

H

OUSING NOW

Victoria/Vancouver Island

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

Homebuilding Rebounds in May

Victoria home starts jump

- ♦ Metro Victoria saw triple the number of last month's new home starts in May, the highest level since November 2004.
- ♦ Starts outnumbered completions for the second consecutive month, boosting the number of units under construction to a 15-year high.
- ♦ New home inventories rose slightly in May as sales surpassed completions by 11 units.
- ♦ The new apartment condo market oversupply grew as buildings got underway for 220 units while 97 new units sold.
- ♦ New townhouse inventory held steady as absorptions tracked completions, keeping the market balanced.
- ♦ The average price for a single detached unit edged up to \$475,354 following April's dip to \$458,350.

Nanaimo down from April's strong results

- ♦ Nanaimo homebuilding slipped from last month with 33 units started in May - half of last May's level.
- ♦ Sales of new single and semi-detached houses fell short of completions again this month, increasing inventory slightly but leaving the market balanced.
- ♦ No condominium units were started, completed or sold in May. Markets continued undersupplied, but starts expected in the coming months should return balance by autumn 2005.

Other Van. Island Markets out-perform Nanaimo

- ♦ Parksville-Qualicum, Courtenay CA and Duncan CA each saw more new homes break ground than Nanaimo CA last month, reflecting strong new home markets in each of these urban areas.

MAY 2005

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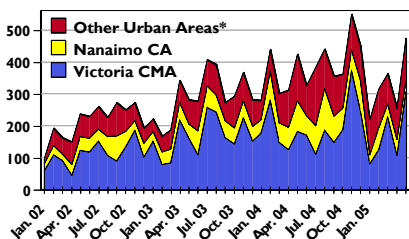
Vancouver Island

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CMHC Victoria Noticeboard

- ♦ **Victoria Housing Market Outlook** - Spring 2005 edition now available contact Lisa Preston (604) 737-4088, lp Preston@cmhc.ca
- ♦ **CMHC tracks homebuilding** -next release July 11 (250) 363-8045, pprill@cmhc.ca
- ♦ **CMHC surveys seniors' housing in B.C.** - call CMHC Victoria (250) 363-8040 to learn more about upcoming reports.
- ♦ **Planning for 2006?** - attend CMHC's annual Housing Outlook Conference Nov. 2 in Vancouver: for details, (604) 737-4088 or lp Preston@cmhc.ca

Vancouver Island Homebuilding
Jan. 2002 - May 2005



* includes Duncan CA, Courtenay CA, Parksville-Qualicum

♦ Victoria leads May homebuilding.

B.C. job growth means more migrants, strong housing demand

- ♦ BC saw 17,700 more jobs in May compared with April, according to Statistics Canada. Improving labour market conditions are expected to result in more people moving to BC and a further boost to strong housing demand.

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

Canada

CMHC SCHL
HOME TO CANADIANS

METROPOLITAN VICTORIA

Starts/Completions/Under Construction

May 2005

	STARTS					COMPLETIONS					UNDER CONSTRUCTION											
	Single	Semi	Row Condo	Row Rental	Apt Condo Rental	TOTAL	Single	Semi	Row Condo	Row Rental	Apt Condo Rental	TOTAL	Single	Semi	Row Condo	Row Rental	Apt Condo Rental	TOTAL				
Victoria City	0	1	0	0	174	0	175	1	0	0	0	61	0	62	14	23	0	4	633	3	677	
Oak Bay	1	0	0	0	0	1	1	1	0	0	0	0	1	17	0	0	0	0	0	0	0	17
Esquimalt	0	0	0	0	36	0	36	0	0	0	20	0	20	12	4	7	0	0	258	0	281	
Saanich	26	0	0	0	0	26	26	26	0	0	0	0	26	177	4	14	0	0	183	0	378	
C. Saanich	6	0	4	0	0	10	0	0	0	0	0	0	0	17	0	4	0	0	0	0	21	
N. Saanich	6	0	0	0	0	6	1	0	0	0	0	0	1	37	0	0	0	0	0	0	37	
Sidney	0	0	0	0	0	0	1	2	0	0	0	0	3	15	0	12	0	0	69	0	96	
View Royal	3	0	0	0	0	3	4	0	3	0	0	0	7	46	4	12	0	0	0	0	62	
RDA H	4	0	0	0	0	4	0	0	0	0	0	0	0	38	0	0	0	0	0	0	38	
Highlands	0	0	0	0	0	0	1	0	0	0	0	0	1	16	0	0	0	0	0	0	16	
Langford	22	2	0	0	10	34	42	0	0	0	30	0	72	109	6	4	0	10	0	0	129	
Colwood	2	0	0	0	0	2	8	0	0	0	0	0	8	41	2	24	0	58	0	0	125	
Metchosin	0	0	0	0	0	0	1	0	0	0	0	0	1	8	0	0	0	0	0	0	8	
Sooke	13	0	0	0	0	13	2	2	4	0	0	0	8	46	0	9	0	0	0	0	55	
Indian Res.	0	0	0	0	0	0	1	0	0	0	0	0	1	2	0	0	0	0	0	0	2	
MONTH TOTAL	83	3	4	0	220	310	89	4	7	0	111	0	211	595	43	86	4	1211	3	1942		
YEAR-TO-DATE	368	27	39	0	424	861	395	52	64	4	354	0	869	---	---	---	---	---	---	---	---	

