



# HOUSING NOW

Prince Edward Island

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

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FOURTH QUARTER 2003

## Island's Housing Market Remains Strong in 2003

### New-Home Market Posted Gains In All Areas of the Province

- ✓ New home construction in 2003 reached 814 units in Prince Edward Island, an increase of 39 units when compared to the previous year. This represents the best year for housing starts since 1989.
- ✓ Urban starts on the Island reached 553 units in 2003, compared to 518 units in 2002, an increase of five per cent. This growth was the result of a rise in housing starts in both Summerside and Charlottetown.
- ✓ Rural starts experienced a slight improvement in 2003, exceeding the 2002 level of 257 units by four units.
- ✓ Single starts were up in 2003 when

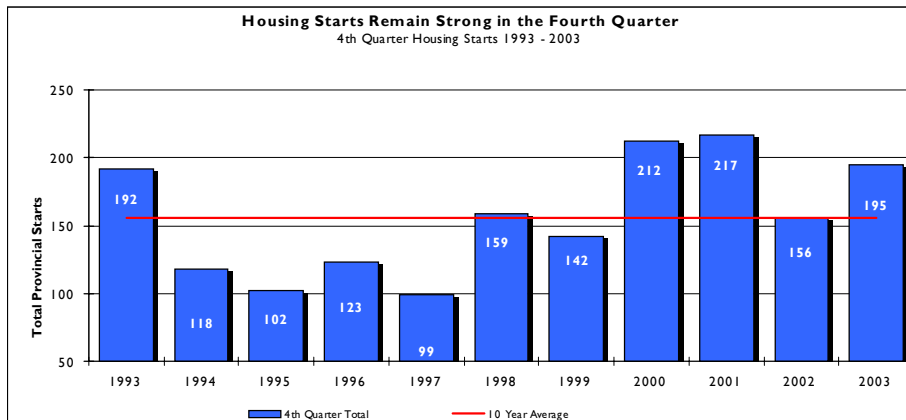
compared to the previous year, increasing by 31 units to 613 units. Multiple starts on the Island also outperformed the levels reached in 2002, climbing to 201 units from 193 units in 2002.

- ✓ In Charlottetown, total housing starts reached 483 units in 2003, compared to 461 units the previous year. The growth was the result of an increased level of single starts, as multiple starts fell slightly from the 2002 level. Single starts increased by 32 units to 310 for the year, while multiple starts slipped by 10 units to 325 from the 2002 level.
- ✓ Summerside posted another strong year for housing starts in 2003. Single starts in the area increased from 47 units in 2002 to 54 units in 2003. During the same time, multiple starts jumped from 10 units to 16 units, with 12 of these 16 units coming from an apartment building that was started in the third quarter.

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MLS® is a registered certification mark of the Canadian Real Estate Association



Source: CMHC



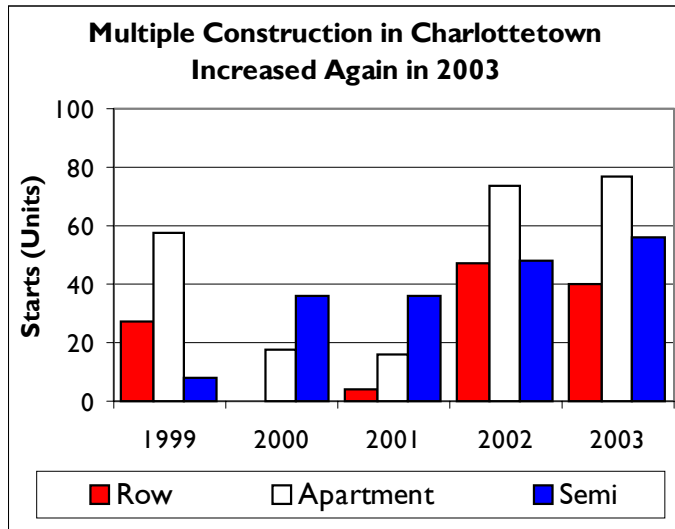
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# CHARLOTTETOWN and SUMMERSIDE

