HOUSING MARKET INFORMATION

HOUSING NOW

Charlottetown

Canada Mortgage and Housing Corporation

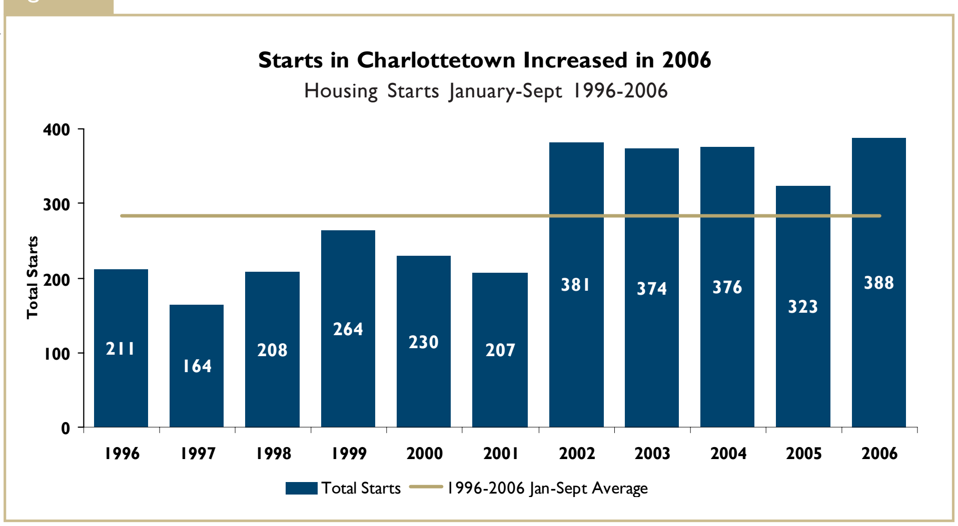
Date Released: Forth Quarter 2006

Construction Activity Remains Strong

Total urban starts on the Island reached 219 units in the third quarter of 2006 compared to 241 units in 2005. This moderate decline on a provincial basis was the result of a decreased level of construction activity in Summerside and the rural areas.

In Charlottetown, new home construction reached 144 units in the third quarter, an increase of 17 units when compared to the previous year. This increase was the result of additional multiple starts, as single starts posted the same level of activity in both of the last two years. The rise in starts can also be attributed exclusively to Charlottetown City proper and Stratford, where all of the multiple construction occurred in the third quarter.

Figure 1



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Due to a substantial rise in apartment starts, Charlottetown City proper posted more total starts in the third quarter when compared to the same period last year. In the third quarter of this year, 46 apartment units were started, compared to no apartment starts during the same period in 2005. However, the real story regarding the aforementioned apartment construction figure is that 26 of these units were purpose built condominiums. This is the first time since December 1988 that Charlottetown has seen the construction of apartment style condos. This project is likely to be the first of many to come in the next few years as there are already annouced plans for additional projects in the area. The majority of these projects, as well as the one currently under construction, will be upscale buildings aimed squarely at empty-nester and young professional markets. As such, the price of most of these units will easily rival single-detached homes in the area but will offer the owners a maintenance free lifestyle. While multiple starts posted an increase in the third quarter, single starts remained essentially flat. During the third quarter single starts in Charlottetown City dipped slightly to 30 units, from 32 units during the same period last year. Semi-detached units in the City also posted a decrease from last year falling to 14 units from the 22 reached last year.

Like Charlottetown City, Stratford also posted an increased level of starts in the third quarter, again driven by apartment starts. Total starts in Stratford reached 36 units in the third quarter, up from 24 units during the same period last year. While single starts posted a moderate increase, rising to 18 units from 16 units last year, multiple starts jumped from 8 units in 2005 to 18 units in the third quarter of 2006. All of the multiple starts in the third quarter came as the result of one apartment project.