Preliminary

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

METROPOLITAN VICTORIA

Inventory and Absorptions by Municipality

May 2005 AND YEAR-TO-DATE 2004 & 2005

	INVENTORY OF NEW HOMES						ABSORPTION OF NEW HOMES							
	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi Total	Grand Total	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi Total	Grand Total
Victoria City	19	0	6	0	25	7	32	58	0	3	0	61	3	64
Oak Bay	0	0	0	0	0	0	0	0	0	0	1	1	1	2
Esquimalt	10	0	0	0	10	2	12	10	0	0	0	10	0	10
Saanich	0	0	3	0	3	15	18	0	0	2	0	2	26	28
C. Saanich	4	0	0	0	4	0	4	1	0	0	0	1	0	1
N. Saanich	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Sidney	0	0	0	0	0	5	5	2	0	0	0	2	0	2
View Royal	0	0	2	0	2	0	2	0	0	1	0	1	4	5
RDA H	0	0	0	0	0	1	1	0	0	0	0	0	2	2
Highlands	0	0	0	0	0	1	1	0	0	0	0	0	1	1
Langford	6	0	0	0	6	23	29	26	0	0	0	26	38	64
Colwood	5	0	6	0	11	2	13	0	0	0	0	0	9	9
Metchosin	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Sooke	0	0	4	0	4	7	11	0	0	2	0	2	4	6
Indian Res.	0	0	0	0	0	2	2	0	0	0	0	0	4	4
MONTH TOTAL	44	0	21	0	65	65	130	97	0	8	1	106	94	200
Y.T.D. AVG. 2005	36	0	21	0	57	65	122	325	1	66	4	396	445	841
Y.T.D. AVG. 2004	26	14	19	0	59	63	122	179	121	73	0	373	451	824

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		
	2004	2005	2004	2005	% Chg	2004	2005	% Chg
January	80	63	\$378,880	\$482,247	27.3	\$359,900	\$450,000	25.0
February	97	72	453,973	480,806	5.9	385,900	433,450	12.3
March	67	81	372,211	488,360	31.2	359,900	419,900	16.7
April	71	58	481,230	458,350	-4.8	412,900	395,950	-4.1
May	90	85	458,695	475,354	3.6	416,200	459,900	10.5
June	58		466,053			399,450		
July	78		408,943			359,450		
August	89		463,498			432,500		
September	80		428,044			417,400		
October	78		407,190			399,900		
November	53		438,053			394,000		
December	79		431,206			409,999		

NANAIMO CA * ABSORBED NEW HOUSE PRICES

	NO. OF UNITS		AVERAGE PRICE			MEDIAN PRICE		
	2004	2005	2004	2005	% Chg	2004	2005	% Chg
January	26	33	\$299,948	\$330,330	10.1	\$282,700	\$316,900	12.1
February	28	35	331,957	353,569	6.5	335,640	349,900	4.2
March	42	38	289,925	321,282	10.8	269,900	322,400	19.5
April	26	37	274,842	343,431	25.0	259,900	312,900	20.4
May	42	51	291,363	346,055	18.8	272,750	307,000	12.6
June								
July								
August								
September								
October								
November								
December								

* Nanaimo CA boundaries revised as per Statistics Canada Definitions effective January 2005, 2004 comparative figures reflect this boundary change as well

