



HOUSING NOW

Charlottetown

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

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Housing Market Remains Strong in 2004

Single Starts in 2004 Exceeded the 2003 Levels

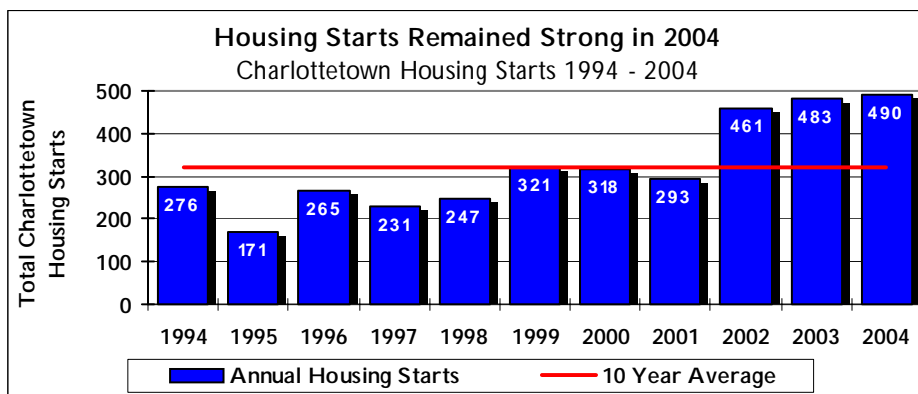
- ✓ Total urban starts on the Island reached 603 units in 2004 compared to 553 units in 2003, a 13 per cent increase. This growth is mainly due to a rise in multiple housing starts in Summerside.
- ✓ New home construction in 2004 reached 490 units in Charlottetown, an increase of 7 units when compared to the previous year. This represents the best year for housing starts in the Capital region since 1990.
- ✓ Rural starts experienced an improvement in 2004, exceeding the 2003 level of 261 units by 55 units.

- ✓ The increased level of starts in the Charlottetown CA was the result of additional starts in the areas outside of Charlottetown City, Stratford and Cornwall. This area of the Capital region saw starts rise from 91 units in 2003 to 124 units in 2004, an increase of 36%.
- ✓ Charlottetown City posted slightly fewer starts in 2004 when compared to 2003 for all structure types. Both single and multiple starts in the City fell by 9 units to 132 and 99 units, respectively.
- ✓ The number of starts in the Town of Stratford remained essentially unchanged in 2004 from 2003. Starts fell by only one to finish the year with 108 new units.
- ✓ The Town of Cornwall also recorded a similar level of new construction in 2004 when compared to the previous year. Starts in Cornwall reached 27 units this year compared to 34 in 2003.

