

H

OUSING NOW

YOUR LINK TO THE HOUSING MARKET

More New Homes Under Constr.

Canada Mortgage and Housing Corporation

Victoria sees new high in homes under construction

- ◆ Although October's dip in housing starts puts year-to-date starts totals behind 2004 levels, the **number of homes under construction hit a new high** this month. Victoria homebuilders are working flat out to meet strong demand for new homes.
- ◆ **New home inventories edged down for the second consecutive month** as sales surpassed completions by seven units.
- ◆ Twenty-four **new apt condos** got underway while none completed and eight sold, maintaining the **market oversupply**.
- ◆ The **new townhouse market edged toward an undersupply** as no new townhouses started or completed but seven sold.
- ◆ The **new house average price set another all-time high in October**, at \$546,067. Strong buyer demand plus rising building costs will keep prices high in the coming months.

Nanaimo home starts dip

- ◆ Nanaimo saw homebuilding dip to **84 starts** in October, similar to August's pace, after an exceptional 233 recorded in September.
- ◆ The **new single/semi-detached house market remained balanced**, with 11 fewer sales than completions.
- ◆ Thirty new apartment condos were started, 40 completed and six sold; **markets remained balanced**. Sales are expected to remain strong due to pent-up demand in the coming months, keeping the market balanced into 2006.

Other Van. Island markets see increased homebuilding

- ◆ **Courtenay CA** saw 46 new home starts in October, outpacing **Duncan CA** (45) and **Parksville-Qualicum** (35). However, year-to-date results show **Duncan CA** performing at double the pace of 2004, maintaining its position as the **most improved market** from last year.

B.C.'s consumer confidence rebounds in October

- ◆ BC's consumer confidence, a key driver of housing demand, edged up in October. This fall's strong consumer confidence indicates **robust housing demand will continue in the coming months**, spurring more new home construction.

OCTOBER 2005

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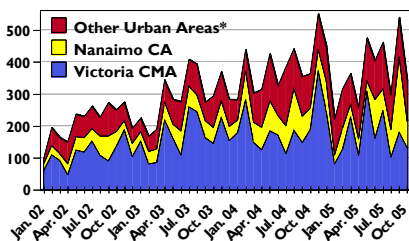
Vancouver Island

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CMHC Victoria Noticeboard

- ◆ **CMHC's 2005 Rental Report Release** - set for December 15, 2005. Contact Lisa Preston (604) 737-4088, lpreston@cmhc.ca
- ◆ **Is the new home market nearing its peak?** Keep up to date with CMHC's next housing starts release December 8. (250) 363-8045, pprill@cmhc.ca
- ◆ **Check out the expanded FREE market info on CMHC's website:**
www.cmhc-schl.gc.ca/mktinfo/store
- ◆ **Seniors' Housing Market Report** - CMHC provides a snapshot of the BC market, including vacancies and average rents; available now.

Vancouver Island Homebuilding
Jan. 2002 - Oct. 2005



* includes Duncan CA, Courtenay CA, Parksville-Qualicum

◆ Homebuilding eases in October.

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



METROPOLITAN VICTORIA
Starts/Completions/Under Construction
October 2005

	STARTS							COMPLETIONS							UNDER CONSTRUCTION						
	Single	Semi	Row Condo	Row Rental	Apt Condo	Apt Rental	TOTAL	Single	Semi	Row Condo	Row Rental	Apt Condo	Apt Rental	TOTAL	Single	Semi	Row Condo	Row Rental	Apt Condo	Apt Rental	TOTAL
Victoria City	4	4	0	0	0	0	8	1	3	0	0	0	0	4	15	29	0	4	665	0	713
Oak Bay	1	1	0	0	0	0	2	1	0	0	0	0	0	1	21	1	0	0	0	0	22
Esquimalt	0	2	0	0	0	0	2	2	0	0	0	0	0	2	11	12	3	0	222	0	248
Saanich	7	0	0	0	0	0	7	23	0	0	0	0	0	23	154	3	9	0	137	0	303
C. Saanich	2	0	0	0	0	0	2	3	0	0	0	0	0	3	26	0	15	0	0	0	41
N. Saanich	4	0	0	0	0	0	4	4	0	0	0	0	0	4	33	4	0	0	0	0	37
Sidney	0	4	0	0	24	0	28	1	0	0	0	0	0	1	12	4	6	0	74	0	96
View Royal	8	0	0	0	0	0	8	4	2	0	0	0	0	6	40	4	15	0	0	0	59
RDA H	4	0	0	0	0	0	4	1	0	0	0	0	0	1	46	2	0	0	0	0	48
Highlands	1	0	0	0	0	0	1	4	0	0	0	0	0	4	15	0	0	0	0	0	15
Langford	33	2	0	0	0	0	35	32	0	0	0	0	0	32	164	8	0	0	62	0	234
Colwood	16	4	0	0	0	0	20	4	0	0	0	0	0	4	62	10	18	0	31	0	121
Metchosin	3	0	0	0	0	0	3	2	0	0	0	0	0	2	9	0	0	0	0	0	9
Sooke	8	0	0	0	0	0	8	9	0	0	0	0	0	9	46	0	0	0	0	0	46
Indian Res.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
MONTH TOTAL	91	17	0	0	24	0	132	91	5	0	0	0	0	96	655	77	66	4	1191	0	1993
YEAR-TO-DATE	824	79	89	0	696	3	1691	789	72	134	4	649	0	1648	---	---	---	---	---	---	---