VANCOUVER ISLAND STARTS/COMPLETIONS SUMMARY 2004 & 2005 Year-to-Date

	STARTS					STARTS					COMPLETIONS					COMPLETIONS				
	Jan.-May 2005					Jan.-May 2004 **					Jan.-May 2005					Jan.-May 2004**				
	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL
Campbell River *	41	2	4	28	75	27	18	0	21	66	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Courtenay	163	32	18	65	278	157	26	12	35	230	151	12	15	83	261	128	24	12	24	188
Parksville/Qualicum	78	20	6	29	133	103	24	29	0	156	101	36	21	0	158	85	8	9	0	102
Nanaimo **	202	16	0	0	218	217	28	6	0	251	235	20	6	24	285	191	21	4	0	216
Duncan	91	42	10	0	143	82	10	0	0	92	75	12	0	7	94	58	4	0	0	62
Port Alberni *	14	0	0	0	14	5	0	0	0	5	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Victoria	368	27	39	427	861	426	65	37	397	925	395	52	68	354	869	421	32	71	316	840
Total	957	139	77	549	1722	1017	171	84	453	1725	957	132	110	468	1667	883	89	96	340	1408

* updated quarterly

** Nanaimo 2004 figures are shown for revised 2005 census agglomeration boundary definitions, for comparison purposes on the above table only

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VANCOUVER ISLAND

Starts/Completions/Under Construction

May 2005

	UNDER CONSTR: APR. 2005				STARTS				COMPLETIONS				UNDER CONSTR: MAY 2005			
	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	
Comox Town	45	6	19	16	86	12	0	0	0	12	9	2	4	16	31	
Courtenay City	85	30	11	135	261	20	12	3	0	35	12	0	0	0	12	
Cumberland	10	2	0	0	12	5	0	0	0	5	2	0	0	0	2	
Comox Strath RDA A	27	0	0	0	27	3	0	0	0	3	4	0	0	0	4	
Comox Strath RDA B	42	2	0	59	103	3	0	0	0	3	1	0	0	59	60	
Indian Res.	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	
Courtenay CA	210	40	30	210	490	43	12	3	0	58	28	2	4	75	109	
Parksville City	35	36	0	0	71	8	18	3	0	29	11	0	0	0	11	
Qualicum Beach Town	20	4	3	29	56	1	0	0	0	1	0	0	0	0	0	
Nanaimo RDA G	59	20	4	0	83	10	0	0	0	10	11	6	0	0	17	
Parksville-Qualicum	114	60	7	29	210	19	18	3	0	40	22	6	0	0	28	
Nanaimo City	198	22	7	117	344	26	4	0	0	30	54	6	0	24	84	
Lantzville	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	
Nanaimo RDA A	12	0	0	0	12	2	0	0	0	2	4	0	0	0	4	
Nanaimo RDA C	1	0	0	0	1	0	0	0	0	0	1	0	0	0	1	
Nanaimo RDA D	11	0	0	0	11	1	0	0	0	1	5	0	0	0	5	
Nanaimo CA *	223	22	7	117	369	29	4	0	0	33	64	6	0	24	94	
North Cowichan	82	38	10	0	130	20	8	0	0	28	16	10	0	0	26	
Duncan City	0	10	0	0	10	1	0	0	0	1	0	0	0	0	0	
Cowich. Valley RDA D	29	0	0	0	29	3	0	0	0	3	13	0	0	0	13	
Cowich. Valley RDA E	8	0	0	0	8	2	0	0	0	2	1	0	0	0	1	
Duncan CA	119	48	10	0	177	26	8	0	0	34	30	10	0	0	40	
TOTAL	666	170	54	356	1246	117	42	6	0	165	144	24	4	99	271	

* Nanaimo CA boundaries revised as per Statistics Canada Definitions effective January 2005

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CMHC Victoria (250) 363-8040 Fax (250) 995-2640

pprill@cmhc.ca

NANAIMO CA

Inventory and Absorptions by Municipality

May 2005 AND YEAR-TO-DATE 2004 & 2005

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	1	0	0	1	37	38	Nanaimo	0	0	0	0	0	50
Lantzville	0	0	0	0	0	0	Lantzville	0	0	0	0	0	0
Nanaimo A,C,D	0	0	0	0	2	2	Nanaimo A,C,D	0	0	0	0	0	9
MONTH TOTAL	1	0	0	1	39	40	MONTH TOTAL	0	0	0	0	0	59
Y.T.D. AVG. 2005	1	0	0	1	28	29	Y.T.D. TOTAL 2005	0	0	6	0	6	238
Y.T.D. AVG. 2004	1	0	1	0	2	18	Y.T.D. TOTAL 2004	2	0	7	0	9	211

* Nanaimo CA boundaries revised as per Statistics Canada Definitions effective January 2005, comparatives for 2004 have been adjusted