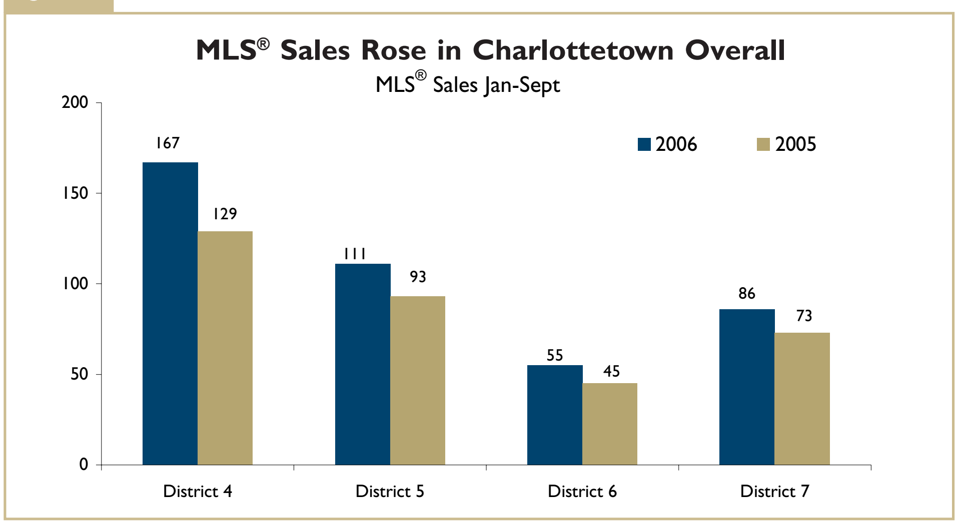
The third quarter results for Cornwall and the remainder of the Capital region were very similar to the 2005 results. Cornwall recorded six new starts in the third quarter, matching the 2005 level, while starts in the remainder of the CA declined by three units to 30.

In the first three quarters of 2006, semi-detached starts in the Capital region reached 32 units, 21 fewer units than the same period last year. This however still represents the second highest level of activity on record for semi-detached starts for the first nine months of the year. In addition to the increased level of semi-detached starts, is the fact that the tenure of most new semi-detached units has shifted from rental to homeownership. As recently as 2002, the vast majority of semi-detached units were for the rental market. However this has now shifted significantly, and in 2006 all of the new units are for homeownership. This shift in tenure is mainly the result of rising new home costs, which now has many prospective buyers looking to the semi-detached market. This trend is expected to continue, and semi-detached units will remain an important part of the new housing market especially as new single-detached home prices continue to rise.

MLS® Sales Price Reached a New Record High in the Third Quarter

MLS® sales in the third quarter rebounded sharply from the declines posted during the first half of the year. This was likely helped by the employment growth in the area, which has remained remarkably resilient, and interest rates remaining stable. The rising cost of new home construction is also viewed as a

