFAX CMA  
OCTOBER 2003**

		OWNERSHIP					GRAND TOTAL
		SINGLE	FREEHOLD SEMI	ROW	CONDO	RENTAL	
<b>HALIFAX CITY</b>	Current Month	46	36	48	478	528	1,136
	Previous Year	54	4	8	75	607	748
<b>DARTMOUTH CITY</b>	Current Month	133	36	34	15	18	236
	Previous Year	257	64	43	60	54	478
<b>BEDFORD-HAMMOND PLAINS</b>	Current Month	67	0	0	0	18	85
	Previous Year	96	0	3	46	64	209
<b>SACKVILLE</b>	Current Month	26	2	0	0	0	28
	Previous Year	43	0	0	0	0	43
<b>FALL RIVER-BEAVERBANK</b>	Current Month	50	2	0	0	0	52
	Previous Year	32	0	0	0	0	32
<b>HALIFAX COUNTY SOUTHWEST</b>	Current Month	71	26	0	0	0	97
	Previous Year	47	2	0	0	0	49
<b>HALIFAX COUNTY EAST</b>	Current Month	83	0	0	0	0	83
	Previous Year	112	2	0	0	0	114

Source: CMHC

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**TABLE 4**  
**SALES AND PRICE OF NEW SINGLE-DETACHED HOUSES BY TYPE**  
**HALIFAX CMA**  
**OCTOBER 2003**

Type	Current Month	Previous Year	Year-To-Date 2003	Year-To-Date 2002
<b>Bungalow</b>				
Sales	18	26	142	175
Average Price	\$185,294	\$176,508	\$173,103	\$162,965
Median Price	\$164,750	\$170,000	\$166,950	\$157,250
<b>Split Level</b>				
Sales	35	4	294	156
Average Price	\$180,691	\$176,650	\$173,890	\$165,397
Median Price	\$183,900	\$178,900	\$176,350	\$166,150
<b>1.5 Storey</b>				
Sales	3	2	15	8
Average Price	\$194,567	\$114,750	\$227,460	\$162,188
Median Price	\$147,800	\$114,750	\$250,000	\$180,000
<b>2 Storey</b>				
Sales	128	81	767	664
Average Price	\$250,463	\$257,619	\$242,168	\$220,150
Median Price	\$235,900	\$240,000	\$220,000	\$190,200
<b>Other</b>				
Sales	6	30	191	216
Average Price	\$169,283	\$149,597	\$151,310	\$146,888
Median Price	\$168,500	\$164,000	\$159,800	\$150,450
<b>Unknown</b>				
Sales	1	0	18	2
Average Price	\$157,900	\$0	\$185,200	\$198,900
Median Price	\$157,900	\$0	\$191,950	\$181,900
<b>Total</b>				
Sales	191	143	1,427	1,221
Average Price	\$227,623	\$215,946	\$208,246	\$191,583
Median Price	\$198,700	\$187,000	\$187,900	\$170,500

Source: CMHC

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**TABLE 5 - MONTHLY NEW SINGLE-DETACHED HOUSE SALES BY PRICE RANGE  
HALIFAX CMA**

Period	<\$89,999		\$90,000-\$119,999		\$120,000-\$149,999		\$150,000-\$199,999		\$200,000-\$249,999		>\$250,000		Total Sales	Average Price	Median Price
	sales	per cent	sales	per cent	sales	per cent	sales	per cent	sales	per cent	sales	per cent			
October 2002	4	2.8%	3	2.1%	11	7.7%	71	49.7%	19	13.3%	35	24.5%	143	\$215,946	\$187,000
November 2002	1	0.9%	0	0.0%	9	8.5%	56	52.8%	10	9.4%	30	28.3%	106	\$224,031	\$178,500
December 2002	5	2.6%	3	1.6%	28	14.5%	104	53.9%	25	13.0%	28	14.5%	193	\$197,104	\$176,900
January 2003	8	6.3%	1	0.8%	14	11.1%	67	53.2%	14	11.1%	22	17.5%	126	\$192,479	\$178,900
February 2003	0	0.0%	1	0.7%	25	17.7%	72	51.1%	14	9.9%	29	20.6%	141	\$202,549	\$169,900
March 2003	9	6.0%	1	0.7%	52	34.7%	58	38.7%	11	7.3%	19	12.7%	150	\$183,876	\$169,800
April 2003	0	0.0%	0	0.0%	14	14.7%	42	44.2%	16	16.8%	23	24.2%	95	\$214,944	\$190,000
May 2003	1	0.8%	1	0.8%	8	6.1%	63	47.7%	27	20.5%	32	24.2%	132	\$212,342	\$189,900
June 2003	5	3.9%	1	0.8%	10	7.9%	68	53.5%	22	17.3%	21	16.5%	127	\$199,008	\$185,600
July 2003	5	2.9%	0	0.0%	3	1.8%	99	57.9%	29	17.0%	35	20.5%	171	\$210,456	\$189,900
August 2003	2	1.3%	0	0.0%	10	6.5%	70	45.5%	23	14.9%	49	31.8%	154	\$228,158	\$198,950
September 2003	9	6.4%	13	9.2%	5	3.5%	65	46.1%	19	13.5%	30	21.3%	141	\$203,218	\$180,000
October 2003	0	0.0%	0	0.0%	9	4.7%	92	48.2%	40	20.9%	50	26.2%	191	\$227,623	\$198,700