COURTENAY CA

Inventory and Absorptions by Municipality

May 2005 AND YEAR-TO-DATE 2004 & 2005

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	6	0	0	6	7	13	Comox Town	10	0	4	0	14	24
Courtenay	0	0	2	2	15	17	Courtenay	0	0	2	0	2	9
Cumberland	0	0	0	0	0	0	Cumberland	0	0	0	0	0	2
Comox Strath A,B	31	0	0	31	0	31	Comox Strath A,B	28	0	0	0	28	5
Indian Res.	0	0	0	0	0	0	Indian Res.	0	0	0	0	0	0
MONTH TOTAL	37	0	2	39	22	61	MONTH TOTAL	38	0	6	0	44	26
Y.T.D. AVG. 2005	8	0	2	10	22	32	Y.T.D. TOTAL 2005	47	0	11	4	62	144
Y.T.D. AVG. 2004	0	0	4	0	4	14	Y.T.D. TOTAL 2004	23	0	15	4	42	142

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

CMHC Market Watch

VICTORIA AND NANAIMO New Ownership Construction MAY 2005

METRO VICTORIA

	Completed & Unoccupied ¹	Under Construction	Total Supply	Monthly Absorption Forecast ²	Duration of Supply (Months)	Surplus/Shortfall ³ (Months)	Market Classification ⁴
Single & Semi	65	621	686	96	7.1	0.1	Balanced.
Row Condo	21	86	107	13	8.2	-1.8	Balanced.
Apt Condo	44	1211	1255	60	20.9	6.9	Oversupplied.

need to know

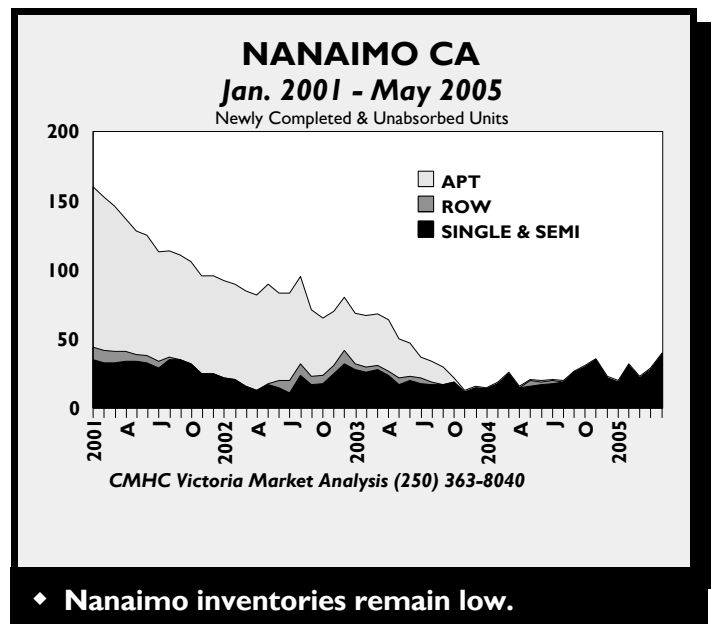
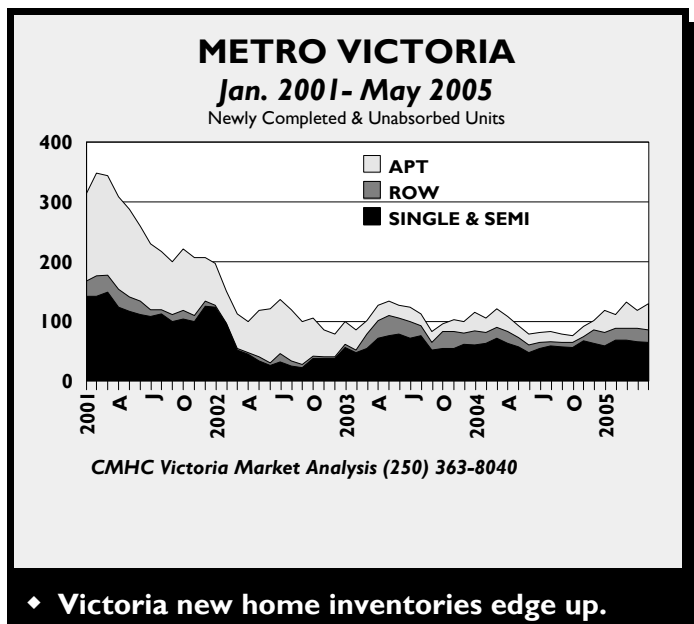
NANAIMO CA

	Completed & Unoccupied ¹	Under Construction	Total Supply	Monthly Absorption Forecast ²	Duration of Supply (Months)	Surplus/Shortfall ³ (Months)	Market Classification ⁴
Single & Semi	39	186	225	43	5.2	-1.8	Balanced.
Row Condo	0	7	7	2	3.5	-7.5	Undersupplied.
Apt Condo	1	93	94	12	7.8	-5.2	Undersupplied.

need to know

¹⁻⁴ Refer to CMHC Definitions insert.