Figure 2

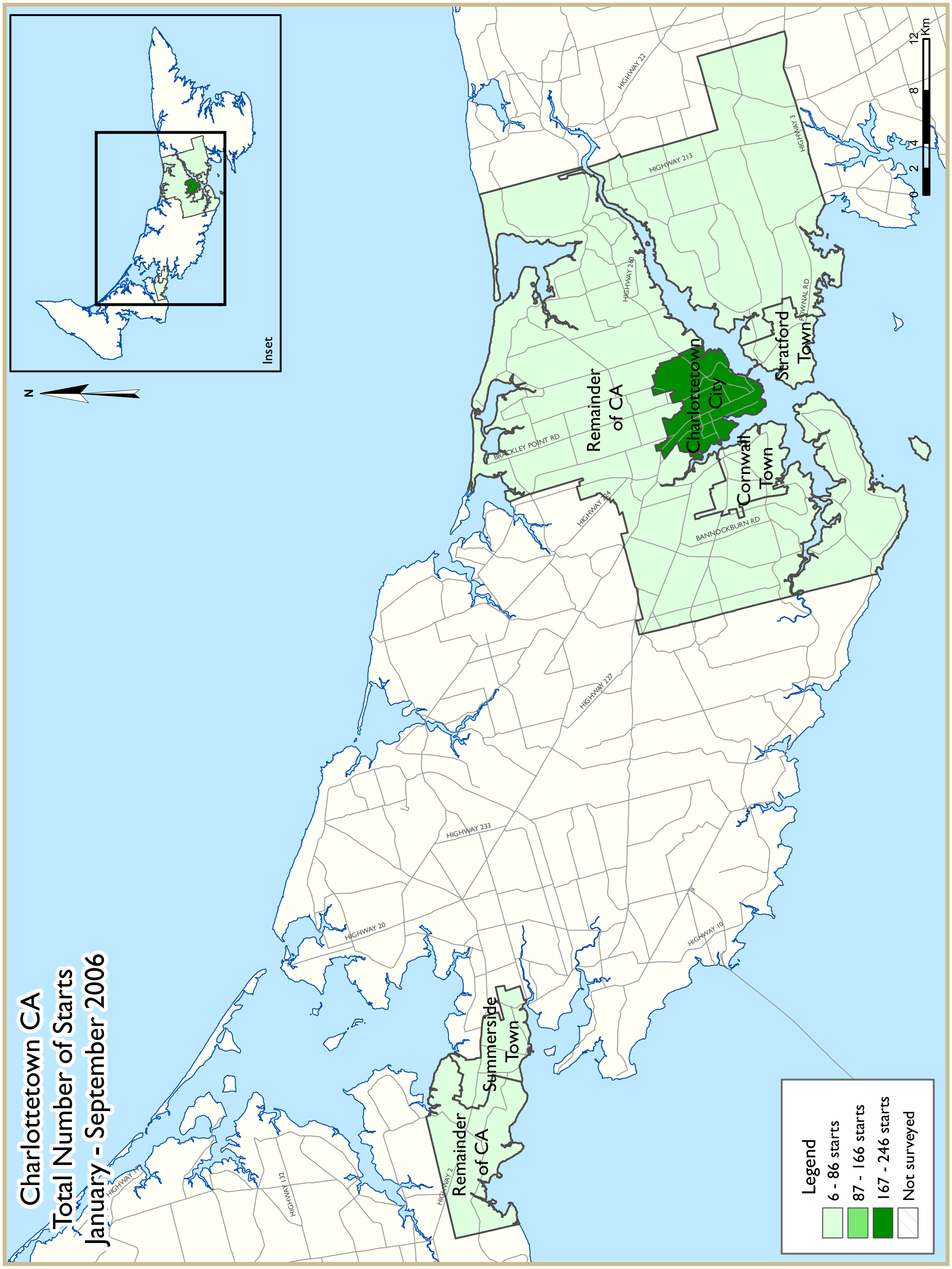


factor that positively influenced the resale market during the last quarter. As new home price growth, which has been fuelled by rising land, labour and material costs, continues to increase at a faster pace than the average price of existing homes, the price gap between the two will widen further. The gap in some cases is such that potential home buyers may opt for an existing home due to the substantial difference in price.

New listings have also been increasing throughout the year as current homeowners list their properties in an effort to realize the profits from the recent appreciation of their homes. This rise in new listings has provided potential homebuyers with greater choice when purchasing a home. This has also taken the sense of urgency out of the transaction that many buyers may have felt due to the low levels of listings.

MLS® sales in the Charlottetown area increased significantly in all districts for the third quarter of 2006. Stratford, District 7, continued to remain popular with buyers as seen through the 56 per cent increase in sales from the third quarter of 2005. Overall sales in Stratford increased 39 sales in the third quarter of 2005 to 61 sales this year. Charlottetown City, District 4, was not far behind with a 46 per cent rise in sales from the sale period last year. In Charlottetown City sales for the quarter jumped from 84 units in 2005 to 123 units in 2006. Districts 5 and 6 also recorded significant increases in the level of sales, advancing by 15 and 25 per cent respectively.

The average sale price also increased in all four of the districts during the third quarter. District 6 posted the largest increase in average sale price during the quarter advancing more than 7 per cent to $160,900. Charlottetown City, District 4, with an average sale price of $167,797, which is 6 per cent higher than the same period last year, remains the most expensive of all of the districts. The average sale price in Stratford increased by 5 per cent to $164,378, this ranks it as the second most expensive district in the Charlottetown CA. This should come as no surprise due to the relatively younger age of the housing stock.


Charlottetown CA
Total Number of Starts
January - September 2006
Legend
6 - 86 starts
87 - 166 starts
167 - 246 starts
Not surveyed
Remainder of CA
Charlottetown City
Stratford Town
Cornwall Town
Summerside Town
Remainder of CA
Inset
N
0 2 4 8 12 Km
HIGHWAY 22
HIGHWAY 213
HIGHWAY 3
HIGHWAY 2
HIGHWAY 20
HIGHWAY 233
HIGHWAY 227
HIGHWAY 10
HIGHWAY 132
BRACKLEY POINT RD
BANNOCKBURN RD
POWNAL RD

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4.1	Average Price ($) of Absorbed Single-Detached Units

SYMBOLS

n/a	Not applicable
*	Totals may not add up due to co-operatives and unknown market types
**	Percent change > 200%
-	Nil or zero
--	Amount too small to be expressed
SA	Monthly figures are adjusted to remove normal seasonal variation