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



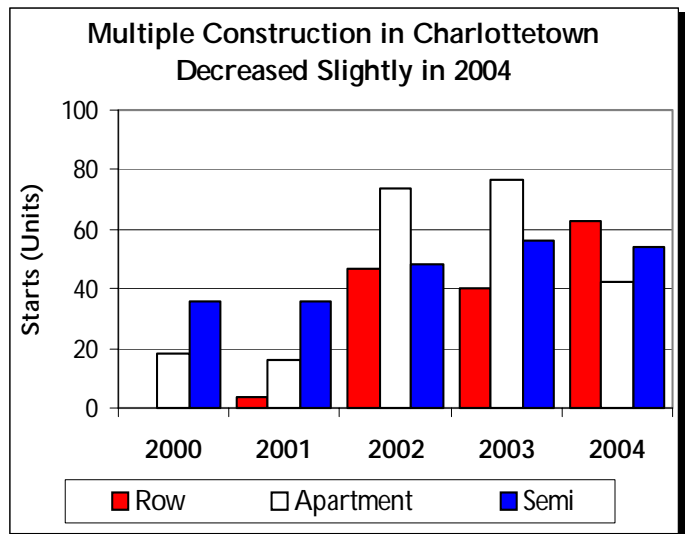
Source: CMHC

CHARLOTTETOWN CA

Housing Market Overview

Row and Semi-Detached Starts Increased in 2004

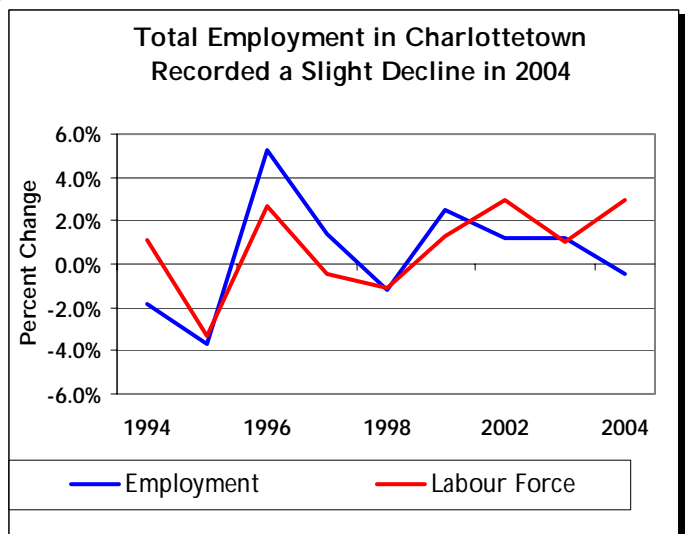
- ✓ The construction of multiple units in the Charlottetown area decreased slightly in 2004, when compared to 2003. This change was caused entirely by a drop in apartment style units. While the number of new apartment units fell in 2004, row units increased to become the most prominent style of unit in 2004. Semi-detached units also remained popular with 54 units started in 2004.
- ✓ The construction of rental units remained strong in 2004, and accounted for the majority of multiple starts in the Charlottetown area. With the majority of these units being targeted towards empty-nesters, professionals, 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 Slowed to a Halt in 2004

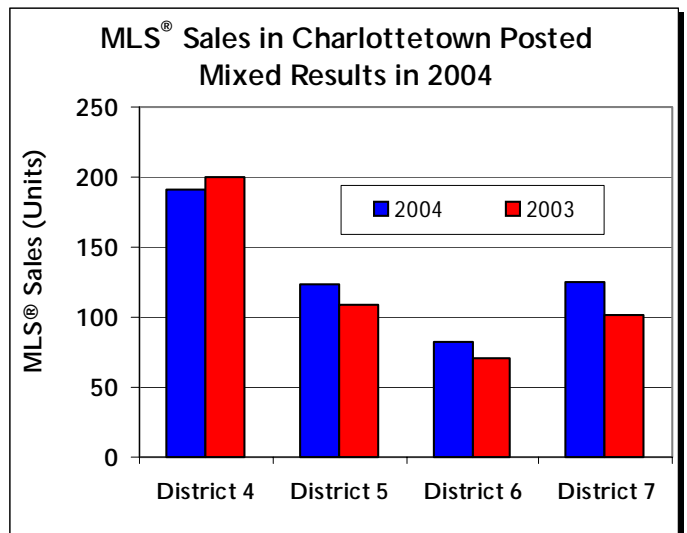
- ✓ Employment growth in Charlottetown remained almost unchanged in 2004 from 2003, with a decline of only 0.5 per cent. This means that there were about 75 less people employed in the Capital region in 2004 than in the previous year.
- ✓ In 2004, the gains in the labour force outpaced the gains in employment, and as a result, the annual unemployment rate in Charlottetown rose almost one percentage point to 9.5 per cent.
- ✓ On a provincial basis employment for 2004 rose by 1.0 per cent to 69,360, the highest employment level on record.



Source: Statistics Canada

MLS® Sales in Charlottetown Increased in 2004

- ✓ MLS® sales in Charlottetown for 2004 were mostly up with the exception of District 4. In addition to the overall increase in sales, the average sales price has continued to rise throughout 2004 and finished the year at \$139,988, up 7 per cent from 2003. As a result, the dollar volume reached a new all time high of \$146 million up 16 per cent from the previous year.
- ✓ On a provincial basis both sales and the average sales price rose again in 2004. MLS® sales on the Island jumped 7 per cent to 1206 units in 2004, while the average sales price recorded a 9 per cent increase to \$119,813.