Source: CMHC

**TABLE 6 - MONTHLY NEW SINGLE-DETACHED UNOCCUPIED HOUSES BY PRICE RANGE  
HALIFAX CMA**

Period	<\$89,999		\$90,000-\$119,999		\$120,000-\$149,999		\$150,000-\$199,999		\$200,000-\$249,999		>\$250,000		Total Units	Average Price	Median Price
	units	per cent	units	per cent	units	per cent	units	per cent	units	per cent	units	per cent			
October 2002	0	0.0%	1	2.4%	3	7.3%	15	36.6%	7	17.1%	15	36.6%	41	\$248,163	\$224,000
November 2002	0	0.0%	1	2.0%	4	8.0%	23	46.0%	7	14.0%	15	30.0%	50	\$215,572	\$176,950
December 2002	0	0.0%	0	0.0%	3	5.5%	21	38.2%	7	12.7%	24	43.6%	55	\$246,498	\$229,900
January 2003	0	0.0%	0	0.0%	0	0.0%	14	37.8%	3	8.1%	20	54.1%	37	\$274,116	\$269,900
February 2003	0	0.0%	0	0.0%	1	2.4%	16	38.1%	5	11.9%	20	47.6%	42	\$262,155	\$244,450
March 2003	0	0.0%	0	0.0%	5	8.5%	23	39.0%	14	23.7%	17	28.8%	59	\$233,449	\$209,000
April 2003	0	0.0%	0	0.0%	2	6.5%	14	45.2%	1	3.2%	14	45.2%	31	\$245,867	\$198,900
May 2003	2	6.7%	0	0.0%	2	6.7%	11	36.7%	2	6.7%	13	43.3%	30	\$231,464	\$222,450
June 2003	1	3.7%	0	0.0%	1	3.7%	11	40.7%	1	3.7%	13	48.1%	27	\$236,544	\$213,900
July 2003	0	0.0%	0	0.0%	2	8.0%	11	44.0%	1	4.0%	11	44.0%	25	\$254,812	\$190,000
August 2003	0	0.0%	0	0.0%	0	0.0%	8	29.6%	3	11.1%	16	59.3%	27	\$272,800	\$260,000
September 2003	0	0.0%	0	0.0%	0	0.0%	13	33.3%	4	10.3%	22	56.4%	39	\$274,722	\$259,900
October 2003	0	0.0%	0	0.0%	0	0.0%	15	39.5%	2	5.3%	21	55.3%	38	\$275,153	\$263,950

Source: CMHC

**TABLE 7 - HALIFAX-DARTMOUTH MLS<sup>®</sup> RESIDENTIAL ACTIVITY**

INDICATOR	October			Year-To-Date		
	2002	2003	Per Cent Change	2002	2003	Per Cent Change
<b>New Listings</b>	662	628	-5.1%	8,166	8,010	-1.9%
<b>Unit Sales</b>	483	366	-24.2%	5,849	5,299	-9.4%
<b>Average Price</b>	\$167,589	\$167,335	-0.2%	\$149,518	\$160,946	7.6%

Source: Canadian Real Estate Association (CREA)

Note: The Nova Scotia Association of Realtors adopted new MLS<sup>®</sup> software in July 2003, and as a result, the MLS<sup>®</sup> activity reported in this table contains data for both resale (existing) homes and new homes. This month's Halifax-Dartmouth numbers are based on market share estimates issued by CREA.

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## KEY ECONOMIC INDICATORS

### HALIFAX

Indicator	Period	2002	2003	%change
Metro Halifax Labour Force (000's)	October	200.3	203.9	1.8%
Metro Halifax Employment (000's)	October	186.5	190.4	2.1%
Metro Halifax Unemployment Rate	October	6.9%	6.6%	---
Building Permits (\$ 000's)	September			
Residential		19,394	28,757	48.3%
Non-Residential		0	13,501	---
Total		19,394	42,258	117.9%
Metro Halifax Consumer Price Index	September	120.4	123.2	2.3%
Metro Halifax New Housing Price Index	September			
Total		114.9	119.7	4.2%
House		116.5	121.5	4.3%
Land		112.1	115.8	3.3%

**Sources:**

Statistics Canada - Labour Force Survey  
 Statistics Canada - Monthly Building Permits Survey  
 Statistics Canada - Consumer Price Index  
 Statistics Canada - New House Price Index

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