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Vigorous Multiple Unit Construction Buys Total Residential Construction Activity

Halifax

October 2005

Housing starts increased in October as a bullish apartment construction sector compensated for a languishing single-detached homebuilding sector. Construction cost pressures and buyer price sensitivity continue to compress the density of new housing product. In addition to the increase in apartment unit starts last month, there were also increases in the number of semi-detached and row units started during the same time period compared with October 2004. Single-detached housing starts, on the other hand, were 30 per cent lower last month than in October 2004 as builders signed fewer contracts with clients and saw fewer attractively-priced building lots.

Housing starts activity was higher last month than it was a year earlier in four of seven submarkets and in three of these submarkets this was solely a result of single-detached starts. Halifax City accounted for all of the apartment unit starts last month as footings were poured on a new condominium project in Royale Hemlocks. On the completions side, only two submarkets (Bedford-Hammonds Plains and Sackville) saw a decline in activity.

A review of sales of new single-detached houses last month and in October of last year reveals that here has been a significant change in the mix of homes being sold from a price perspective. In October 2004, 51 per cent of new single-detached houses sold were priced between \$200,000 and \$300,000, and 41 per

cent of sales had a price tag of less than \$200,000. Last month, approximately 60 per cent of new single-detached houses sold were priced between \$200,000 and \$300,000, while less than 20 per cent of houses sold had a price of less than \$200,000. In addition, the average price of a new single-detached home has risen almost 17 per cent to \$284,121 comparing October 2005 to October 2004.

The number of completed and unsold new single-detached houses in Metro Halifax has remained unchanged between September and October 2005. The unoccupied house inventory is equally spread between the mid-range price categories although the average price has fallen slightly from \$317,265 to \$302,100 as high-priced inventory continues to sell fairly well over the past couple of months.

The resale market also remained surprisingly robust last month despite shaky consumer confidence due to high energy prices. The number of sales in the Halifax-Dartmouth Real Estate Board Area was almost 16 per cent higher last month than in October 2004 while the average sale price increased only 5 per cent over the same time period. As a result of strong resale market demand, more home owners were motivated to put their house on the market and this lifted new monthly listings in October to a level that was eight per cent higher than in October of last year.

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HOME TO CANADIANS

**TABLE I
ACTIVITY SUMMARY BY INTENDED MARKET
HALIFAX CMA
OCTOBER 2005**

		FREEHOLD				CONDOMINIUM	RENTAL	GRAND TOTAL
		SINGLE	SEMI	ROW				
PENDING STARTS	- Current Month	145	16	0	42	91	294	
	- Previous Year	142	8	0	0	4	154	
STARTS	- Current Month	84	26	12	77	0	199	
	- Previous Year	120	6	0	38	2	166	
	Year-To-Date 2005	1027	118	144	324	450	2063	
	Year-To-Date 2004	1290	118	133	327	250	2118	
UNDER CONSTRUCTION	- 2005	468	74	79	571	864	2056	
	- 2004	510	46	134	636	562	1888	
COMPLETIONS	- Current Month	128	6	36	69	128	367	
	- Previous Year	125	6	25	0	196	352	
	Year-To-Date 2005	928	90	160	203	255	1636	
	Year-To-Date 2004	1096	116	97	252	567	2128	
COMPLETED & NOT ABSORBED	- 2005	17	1	0	4	0	22	
	- 2004	22	0	4	203	121	350	
TOTAL SUPPLY	- 2005	485	75	79	575	864	2078	
	- 2004	532	46	138	839	683	2238	
ABSORPTIONS	- Current Month	128	8	36	80	128	380	
	- Previous Year	137	8	25	0	174	344	
	Year-To-Date 2005	940	93	168	262	351	1814	
	Year-To-Date 2004	1125	134	101	109	604	2073	
3-month Average	120	13	14	22	19	188		
12-month Average	109	9	17	50	39	224		