## Housing Market Overview

### Apartment and Semi-Detached Starts Increased in 2003

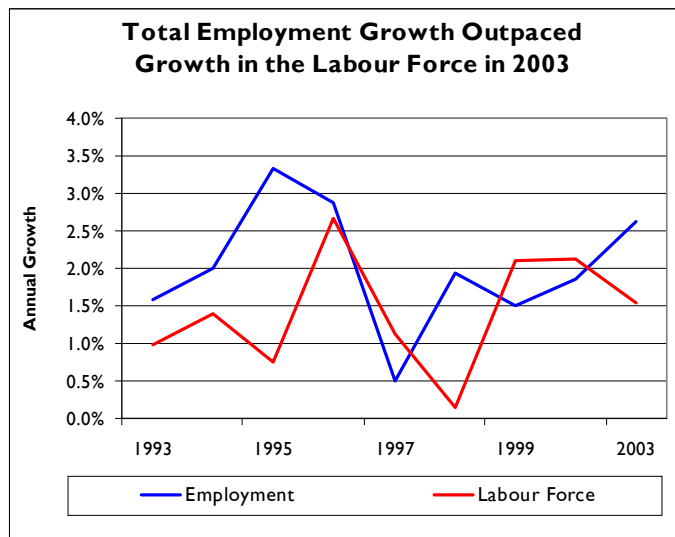
- ✓ The construction of multiple units in the Charlottetown area increased in 2003, when compared to 2002. This growth was led by a significant increase in semi-detached-style units. The majority of these semi-detached units are built for the homeowner market, as a result of the ever-increasing price of single-detached homes.
- ✓ The construction of apartment units remained strong in 2003, and accounted for the majority of the multiple starts in the Charlottetown area. With the majority of these apartment units being targeted towards empty-nesters and seniors, these new units tend to be at the high end of the rental spectrum. As a result, these units are generally larger than traditional apartments in the area, are finished to a higher quality and contain more amenities.



Source: CMHC

### Employment Growth Continued in 2003

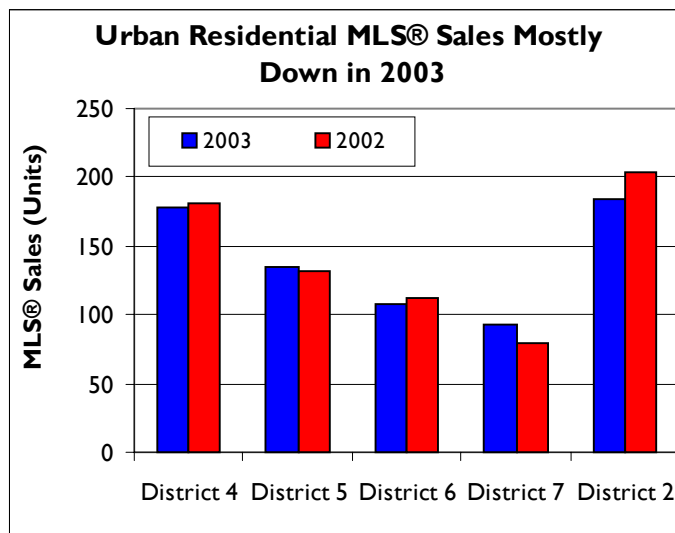
- ✓ On a provincial basis, employment increased by 2.6 per cent in 2003 when compared to the previous year. This means that there were about 1,760 more Islanders working in 2003 than in 2002.
- ✓ In 2003, the gains in employment outpaced the gains in the labour force. As a result, the Island's unemployment dropped almost one percentage point to 11.2 per cent on an annual basis.
- ✓ In the Charlottetown area, total employment for 2003 rose by 2.7 per cent to 19,100, which is the highest level of employment on record for the area.



Source: Statistics Canada

### Urban MLS® Sales Post Mixed Results in 2003

- ✓ Urban MLS® sales for 2003 were mostly down, with the exception of Districts 5 and 7. Despite the overall decrease in sales, the average sales price has continued to rise throughout 2003. As a result, the dollar volume reached a new all-time high. The average MLS® sales price of a home in the Charlottetown area rose by more than six per cent in 2003, to \$113,144 in 2003, while the average sales price in Summerside rose by nine per cent to \$89,432.
- ✓ For urban areas of the province, the dollar volume in 2003 reached \$74.5 million, an increase of over \$4 million from 2002, despite the decrease in sales.



Source: PEI Real Estate Board

**Table I  
Activity Summary By Area  
Prince Edward Island**

Area	TOTAL HOUSING STARTS						COMPLETIONS						UNDER CONSTRUCTION		
	4th Quarter			January-December			4th Quarter			January-December			As at December 30		
	2003	2002	% chg	2003	2002	% chg	2003	2002	% chg	2003	2002	% chg	2003	2002	% chg
<b>Charlottetown CA</b>	109	80	36%	483	461	5%	293	204	44%	483	412	17%	148	149	-1%
<b>Summerside CA</b>	16	19	-16%	70	57	23%	12	15	-20%	51	60	-15%	34	15	127%
<b>Total Urban Areas</b>	125	99	26%	553	518	7%	305	219	39%	534	472	13%	182	164	11%
<b>Total Rural Areas</b>	70	57	23%	261	257	2%	187	37	405%	368	311	18%	55	162	-66%
<b>Total PEI</b>	<b>195</b>	<b>156</b>	<b>25%</b>	<b>814</b>	<b>775</b>	<b>5%</b>	<b>492</b>	<b>256</b>	<b>92%</b>	<b>902</b>	<b>783</b>	<b>15%</b>	<b>237</b>	<b>326</b>	<b>-27%</b>