VICTORIA AND NANAIMO New Housing Inventory JANUARY 2001 to MAY 2005

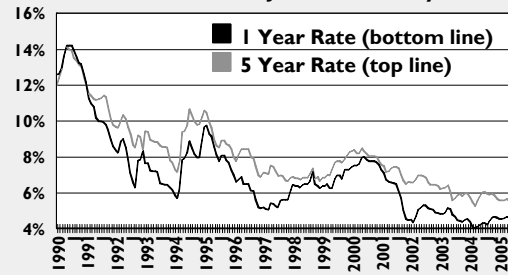


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KEY ECONOMIC INDICATORS

MORTGAGE RATES

One & Five Year Terms Jan. 1990 - May 2005

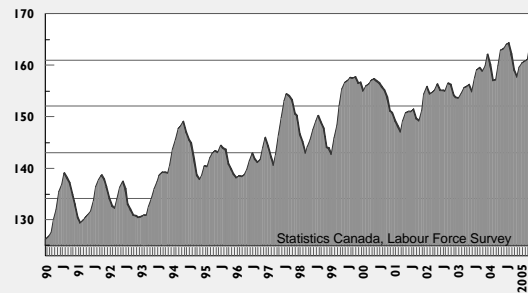


CMHC Market Analysis (250) 363-8040

◆ Mortgage rates dip slightly in May.

METRO VICTORIA

Employed Labour Force Jan. 1990 - May 2005

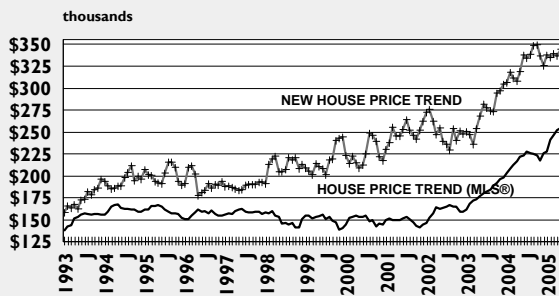


CMHC Market Analysis (250) 363-8040

◆ More jobs in Metro Victoria during 2005.

NANAIMO

Average House Price Trend Jan. 1993 - May 2005

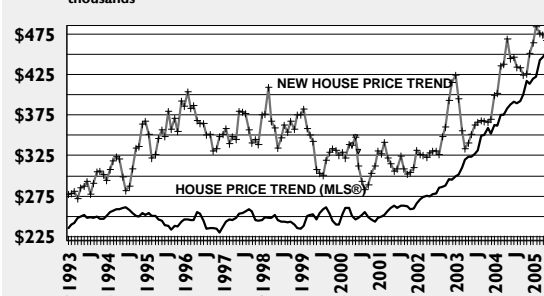


NOTE: Price trends calculated as 3 month moving average.
CMHC Market Analysis (250) 363-8040 DATA: Vancouver Island Real Estate Board, CMHC

◆ Nanaimo house price trends continue rising.

METRO VICTORIA

Average House Price Trend Jan. 1993 - May 2005



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

◆ Victoria new house price trend levels off.

Vancouver Island Housing Markets

MLS® SALES SINGLE-FAMILY DETACHED	May 2005				January-May 2005			
	Sales May 2005	% Change May 2004	Avg Price May 2005	% Change May 2004	Sales Y.T.D.	% Chg. Y.T.D. 04-05	Avg Price Y.T.D.	% Chg. Y.T.D. 04-05
Metro Victoria	471	13%	\$445,983	17%	1,952	0%	\$438,773	18%
Nanaimo	163	7%	\$254,434	15%	706	2%	\$248,043	16%
Duncan-Cowichan Valley	91	3%	\$270,828	33%	362	-5%	\$251,766	24%
Port Alberni*	49	14%	\$151,891	28%	166	8%	\$140,396	20%
Parksville-Qualicum Beach	79	-5%	\$302,382	24%	320	-14%	\$284,048	16%
Comox Valley	96	-25%	\$255,122	25%	379	-15%	\$238,228	18%
Campbell River	52	4%	\$233,565	37%	232	3%	\$210,961	23%

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

MLS® - Multiple Listing Service® is a registered trademark owned by The Canadian Real Estate Association (CREA). Data courtesy of the **Victoria Real Estate Board** and the **Vancouver Island Real Estate Board**.