Preliminary

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

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METROPOLITAN VICTORIA

Inventory and Absorptions by Municipality

October 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	
Victoria City	17	0	3	0	20	7	27	Victoria City	1	0	1	0	2	2	4
Oak Bay	0	0	0	0	0	1	1	Oak Bay	0	0	0	0	0	1	1
Esquimalt	2	0	0	0	2	2	4	Esquimalt	3	0	0	0	3	1	4
Saanich	0	0	3	0	3	15	18	Saanich	0	0	3	0	3	20	23
C. Saanich	0	0	0	0	0	1	1	C. Saanich	0	0	0	0	0	5	5
N. Saanich	0	0	0	0	0	5	5	N. Saanich	0	0	0	0	0	3	3
Sidney	1	0	0	0	1	2	3	Sidney	0	0	0	0	0	1	1
View Royal	0	0	1	0	1	4	5	View Royal	0	0	1	0	1	4	5
RDA H	0	0	0	0	0	1	1	RDA H	0	0	0	0	0	1	1
Highlands	0	0	0	0	0	1	1	Highlands	0	0	0	0	0	4	4
Langford	0	0	0	0	0	17	17	Langford	0	0	0	0	0	33	33
Colwood	0	0	4	0	4	6	10	Colwood	4	0	2	0	6	5	11
Metchosin	0	0	0	0	0	1	1	Metchosin	0	0	0	0	0	1	1
Sooke	0	0	3	0	3	6	9	Sooke	0	0	0	0	0	7	7
Indian Res.	0	0	0	0	0	1	1	Indian Res.	0	0	0	0	0	0	0
MONTH TOTAL	20	0	14	0	34	70	104	MONTH TOTAL	8	0	7	0	15	88	103
Y.T.D. AVG. 2005	34	0	19	0	53	63	116	Y.T.D. TOTAL 2005	644	1	143	4	792	854	1646
Y.T.D. AVG. 2004	21	9	14	0	44	59	103	Y.T.D. TOTAL 2004	335	190	106	3	634	933	1567

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	74	466,053	501,696	7.6	399,450	483,500	21.0
July	78	82	408,943	524,561	28.3	359,450	493,700	37.3
August	89	73	463,498	488,153	5.3	432,500	489,900	13.3
September	80	68	428,044	546,007	27.6	417,400	499,900	19.8
October	78	86	407,190	546,067	34.1	399,900	497,500	24.4
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	23	42	335,317	333,481	-0.5	314,400	331,400	5.4
July	30	27	323,455	364,022	12.5	290,650	343,900	18.3
August	43	39	311,608	363,797	16.7	284,000	345,900	21.8
September	54	50	337,697	353,184	4.6	317,900	349,900	10.1
October	40	36	373,613	361,583	-3.2	327,500	343,900	5.0
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.-Oct. 2005					Jan.-Oct. 2004 **					Jan.-Oct. 2005					Jan.-Oct. 2004**				
	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL
Campbell River *	128	4	15	28	175	99	20	6	21	146	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Courtenay	345	56	48	146	595	359	38	32	118	547	335	32	37	174	578	287	50	24	40	401
Parksville/Qualicum	162	38	16	29	245	239	99	49	0	387	192	72	31	0	295	182	42	23	0	247
Nanaimo **	502	76	10	222	810	493	40	12	77	622	443	58	9	64	574	433	49	7	0	489
Duncan	185	80	27	46	338	150	20	0	0	170	143	34	7	7	191	145	12	0	0	157
Port Alberni *	61	0	0	0	61	32	0	16	0	48	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Victoria	824	79	89	699	1691	882	134	101	623	1740	789	72	138	649	1648	827	106	99	518	1550
Total	2207	333	205	1170	3915	2254	351	216	839	3660	1902	268	222	894	3286	1874	259	153	558	2844