Source: CMHC

**TABLE 2
HOUSING ACTIVITY BY AREA AND BY INTENDED MARKET
HALIFAX CMA
OCTOBER 2005**

STARTS	OWNERSHIP					COMPLETIONS	OWNERSHIP					GRAND TOTAL	
	SINGLE	FREEHOLD SEMI	ROW	CONDOMINIUM	RENTAL		SINGLE	FREEHOLD SEMI	ROW	CONDOMINIUM	RENTAL		
HALIFAX CITY													
- Current Month	3	14	12	77	0	- Current Month	11	2	32	0	128	173	
- Previous Year	7	4	0	38	2	- Previous Year	17	4	0	0	124	145	
Year-To-Date 2005	81	30	74	219	396	Year-To-Date 2005	81	34	89	48	241	493	
Year-To-Date 2004	119	58	42	78	199	Year-To-Date 2004	146	68	44	196	449	903	
DARTMOUTH CITY													
- Current Month	22	0	0	0	0	- Current Month	16	0	0	69	0	85	
- Previous Year	15	2	0	0	0	- Previous Year	26	2	10	0	0	38	
Year-To-Date 2005	176	38	57	50	54	Year-To-Date 2005	154	28	40	119	3	344	
Year-To-Date 2004	209	36	36	128	3	Year-To-Date 2004	172	20	30	20	22	264	
BEDFORD-HAMMONDS PLAINS													
- Current Month	15	0	0	0	0	- Current Month	31	2	4	0	0	37	
- Previous Year	23	0	0	0	0	- Previous Year	20	0	15	0	72	107	
Year-To-Date 2005	183	4	13	55	0	Year-To-Date 2005	181	4	22	36	6	249	
Year-To-Date 2004	224	10	55	121	0	Year-To-Date 2004	202	10	23	36	90	361	
SACKVILLE													
- Current Month	2	0	0	0	0	- Current Month	2	0	0	0	0	2	
- Previous Year	24	0	0	0	0	- Previous Year	24	0	0	0	0	24	
Year-To-Date 2005	70	6	0	0	0	Year-To-Date 2005	70	6	0	0	0	76	
Year-To-Date 2004	167	2	0	0	48	Year-To-Date 2004	167	2	0	0	48	217	
FALL RIVER-BEAVERBANK													
- Current Month	8	0	0	0	0	- Current Month	24	0	0	0	0	24	
- Previous Year	16	0	0	0	0	- Previous Year	17	0	0	0	0	17	
Year-To-Date 2005	146	0	0	0	0	Year-To-Date 2005	129	2	0	0	0	131	
Year-To-Date 2004	195	0	0	0	0	Year-To-Date 2004	163	0	0	0	0	163	
HALIFAX COUNTY SOUTHWEST													
- Current Month	18	12	0	0	0	- Current Month	31	2	0	0	0	33	
- Previous Year	22	0	0	0	0	- Previous Year	25	0	0	0	0	25	
Year-To-Date 2005	208	40	0	0	0	Year-To-Date 2005	220	14	0	0	0	234	
Year-To-Date 2004	217	10	0	0	0	Year-To-Date 2004	205	14	0	0	0	219	
HALIFAX COUNTY EAST													
- Current Month	16	0	0	0	0	- Current Month	4	0	0	0	0	4	
- Previous Year	13	0	0	0	0	- Previous Year	1	0	0	0	0	1	
Year-To-Date 2005	163	0	0	0	0	Year-To-Date 2005	83	2	0	0	0	85	
Year-To-Date 2004	159	2	0	0	0	Year-To-Date 2004	97	2	0	0	6	105	

Source: CMHC

**TABLE 3
UNDER CONSTRUCTION BY AREA
HALIFAX CMA
OCTOBER 2005**

	OWNERSHIP					GRAND TOTAL
	FREEHOLD					
	SINGLE	SEMI	ROW	CONDO	RENTAL	
HALIFAX CITY						
- Current Month	21	14	22	327	587	971
- Previous Year	32	14	54	378	455	933
DARTMOUTH CITY						
- Current Month	130	30	57	110	272	599
- Previous Year	107	18	48	143	53	369
BEDFORD-HAMMONDS PLAINS						
- Current Month	62	0	0	134	5	201
- Previous Year	74	4	32	115	6	231
SACKVILLE						
- Current Month	20	0	0	0	0	20
- Previous Year	81	0	0	0	48	129
FALL RIVER-BEAVERBANK						
- Current Month	49	0	0	0	0	49
- Previous Year	56	0	0	0	0	56
HALIFAX COUNTY SOUTHWEST						
- Current Month	65	30	0	0	0	95
- Previous Year	67	8	0	0	0	75
HALIFAX COUNTY EAST						
- Current Month	121	0	0	0	0	121
- Previous Year	93	2	0	0	0	95

Source: CMHC



Housing Now Atlantic Canada

Housing Information for the Atlantic Region in One Publication

Recently added to the Market Analysis suite of products is Housing Now Atlantic Canada. Included in this publication you will find information on new home construction activity, MLS resale activity as well as financial and economic indicators for each of the Atlantic Provinces.