Table 1a: Housing Activity Summary of Charlottetown CA Third Quarter 2006									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q3 2006	84	14	0	0	0	24	0	22	144
Q3 2005	84	33	0	0	0	0	0	0	117
% Change	0.0	-57.6	n/a	n/a	n/a	n/a	n/a	n/a	23.1
Year-to-date 2006	209	32	0	0	0	24	4	119	388
Year-to-date 2005	237	53	2	0	3	0	16	12	323
% Change	-11.8	-39.6	-100.0	n/a	-100.0	n/a	-75.0	**	20.1
UNDER CONSTRUCTION									
Q3 2006	116	20	0	0	0	24	0	119	279
Q3 2005	138	42	2	0	3	0	22	12	219
% Change	-15.9	-52.4	-100.0	n/a	-100.0	n/a	-100.0	**	27.4
COMPLETIONS									
Q3 2006	70	24	0	0	0	0	21	0	115
Q3 2005	73	12	4	0	0	0	0	0	89
% Change	-4.1	100.0	-100.0	n/a	n/a	n/a	n/a	n/a	29.2
Year-to-date 2006	166	54	0	0	0	0	30	0	250
Year-to-date 2005	194	30	14	0	3	0	12	45	298
% Change	-14.4	80.0	-100.0	n/a	-100.0	n/a	150.0	-100.0	-16.1
COMPLETED & NOT ABSORBED									
Q3 2006	1	0	0	0	0	0	0	0	1
Q3 2005	1	0	0	0	0	0	0	8	9
% Change	0.0	n/a	n/a	n/a	n/a	n/a	n/a	-100.0	-88.9
ABSORBED									
Q3 2006	70	24	0	0	0	0	21	0	115
Q3 2005	73	15	5	0	0	0	0	8	101
% Change	-4.1	60.0	-100.0	n/a	n/a	n/a	n/a	-100.0	13.9
Year-to-date 2006	165	56	0	0	0	0	32	0	253
Year-to-date 2005	197	35	14	0	3	0	12	56	317
% Change	-16.2	60.0	-100.0	n/a	-100.0	n/a	166.7	-100.0	-20.2

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1b: Housing Activity Summary of Summerside CA Third Quarter 2006									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q3 2006	9	0	0	0	0	0	0	0	9
Q3 2005	18	2	14	0	0	0	0	0	34
% Change	-50.0	-100.0	-100.0	n/a	n/a	n/a	n/a	n/a	-73.5
Year-to-date 2006	23	12	0	0	0	0	0	0	35
Year-to-date 2005	40	8	18	0	0	0	30	0	96
% Change	-42.5	50.0	-100.0	n/a	n/a	n/a	-100.0	n/a	-63.5
UNDER CONSTRUCTION									
Q3 2006	12	6	0	0	0	0	0	0	18
Q3 2005	17	2	18	0	0	0	0	0	37
% Change	-29.4	200.0	-100.0	n/a	n/a	n/a	n/a	n/a	-51.4
COMPLETIONS									
Q3 2006	7	4	0	0	0	0	0	0	11
Q3 2005	19	6	9	0	0	0	30	0	64
% Change	-63.2	-33.3	-100.0	n/a	n/a	n/a	-100.0	n/a	-82.8
Year-to-date 2006	20	10	18	0	0	0	0	0	48
Year-to-date 2005	25	10	9	0	0	0	30	0	74
% Change	-20.0	0.0	100.0	n/a	n/a	n/a	-100.0	n/a	-35.1
COMPLETED & NOT ABSORBED									
Q3 2006	0	0	0	0	0	0	0	0	0
Q3 2005	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ABSORBED									
Q3 2006	0	0	0	0	0	0	0	0	0
Q3 2005	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Year-to-date 2006	0	0	0	0	0	0	0	0	0
Year-to-date 2005	0	0	0	0	0	0	0	0	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket
Third Quarter 2006

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Charlottetown City									
Q3 2006	30	14	0	0	0	24	0	4	72
Q3 2005	32	22	0	0	0	0	0	0	54
Stratford Town									
Q3 2006	18	0	0	0	0	0	0	18	36
Q3 2005	16	8	0	0	0	0	0	0	24
Cornwall Town									
Q3 2006	6	0	0	0	0	0	0	0	6
Q3 2005	5	1	0	0	0	0	0	0	6
Remainder of the CA									
Q3 2006	30	0	0	0	0	0	0	0	30
Q3 2005	31	2	0	0	0	0	0	0	33
Charlottetown CA									
Q3 2006	84	14	0	0	0	24	0	22	144
Q3 2005	84	33	0	0	0	0	0	0	117
UNDER CONSTRUCTION									
Charlottetown City									
Q3 2006	38	18	0	0	0	24	0	101	181
Q3 2005	61	26	2	0	0	0	4	12	105
Stratford Town									
Q3 2006	24	0	0	0	0	0	0	18	42
Q3 2005	29	12	0	0	3	0	18	0	62
Cornwall Town									
Q3 2006	12	2	0	0	0	0	0	0	14
Q3 2005	10	2	0	0	0	0	0	0	12
Remainder of the CA									
Q3 2006	42	0	0	0	0	0	0	0	42
Q3 2005	38	2	0	0	0	0	0	0	40
Charlottetown CA									
Q3 2006	116	20	0	0	0	24	0	119	279
Q3 2005	138	42	2	0	3	0	22	12	219