* updated quarterly, to September

** 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
October 2005

	UNDER CONSTR: SEP. 2005					STARTS					COMPLETIONS					UNDER CONSTR: OCT. 2005				
	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total
Comox Town	36	2	0	14	52	2	0	0	3	5	9	0	0	0	9	29	2	0	17	48
Courtenay City	92	44	32	114	282	17	4	4	0	25	19	0	3	6	28	90	48	33	108	279
Cumberland	6	2	0	0	8	10	0	0	0	10	0	0	0	0	0	16	2	0	0	18
Comox Strath RDA A	24	0	0	0	24	3	0	0	0	3	1	0	0	0	1	26	0	0	0	26
Comox Strath RDA B	56	2	4	0	62	3	0	0	0	3	0	0	0	0	0	59	2	4	0	65
Indian Res.	2	0	0	0	2	0	0	0	0	0	0	0	0	0	0	2	0	0	0	2
Courtenay CA	216	50	36	128	430	35	4	4	3	46	29	0	3	6	38	222	54	37	125	438
Parksville City	30	44	3	0	77	7	16	6	0	29	7	10	3	0	20	30	50	6	0	86
Qualicum Beach Town	16	2	0	29	47	4	0	0	0	4	3	0	0	0	3	17	2	0	29	48
Nanaimo RDA G	59	2	0	0	61	12	0	0	0	12	10	0	0	0	10	61	2	0	0	63
Parksville-Qualicum	105	48	3	29	185	23	16	6	0	45	20	10	3	0	33	108	54	6	29	197
Nanaimo City	255	41	14	285	595	36	13	0	30	79	42	12	0	40	94	249	42	14	275	580
Lantzville	3	0	0	0	3	0	0	0	0	0	1	0	0	0	1	2	0	0	0	2
Nanaimo RDA A	17	0	0	0	17	5	0	0	0	5	1	0	0	0	1	21	0	0	0	21
Nanaimo RDA C	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nanaimo RDA D	11	0	0	0	11	0	0	0	0	0	3	0	0	0	3	8	0	0	0	8
Nanaimo CA *	286	41	14	285	626	41	13	0	30	84	47	12	0	40	99	280	42	14	275	611
North Cowichan	108	40	17	24	189	16	6	10	0	32	15	4	7	0	26	109	42	20	24	195
Duncan City	0	24	0	22	46	1	0	0	0	1	0	4	0	0	4	1	20	0	22	43
Cowich. Valley RDA D	23	0	0	0	23	2	0	0	0	2	5	0	0	0	5	20	0	0	0	20
Cowich. Valley RDA E	11	0	0	0	11	0	0	0	0	0	0	0	0	0	0	11	0	0	0	11
Duncan CA	142	64	17	46	269	19	6	10	0	35	20	8	7	0	35	141	62	20	46	269
TOTAL	749	203	70	488	1510	118	39	20	33	210	116	30	13	46	205	751	212	77	475	1515

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

NANAIMO CA

Inventory and Absorptions by Municipality

October 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	35	0	0	0	35	35	70	Nanaimo	6	0	0	0	6	43	49
Lantzville	0	0	0	0	0	0	0	Lantzville	0	0	0	0	0	1	1
Nanaimo A,C,D	0	0	0	0	0	0	0	Nanaimo A,C,D	0	0	0	0	0	4	4
MONTH TOTAL	35	0	0	0	35	35	70	MONTH TOTAL	6	0	0	0	6	48	54
Y.T.D. AVG. 2005	4	0	0	0	4	28	32	Y.T.D. TOTAL 2005	6	0	9	0	15	488	503
Y.T.D. AVG. 2004	1	0	1	0	2	20	22	Y.T.D. TOTAL 2004	2	0	14	0	16	467	483