Source: CMHC

**Table 2: MLS Activity in Urban Centres\***

	4th Quarter						Year-to-Date					
	Sales			Avg Sale Price			Sales			Avg Sales Price		
	2003	2002	% Chg	2003	2002	% Chg	2003	2002	% Chg	2003	2002	% Chg
<b>Charlottetown CA**</b>												
<b>District 4</b>	27	59	-54%	\$128,744	\$115,987	11%	178	181	-2%	\$123,131	\$120,461	2%
<b>District 5</b>	31	48	-35%	\$112,489	\$98,071	15%	134	132	2%	\$101,020	\$95,803	5%
<b>District 6</b>	22	32	-31%	\$105,104	\$97,647	8%	108	112	-4%	\$96,683	\$85,528	13%
<b>District 7</b>	18	19	-5%	\$128,163	\$132,384	-3%	93	80	16%	\$130,613	\$121,014	8%
<b>Total, CA</b>	98	158	-38%	\$118,188	\$108,802	9%	513	505	2%	\$113,144	\$106,356	6%
<b>Summerside CA</b>	41	68	-40%	\$98,128	\$85,516	15%	184	203	-9%	\$89,432	\$81,723	9%
<b>TOTAL</b>	<b>139</b>	<b>226</b>	<b>-38%</b>	<b>\$112,271</b>	<b>\$101,795</b>	<b>10%</b>	<b>697</b>	<b>708</b>	<b>-2%</b>	<b>\$106,884</b>	<b>\$99,293</b>	<b>7.6%</b>

\* Source: PEI Real Estate Association

\*\*District 4: Charlottetown City, Spring Park & West Royalty

\*\*District 5: Sherwood, Parkdale, East Royalty & Hillsborough Parks

\*\*District 6: Cornwall, North River & Winsloe

\*\*District 7: Bunbury, Southport, Crossroads, Keppoch, Kinlock, Tea Hill, Alexandra to Cherry Valley

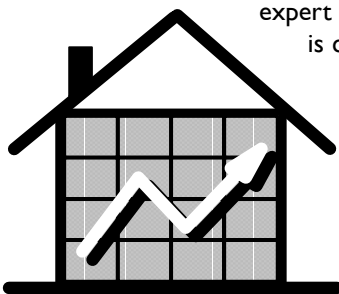
**TABLE 3  
STARTS BY AREA  
CHARLOTTETOWN CA**

<b>Area/ Period</b>	<b>Single</b>	<b>Semi</b>	<b>Row</b>	<b>Apartment &amp; Others</b>	<b>Total</b>
<b>Charlottetown City:</b>					
Fourth Quarter 2003	42	10	0	0	52
Fourth Quarter 2002	27	0	0	0	27
Year-to-Date 2003	141	26	0	82	249
Year-to-Date 2002	96	14	0	105	215
<b>Cornwall Town:</b>					
Fourth Quarter 2003	5	2	0	0	7
Fourth Quarter 2002	8	6	0	0	14
Year-to-Date 2003	20	8	6	0	34
Year-to-Date 2002	26	6	0	7	39
<b>Stratford Town:</b>					
Fourth Quarter 2003	16	8	0	0	24
Fourth Quarter 2002	9	4	0	2	15
Year-to-Date 2003	58	22	0	29	109
Year-to-Date 2002	43	6	0	32	81
<b>Remainder of Charlottetown CA:</b>					
Fourth Quarter 2003	26	0	0	0	26
Fourth Quarter 2002	21	0	0	3	24
Year-to-Date 2003	91	0	0	0	91
Year-to-Date 2002	113	0	0	13	126
<b>Total - Charlottetown CA:</b>					
Fourth Quarter 2003	89	20	0	0	109
Fourth Quarter 2002	65	10	0	5	80
Year-to-Date 2003	310	56	6	111	483
Year-to-Date 2002	278	26	0	157	461

Source: CMHC

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Your Link to the Housing Market

**JASON BEATON**  
**Tel.: (506) 851-6047**  
**Fax: (506) 851-6188**  
**E-mail: [jbeaton@cmhc-schl.gc.ca](mailto:jbeaton@cmhc-schl.gc.ca)**  
**Website: <http://www.cmhc-schl.gc.ca>**

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