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket Third Quarter 2006									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
COMPLETIONS									
Charlottetown City									
Q3 2006	39	14	0	0	0	0	21	0	74
Q3 2005	26	8	0	0	0	0	0	0	34
Stratford Town									
Q3 2006	19	2	0	0	0	0	0	0	21
Q3 2005	18	2	4	0	0	0	0	0	24
Cornwall Town									
Q3 2006	3	6	0	0	0	0	0	0	9
Q3 2005	3	2	0	0	0	0	0	0	5
Remainder of the CA									
Q3 2006	9	2	0	0	0	0	0	0	11
Q3 2005	26	0	0	0	0	0	0	0	26
Charlottetown CA									
Q3 2006	70	24	0	0	0	0	21	0	115
Q3 2005	73	12	4	0	0	0	0	0	89
COMPLETED & NOT ABSORBED									
Charlottetown City									
Q3 2006	1	0	0	0	0	0	0	0	1
Q3 2005	0	0	0	0	0	0	0	8	8
Stratford Town									
Q3 2006	0	0	0	0	0	0	0	0	0
Q3 2005	0	0	0	0	0	0	0	0	0
Cornwall Town									
Q3 2006	0	0	0	0	0	0	0	0	0
Q3 2005	0	0	0	0	0	0	0	0	0
Remainder of the CA									
Q3 2006	0	0	0	0	0	0	0	0	0
Q3 2005	1	0	0	0	0	0	0	0	1
Charlottetown CA									
Q3 2006	1	0	0	0	0	0	0	0	1
Q3 2005	1	0	0	0	0	0	0	8	9

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 1.1: Housing Activity Summary by Submarket Third Quarter 2006									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
ABSORBED									
Charlottetown City									
Q3 2006	38	14	0	0	0	0	21	0	73
Q3 2005	26	8	0	0	0	0	0	8	42
Stratford Town									
Q3 2006	19	2	0	0	0	0	0	0	21
Q3 2005	18	3	4	0	0	0	0	0	25
Cornwall Town									
Q3 2006	4	6	0	0	0	0	0	0	10
Q3 2005	3	4	1	0	0	0	0	0	8
Remainder of the CA									
Q3 2006	9	2	0	0	0	0	0	0	11
Q3 2005	26	0	0	0	0	0	0	0	26
Charlottetown CA									
Q3 2006	70	24	0	0	0	0	21	0	115
Q3 2005	73	15	5	0	0	0	0	8	101

Source: CMHC (Starts and Completions Survey, Market Absorption Survey)

Table 2: Starts by Submarket and by Dwelling Type
Third Quarter 2006

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q3 2006	Q3 2005	Q3 2006	Q3 2005	Q3 2006	Q3 2005	Q3 2006	Q3 2005	Q3 2006	Q3 2005	% Change
Charlottetown City	30	32	14	22	0	0	28	0	72	54	33.3
Stratford Town	18	16	0	8	0	0	18	0	36	24	50.0
Cornwall Town	6	5	0	1	0	0	0	0	6	6	0.0
Remainder of the CA	30	31	0	2	0	0	0	0	30	33	-9.1
Charlottetown CA	84	84	14	33	0	0	46	0	144	117	23.1

Table 2.1: Starts by Submarket and by Dwelling Type
January - September 2006

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2006	YTD 2005	YTD 2006	YTD 2005	YTD 2006	YTD 2005	YTD 2006	YTD 2005	YTD 2006	YTD 2005	% Change
Charlottetown City	89	99	32	34	0	0	125	14	246	147	67.3
Stratford Town	43	50	0	14	4	15	18	0	65	79	-17.7
Cornwall Town	17	14	0	3	0	0	0	0	17	17	0.0
Remainder of the CA	60	78	0	2	0	0	0	0	60	80	-25.0
Charlottetown CA	209	241	32	53	4	15	143	14	388	323	20.1