* 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

October 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	0	0	0	0	0	1	1	Comox Town	0	0	0	0	0	9	9
Courtenay	8	0	1	0	9	16	25	Courtenay	18	0	6	0	24	14	38
Cumberland	0	0	0	0	0	1	1	Cumberland	0	0	0	0	0	0	0
Comox Strath A,B	29	0	0	0	29	0	29	Comox Strath A,B	0	0	0	0	0	1	1
Indian Res.	0	0	0	0	0	0	0	Indian Res.	0	0	0	0	0	0	0
MONTH TOTAL	37	0	1	0	38	18	56	MONTH TOTAL	18	0	6	0	24	24	48
Y.T.D. AVG. 2005	25	0	2	0	27	20	47	Y.T.D. TOTAL 2005	79	0	34	4	117	334	451
Y.T.D. AVG. 2004	0	0	3	0	3	11	14	Y.T.D. TOTAL 2004	24	0	23	4	51	212	263

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

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CMHC Market Watch

VICTORIA AND NANAIMO New Ownership Construction OCTOBER 2005

METRO VICTORIA

need to know

	Completed & Unoccupied ¹	Under Construction	Total Supply	Monthly Absorption Forecast ²	Duration of Supply (Months)	Surplus/Shortfall ³ (Months)	Market Classification ⁴
Single & Semi	70	700	770	93	8.3	1.3	Balanced.
Row Condo	14	66	80	10	8.0	-2.0	Balanced.
Apt Condo	20	1191	1211	65	18.6	4.6	Oversupplied.

NANAIMO CA

need to know

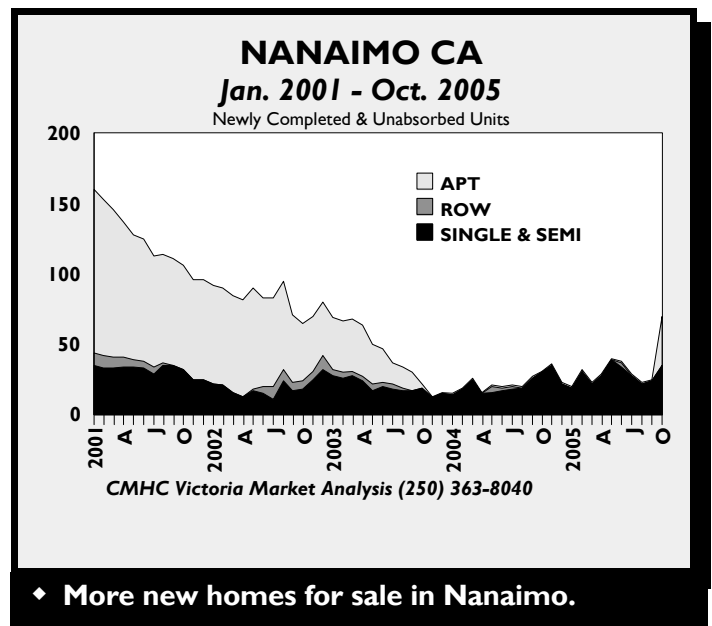
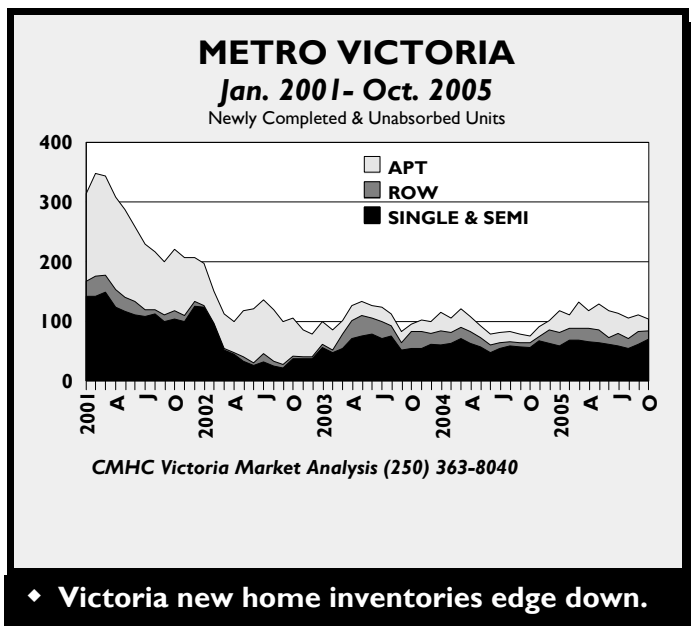
	Completed & Unoccupied ¹	Under Construction	Total Supply	Monthly Absorption Forecast ²	Duration of Supply (Months)	Surplus/Shortfall ³ (Months)	Market Classification ⁴
Single & Semi	35	290	325	46	7.1	0.1	Balanced.
Row Condo	0	14	14	2	7.0	-4.0	Undersupplied.
Apt Condo	35	275	310	23	13.5	0.5	Balanced.