Source: PEI Real Estate Board

**Table 1
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		
	2004	2003	% chg	2004	2003	% chg	2004	2003	% chg	2004	2003	% chg	2004	2003	% chg
Charlottetown CA	114	109	5%	490	483	1%	130	293	-56%	451	483	-7%	189	148	28%
Summerside CA	14	16	-13%	113	70	61%	55	12	358%	132	51	159%	14	34	-59%
Total Urban Areas	128	125	2%	603	553	9%	185	305	-39%	583	534	9%	203	182	12%
Total Rural Areas	71	70	1%	316	261	21%	150	187	-20%	304	368	-17%	70	55	27%
Total PEI	199	195	2%	919	814	13%	335	492	-32%	887	902	-2%	273	237	15%

Source: CMHC

Table 2: MLS Activity in Urban Centres*

	4th Quarter						Year-to-Date					
	Sales			Avg Sale Price			Sales			Avg Sales Price		
	2004	2003	% Chg	2004	2003	% Chg	2004	2003	% Chg	2004	2003	% Chg
Charlottetown CA**												
District 4	56	65	-14%	\$153,321	\$154,314	-1%	191	200	-5%	\$148,025	\$139,200	6%
District 5	47	37	27%	\$131,404	\$117,188	12%	123	109	13%	\$123,181	\$114,396	8%
District 6	26	19	37%	\$148,895	\$118,872	25%	82	70	17%	\$135,789	\$116,827	16%
District 7	36	34	6%	\$154,322	\$146,186	6%	125	102	23%	\$147,002	\$142,452	3%
Total, CA	165	155	6%	\$146,599	\$139,324	5%	521	481	8%	\$139,988	\$131,013	7%
Summerside CA	54	71	-24%	\$123,319	\$101,816	21%	191	212	-10%	\$110,992	\$100,285	11%
TOTAL	219	241	-9%	\$140,859	\$119,603	18%	712	708	1%	\$132,210	\$119,036	11.1%

* 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

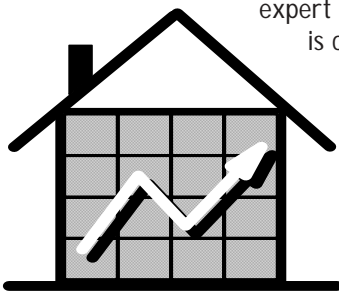
**TABLE 3
STARTS BY AREA
CHARLOTTETOWN CA**

Area/ Period	Single	Semi	Row	Apartment & Others	Total
Charlottetown City:					
Fourth Quarter 2004	36	6	0	10	52
Fourth Quarter 2003	42	10	0	0	52
Year-to-Date 2004	132	22	35	42	231
Year-to-Date 2003	141	26	0	82	249
Cornwall Town:					
Fourth Quarter 2004	0	0	9	0	9
Fourth Quarter 2003	5	2	0	0	7
Year-to-Date 2004	14	4	9	0	27
Year-to-Date 2003	20	8	6	0	34
Stratford Town:					
Fourth Quarter 2004	16	6	4	0	26
Fourth Quarter 2003	16	8	0	0	24
Year-to-Date 2004	69	20	19	0	108
Year-to-Date 2003	58	22	0	29	109
Remainder of Charlottetown CA:					
Fourth Quarter 2004	27	0	0	0	27
Fourth Quarter 2003	26	0	0	0	26
Year-to-Date 2004	116	8	0	0	124
Year-to-Date 2003	91	0	0	0	91
Total - Charlottetown CA:					
Fourth Quarter 2004	79	12	13	10	114
Fourth Quarter 2003	89	20	0	0	109
Year-to-Date 2004	331	54	63	42	490
Year-to-Date 2003	310	56	6	111	483

Source: CMHC

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