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type Third Quarter 2006											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q3 2006	Q3 2005	Q3 2006	Q3 2005	Q3 2006	Q3 2005	Q3 2006	Q3 2005	Q3 2006	Q3 2005	% Change
Charlottetown City	39	26	14	8	21	0	0	0	74	34	117.6
Stratford Town	19	18	2	2	0	4	0	0	21	24	-12.5
Cornwall Town	3	3	6	2	0	0	0	0	9	5	80.0
Remainder of the CA	9	26	2	0	0	0	0	0	11	26	-57.7
Charlottetown CA	70	73	24	12	21	4	0	0	115	89	29.2

Table 3.1: Completions by Submarket and by Dwelling Type January - September 2006											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2006	YTD 2005	YTD 2006	YTD 2005	YTD 2006	YTD 2005	YTD 2006	YTD 2005	YTD 2006	YTD 2005	% Change
Charlottetown City	86	73	38	16	21	0	0	49	145	138	5.1
Stratford Town	30	41	4	10	8	15	0	0	42	66	-36.4
Cornwall Town	9	4	10	4	0	9	0	0	19	17	11.8
Remainder of the CA	42	77	2	0	0	0	0	0	44	77	-42.9
Charlottetown CA	167	195	54	30	29	24	0	49	250	298	-16.1

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range Third Quarter 2006													
Submarket	Price Ranges										Total	Median Price ($)	Average Price ($)
	< $100,000		$100,000 - $149,999		$150,000 - $199,999		$200,000 - $249,999		$250,000 +				
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)			
Charlottetown City													
Q3 2006	0	0.0	3	7.9	22	57.9	4	10.5	9	23.7	38	165,000	197,763
Q3 2005	0	0.0	8	30.8	13	50.0	3	11.5	2	7.7	26	155,000	165,769
Year-to-date 2006	1	1.2	18	21.2	41	48.2	11	12.9	14	16.5	85	160,000	182,694
Year-to-date 2005	0	0.0	26	34.7	29	38.7	11	14.7	9	12.0	75	159,000	176,573
Stratford Town													
Q3 2006	0	0.0	5	26.3	8	42.1	4	21.1	2	10.5	19	190,000	190,789
Q3 2005	0	0.0	0	0.0	14	77.8	2	11.1	2	11.1	18	185,000	190,000
Year-to-date 2006	1	3.3	5	16.7	13	43.3	8	26.7	3	10.0	30	190,000	196,552
Year-to-date 2005	0	0.0	4	9.5	19	45.2	11	26.2	8	19.0	42	190,000	218,333
Cornwall Town													
Q3 2006	0	0.0	0	0.0	2	50.0	1	25.0	1	25.0	4	--	--
Q3 2005	0	0.0	1	33.3	1	33.3	1	33.3	0	0.0	3	--	--
Year-to-date 2006	0	0.0	1	11.1	4	44.4	2	22.2	2	22.2	9	--	--
Year-to-date 2005	0	0.0	1	25.0	2	50.0	1	25.0	0	0.0	4	--	--
Remainder of the CA													
Q3 2006	1	11.1	3	33.3	1	11.1	2	22.2	2	22.2	9	--	--
Q3 2005	3	11.5	4	15.4	11	42.3	4	15.4	4	15.4	26	172,500	178,654
Year-to-date 2006	4	9.5	13	31.0	14	33.3	5	11.9	6	14.3	42	155,000	170,476
Year-to-date 2005	10	13.0	16	20.8	30	39.0	13	16.9	8	10.4	77	165,000	169,500
Charlottetown CA													
Q3 2006	1	1.4	11	15.7	33	47.1	11	15.7	14	20.0	70	167,500	193,143
Q3 2005	3	4.1	13	17.8	39	53.4	10	13.7	8	11.0	73	170,000	176,507
Year-to-date 2006	6	3.6	37	22.3	72	43.4	26	15.7	25	15.1	166	165,000	183,024
Year-to-date 2005	10	5.1	47	23.7	80	40.4	36	18.2	25	12.6	198	169,000	182,640

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity in Urban Centres*									
Submarket	Third Quarter 2006			Third Quarter 2005			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	295	160,481	243	217	152,165	266	35.9	5.5	-8.6
District 4	123	167,797	26	84	157,942	104	46.4	6.2	-75.0
District 5	76	145,322	117	66	138,726	64	15.2	4.8	82.8
District 6	35	160,900	53	28	150,155	49	25.0	7.2	8.2
District 7	61	164,378	47	39	163,908	49	56.4	0.3	-4.1
Summerside CA	21	138,387	84	26	128,669	120	-19.2	7.6	-30.0
Total	93	155,405	327	108	145,721	386	-13.9	6.6	-15.3
Submarket	Year-to-date 2006			Year-to-date 2005			% Change		
	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings	Sales	Average Sale Price ($)	New Listings
Charlottetown CA**	419	154,166	824	340	143,130	759	23.2	7.7	8.6
District 4	167	161,725	325	129	148,205	287	29.5	9.1	13.2
District 5	111	139,007	181	93	128,385	191	19.4	8.3	-5.2
District 6	55	151,367	131	45	139,519	119	22.2	8.5	10.1
District 7	86	160,844	187	73	155,171	162	17.8	3.7	15.4
Summerside CA	140	130,703	329	131	118,522	321	6.9	10.3	2.5
Total	559	148,290	1153	471	136,285	1080	18.7	8.8	6.8