¹⁻⁴ Refer to CMHC Definitions insert.

VICTORIA AND NANAIMO

New Housing Inventory

JANUARY 2001 to OCTOBER 2005

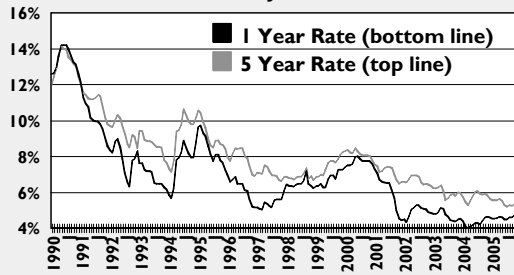


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KEY ECONOMIC INDICATORS

MORTGAGE RATES

One & Five Year Terms Jan. 1990 - Oct. 2005

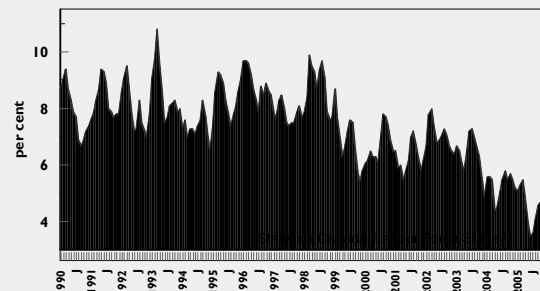


CMHC Market Analysis (250) 363-8040

◆ Mortgage rates inch up in October.

METRO VICTORIA

Unemployment Rate: Jan. 1990 - Oct. 2005

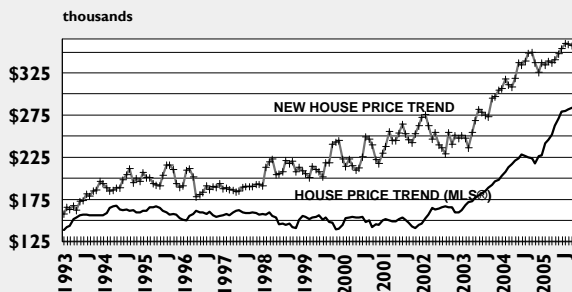


CMHC Market Analysis (250) 363-8040

◆ Victoria unemployment remains below 5%.

NANAIMO

Average House Price Trend Jan. 1993 - Oct. 2005

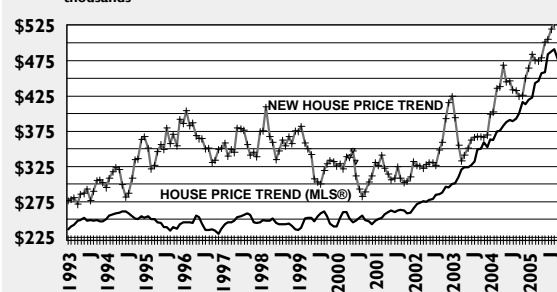


NOTE: Price trends calculated as 3 month moving average.
CMHC Market Analysis (250) 363-8040 DATA: Vancouver Island Real Estate Board, CMHC

◆ Nanaimo house prices continue uptrend.

METRO VICTORIA

Average House Price Trend Jan. 1993 - Oct. 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 prices climbing.

Vancouver Island Housing Markets

MLS® SALES SINGLE-FAMILY DETACHED	October 2005				January-October 2005			
	Sales Oct. 2005	% Change Oct. 2004	Avg Price Oct. 2005	% Change Oct. 2004	Sales Y.T.D.	% Chg. Y.T.D. 04-05	Avg Price Y.T.D.	% Chg. Y.T.D. 04-05
Metro Victoria	299	0%	\$469,246	15%	3,757	0%	\$458,723	20%
Nanaimo	132	7%	\$285,169	32%	1,442	2%	\$264,744	21%
Duncan-Cowichan Valley	87	38%	\$266,900	34%	796	7%	\$261,978	23%
Port Alberni*	31	-24%	\$145,151	35%	380	-4%	\$150,085	25%
Parksville-Qualicum Beach	63	-18%	\$326,582	23%	698	-1%	\$305,873	22%
Comox Valley	59	-12%	\$267,432	23%	813	-7%	\$252,321	21%
Campbell River	43	-2%	\$234,574	24%	485	3%	\$221,861	26%

* 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**.