For more information or to subscribe to this product please call Michèle Merrick, Market Research & Client Service Specialist at (902) 426-4708.

**TABLE 4
SALES AND PRICE OF NEW SINGLE-DETACHED HOUSES BY TYPE
HALIFAX CMA
OCTOBER 2005**

Type	Current Month	Previous Year	Year-To-Date 2005	Year-To-Date 2004
Bungalow				
Sales	23	15	130	144
Average Price	\$224,017	\$181,953	\$213,168	\$195,551
Median Price	\$214,000	\$179,000	\$194,000	NA
Split Level				
Sales	0	2	63	112
Average Price	\$0	\$227,450	\$213,222	\$180,071
Median Price	\$0	\$227,450	\$198,900	NA
1.5 Storey				
Sales	0	1	2	8
Average Price	\$0	\$198,000	\$309,950	\$271,000
Median Price	\$0	\$198,000	\$309,950	NA
2 Storey				
Sales	84	92	560	680
Average Price	\$317,643	\$268,445	\$309,522	\$269,066
Median Price	\$279,700	\$247,250	\$279,700	NA
Other				
Sales	18	19	164	160
Average Price	\$204,614	\$186,426	\$188,989	\$176,024
Median Price	\$204,500	\$184,000	\$189,900	NA
Unknown				
Sales	3	7	18	15
Average Price	\$283,333	\$206,829	\$252,142	\$216,287
Median Price	\$242,000	\$198,700	\$223,500	NA
Total				
Sales	128	136	937	1119
Average Price	\$284,121	\$243,154	\$267,481	\$236,701
Median Price	\$259,850	\$219,500	\$237,000	NA

Source: CMHC

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

HALIFAX CMA															
	<\$174,999		\$175,000-\$199,999		\$200,000-\$249,999		\$250,000-\$299,999		\$300,000-\$399,999		>\$400,000				
Period	sales	per cent	sales	per cent	sales	per cent	sales	per cent	sales	per cent	sales	per cent	Total Sales	Average Price	Median Price
October 2004	17	13.0%	37	28.2%	37	28.2%	24	18.3%	14	10.7%	2	1.5%	131	\$243,154	\$219,500
November 2004	31	18.1%	52	30.4%	52	30.4%	23	13.5%	11	6.4%	2	1.2%	171	\$227,312	\$205,000
December 2004	33	18.8%	45	25.6%	58	33.0%	26	14.8%	12	6.8%	2	1.1%	176	\$222,863	\$209,900
January 2005	13	18.8%	16	23.2%	26	37.7%	5	7.2%	9	13.0%	0	0.0%	69	\$223,006	\$209,950
February 2005	6	8.6%	18	25.7%	22	31.4%	17	24.3%	7	10.0%	0	0.0%	70	\$244,007	\$229,900
March 2005	14	18.4%	28	36.8%	13	17.1%	9	11.8%	10	13.2%	2	2.6%	76	\$241,332	\$198,900
April 2005	6	10.5%	17	29.8%	17	29.8%	8	14.0%	7	12.3%	2	3.5%	57	\$255,616	\$210,000
May 2005	14	20.3%	16	23.2%	15	21.7%	11	15.9%	11	15.9%	2	2.9%	69	\$259,616	\$215,500
June 2005	11	12.5%	22	25.0%	26	29.5%	20	22.7%	7	8.0%	2	2.3%	88	\$256,430	\$230,900
July 2005	17	15.9%	17	15.9%	25	23.4%	29	27.1%	17	15.9%	2	1.9%	107	\$263,728	\$243,950
August 2005	3	2.7%	11	9.9%	34	30.6%	33	29.7%	27	24.3%	3	2.7%	111	\$286,273	\$269,000
September 2005	10	8.4%	23	19.3%	29	24.4%	26	21.8%	25	21.0%	6	5.0%	119	\$307,495	\$257,475
October 2005	8	6.7%	14	11.7%	37	30.8%	36	30.0%	20	16.7%	5	4.2%	120	\$284,121	\$259,850