MLS® is a registered trademark of the Canadian Real Estate Association (CREA).
**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

Source: PEI Real Estate Association

Table 6: Economic Indicators Third Quarter 2006										
		Interest Rates			NHPI Total % chg Charlottetown CMA 1997=100	CPI	Charlottetown Labour Market			Average Weekly Earnings ($)
		P & I Per $100,000	Mortage Rates (%)				Employment SA (,000)	Unemployment Rate (%) SA	Participation Rate (%) SA	
			1 Yr. Term	5 Yr. Term						
2005	January	643	4.8	6.1	1.11	1.24	68.7	10.5	69.1	575
	February	643	4.8	6.1	1.12	1.25	68.8	10.3	68.9	578
	March	655	5.1	6.3	1.12	1.26	68.5	10.3	68.6	582
	April	643	4.9	6.1	1.13	1.27	68.2	10.6	68.5	578
	May	637	4.9	6.0	1.14	1.27	67.9	10.8	68.2	569
	June	622	4.8	5.7	1.14	1.27	67.2	11.9	68.4	558
	July	628	4.9	5.8	1.14	1.27	68.1	11.1	68.6	547
	August	628	5.0	5.8	1.15	1.27	67.7	11.3	68.3	543
	September	628	5.0	5.8	1.16	1.30	68.1	11.4	68.8	544
	October	640	5.3	6.0	1.16	1.30	68.2	11.2	68.7	551
	November	649	5.6	6.2	1.16	1.29	68.7	10.7	68.7	558
	December	658	5.8	6.3	1.15	1.28	68.6	11.1	68.9	562
2006	January	658	5.8	6.3	1.14	1.29	68.7	10.8	68.8	564
	February	667	5.9	6.5	1.14	1.29	69.0	10.9	69.1	565
	March	667	6.1	6.5	1.15	1.29	67.9	12.0	69.0	573
	April	685	6.3	6.8	1.15	1.31	69.6	10.5	69.5	580
	May	685	6.3	6.8	1.17	1.31	69.8	10.1	69.2	585
	June	697	6.6	7.0	1.17	1.31	68.6	10.5	68.4	580
	July	697	6.6	7.0	1.18	1.31	67.9	11.2	68.1	574
	August	691	6.4	6.9	1.18	1.31	68.4	10.9	68.3	570
	September	682	6.4	6.7		1.30	68.5	10.8	68.3	572
	October									
	November									
	December									

"P & I" means Principal and Interest (assumes $100,000 mortgage amortized over 25 years using current 5 year interest rate)
"NHPI" means New Housing Price Index
"CPI" means Consumer Price Index
"SA" means Seasonally Adjusted

Source: CMHC, adapted from Statistics Canada (CANSIM), CREA (MLS®), Statistics Canada (CANSIM)

METHODOLOGY

Starts & Completions Survey Methodology

The Starts and Completions Survey is conducted by way of site visits which are used to confirm that new units have reached set stages in the construction process. Since most municipalities in the country issue building permits, these are used as an indication of where construction is likely to take place. In areas where there are no permits, reliance has to be placed either on local sources or searching procedures.

The Starts and Completions Survey is carried out monthly in urban areas with population in excess of 50,000, as defined by the 2001 Census. In urban areas with populations of 10,000 to 49,999, all Starts are enumerated in the last month of the quarter (i.e. four times a year, in March, June, September and December). In these centres with quarterly enumeration, Completion activity is modelled based on historical patterns. Monthly Starts and Completions activity in these quarterly locations are statistically estimated at a provincial level for single and multi categories. Centres with populations below 10,000 are enumerated on a sample basis, also in the last month of each quarter (i.e. four times a year, in March, June, September and December).

The Starts and Completions Survey enumerates dwelling units in new structures only, designed for non-transient and year-round occupancy.

Mobile homes are included in the surveys. A mobile home is a type of manufactured house that is completely assembled in a factory and then moved to a foundation before it is occupied.

Trailers or any other movable dwelling (the larger often referred to as a mobile home) with no permanent foundation are excluded from the survey.

Conversions and/or alterations within an existing structure are excluded from the surveys as are seasonal dwellings, such as: summer cottages, hunting and ski cabins, trailers and boat houses; and hostel accommodations, such as: hospitals, nursing homes, penal institutions, convents, monasteries, military and industrial camps, and collective types of accommodation such as: hotels, clubs, and lodging homes.

Market Absorption Survey Methodology

The Market Absorption Survey is carried out in conjunction with the Starts and Completions Survey in urban areas with populations in excess of 50,000. When a structure is recorded as completed, an update is also made as units are sold or rented. The dwellings are then enumerated each month until such time as full absorption occurs.

STARTS AND COMPLETIONS SURVEY AND MARKET ABSORPTION SURVEY DEFINITIONS

A "**dwelling unit**", for purposes of the Starts and Completions Survey, is defined as a structurally separate set of self-contained living premises with a private entrance from outside the building or from a common hall, lobby, or stairway inside the building. Such an entrance must be one that can be used without passing through another separate dwelling unit.

A "**start**", for purposes of the Starts and Completions Survey, is defined as the beginning of construction work on a building, usually when the concrete has been poured for the whole of the footing around the structure, or an equivalent stage where a basement will not be part of the structure.

The number of units "**under construction**" as at the end of the period shown, takes into account certain adjustments which are necessary for various reasons. For example, after a start on a dwelling has commenced construction may cease, or a structure, when completed, may contain more or fewer dwelling units than were reported at start.

A "**completion**", for purposes of the Starts and Completions Survey, is defined as the stage at which all the proposed construction work on a dwelling unit has been performed, although under some circumstances a dwelling may be counted as completed where up to 10 per cent of the proposed work remains to be done.

The term "**absorbed**" means that a housing unit is no longer on the market (i.e. has been sold or rented). This usually happens when a binding contract is secured by a non-refundable deposit and has been signed by a qualified purchaser. The purpose of the Market Absorption Survey is to measure the rate at which units are sold or rented after they are completed, as well as collect sale prices.

DWELLING TYPES:

A "**Single-Detached**" dwelling (also referred to as "**Single**") is a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure. Includes link homes, where two units may share a common basement wall but are separated above grade. Also includes cluster-single developments.

A "**Semi-Detached (Double)**" dwelling (also referred to as "**Semi**") is one of two dwellings located side-by-side in a building, adjoining no other structure and separated by a common or party wall extending from ground to roof.

A "**Row (Townhouse)**" dwelling is a one family dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

The term "**Apartment and other**" includes all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

INTENDED MARKET:

The "**intended market**" is the tenure in which the unit is being marketed. This includes the following categories:

Freehold: A residence where the owner owns the dwelling and lot outright.

Condominium (including Strata-Titled): An individual dwelling which is privately owned, but where the building and/or the land are collectively owned by all dwelling unit owners. A condominium is a form of ownership rather than a type of house.

Rental: Dwelling constructed for rental purposes regardless of who finances the structure.

GEOGRAPHICAL TERMS:

A census metropolitan area (CMA) or a census agglomeration (CA) is formed by one or more adjacent municipalities centred on a large urban area (known as the urban core). The census population count of the urban core is at least 10,000 to form a census agglomeration and at least 100,000 to form a census metropolitan area. To be included in the CMA or CA, other adjacent municipalities must have a high degree on integration with the central urban area, as measured by commuting flows derived from census place of work data. CMAs and CAs contain whole municipalities or Census Subdivisions.

A "**Rural**" area, for the purposes of this publication, is a centre with a population less than 10,000.

All data presented in this publication is based on Statistics Canada's 2001 Census area definitions.

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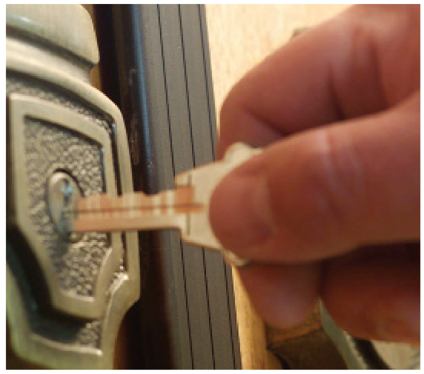


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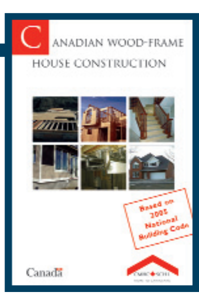

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