Source: CMHC

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

HALIFAX CMA															
	<\$174,999		\$175,000-\$199,999		\$200,000-\$249,999		\$250,000-\$299,999		\$300,000-\$399,999		>\$400,000				
Period	units	per cent	units	per cent	units	per cent	units	per cent	units	per cent	units	per cent	Total Units	Average Price	Median Price
October 2004	3	14.3%	1	4.8%	3	14.3%	1	4.8%	10	47.6%	3	14.3%	21	\$353,414	\$324,000
November 2004	4	16.0%	2	8.0%	5	20.0%	3	12.0%	8	32.0%	3	12.0%	25	\$326,096	\$284,000
December 2004	3	10.3%	3	10.3%	9	31.0%	3	10.3%	10	34.5%	1	3.4%	29	\$277,176	\$232,000
January 2005	3	12.5%	3	12.5%	7	29.2%	3	12.5%	7	29.2%	1	4.2%	24	\$276,850	\$226,000
February 2005	3	9.4%	3	9.4%	12	37.5%	3	9.4%	10	31.3%	1	3.1%	32	\$282,403	\$230,000
March 2005	2	5.6%	8	22.2%	11	30.6%	5	13.9%	9	25.0%	1	2.8%	36	\$273,441	\$225,000
April 2005	4	10.3%	7	17.9%	13	33.3%	3	7.7%	11	28.2%	1	2.6%	39	\$269,630	\$222,500
May 2005	0	0.0%	4	12.1%	16	48.5%	4	12.1%	8	24.2%	1	3.0%	33	\$269,185	\$222,500
June 2005	1	4.2%	0	0.0%	10	41.7%	6	25.0%	6	25.0%	1	4.2%	24	\$287,419	\$270,000
July 2005	0	0.0%	0	0.0%	11	55.0%	2	10.0%	6	30.0%	1	5.0%	20	\$290,223	\$242,000
August 2005	0	0.0%	0	0.0%	7	43.8%	1	6.3%	7	43.8%	1	6.3%	16	\$311,150	\$302,500
September 2005	0	0.0%	3	20.0%	2	13.3%	3	20.0%	6	40.0%	1	6.7%	15	\$317,265	\$305,000
October 2005	0	0.0%	2	13.3%	4	26.7%	4	26.7%	4	26.7%	1	6.7%	15	\$302,100	\$280,000

Source: CMHC

Table 7: MLS® Residential Sales Activity by Area

SUBMARKET	October								
	2005			2004			Per Cent Change		
	Sales	New Listings	Average Sale Price	Sales	New Listings	Average Sale Price	Sales	New Listings	Average Sale Price
Halifax-Dartmouth Region	483	708	185,081 \$	417	656	176,416 \$	15.8%	7.9%	4.9%

SUBMARKET	YEAR-TO-DATE								
	2005			2004			Per Cent Change		
	Sales	New Listings	Average Sale Price	Sales	New Listings	Average Sale Price	Sales	New Listings	Average Sale Price
Halifax-Dartmouth Region	5620	9337	187,780 \$	4907	8076	174,869 \$	14.5%	15.6%	7.4%

Source: Canadian Real Estate Association

Note: Unfortunately sub-market level MLS® data was not available for October

KEY ECONOMIC INDICATORS				
HALIFAX				
Indicator	Period	2005	2004	% Change
Metro Halifax Labour Force (000's)	October	215.5	218.6	-1.4%
Metro Halifax Employment (000's)	October	205.3	206.6	-0.6%
Metro Halifax Unemployment Rate	October	4.7%	5.5%	---
Building Permits(\$ 000's)	September			
Residential		31,711	21,780	45.6%
Non-Residential		14,993	14,711	1.9%
Total		46,704	36,491	28.0%
Metro Halifax Consumer Price Index	September	130.5	125.7	3.8%
Metro Halifax New Housing Price Index	September			
Total		129.8	121.9	6.5%
House		132.2	124.1	6.5%
Land		124.9	117.4	6.4%

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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