

# H

# OUSING NOW

Victoria/Vancouver Island

YOUR LINK TO THE HOUSING MARKET

## Strong New Home Sales in August

Canada Mortgage and Housing Corporation

### Victoria homebuilding steady, sales strong

- ◆ Despite a dip in August's new home starts, Victoria homebuilding remains on pace with 2004 levels. **Several new multifamily projects are poised to get underway this fall.**
- ◆ **New home completions outpaced starts** in August, reducing the number of units under construction.
- ◆ **New home inventories edged down for the third consecutive month** as sales surpassed completions by eight units.
- ◆ Robust sales and few new August starts **reduced the new apartment condo market oversupply.**
- ◆ **The new townhouse market remained balanced** as starts, completions and sales moved in sync.
- ◆ **The new house average price slipped below July's record high**, to \$488,153 in August. Strong buyer demand plus rising building costs will keep prices high in the coming months.

### Nanaimo home starts rebound

- ◆ **Nanaimo saw homebuilding revive to 85 starts** in August and year-to-date results are on par with last year's levels.
- ◆ **The new single/semi-detached house market remained balanced**, with six more sales than completions.
- ◆ No condominium units were started, completed or sold and **markets continued undersupplied.** Starts expected in the coming months should move markets into balance by late 2005.

### Courtenay CA leads homebuilding in other Van. Island markets

- ◆ **Courtenay CA homebuilding outpaced Duncan CA and Parksville-Qualicum** in August. However, year-to-date results show Duncan CA with the strongest gain over 2004 levels.

### B.C.'s consumer confidence buoys housing demand

- ◆ BC's consumer confidence levels edged down in August but remain high when compared with historic levels. Strong consumer confidence indicates growth in new home construction, as well as robust housing demand.

## AUGUST 2005

### IN THIS ISSUE

Monthly Highlights..... 1

### STATISTICAL TABLES:

#### Metropolitan Victoria

Starts/Completions/Under Construction.. 2  
Inventory & Absorptions by Municipality.. 3

#### Vancouver Island

New House Prices & Starts/ Completions.. 4  
Starts/Completions/Under Construction.. 5  
Inventory & Absorptions by Municipality.. 6  
CMHC Market Watch ..... 7  
New Housing Inventory ..... 7  
Market Indicator Trends & MLS® Sales... 8

### CMHC Victoria Noticeboard

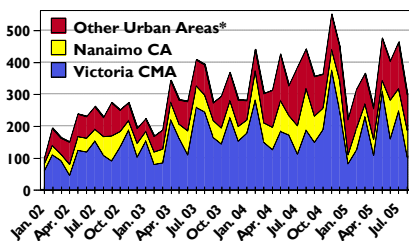
◆ **CMHC's Housing Outlook for 2006** - plan now to attend CMHC's annual presentation Nov. 2, 2005. Contact Lisa Preston (604) 737-4088, lpreston@cmhc.ca

◆ **Is the new home market nearing its peak?** Keep up to date with CMHC's next housing starts release Oct. 11. (250) 363-8045, pprill@cmhc.ca

◆ **Seniors' Housing Market Report** - CMHC provides a snapshot of the BC market, including vacancies and average rents; October release.

◆ **CARE Award finalists** - display now moved from CMHC Victoria office to The Bay Centre until Oct. 9. For more info, call CHBA Victoria 383-5044.

Vancouver Island Homebuilding  
Jan. 2002 - Aug. 2005



\* includes Duncan CA, Courtenay CA, Parksville-Qualicum

◆ Homebuilding dips in August.

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

August 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	4	4	0	0	0	8	4	2	0	0	0	6	11	29	0	4	596	3	643
Oak Bay	2	0	0	0	0	2	0	0	0	0	0	0	21	0	0	0	0	0	21
Esquimalt	0	0	0	0	0	0	1	2	0	0	36	39	16	8	3	0	222	0	249
Saanich	9	0	0	0	12	21	15	0	4	0	58	77	162	3	19	0	137	0	321
C. Saanich	5	0	11	0	0	16	4	0	0	0	0	4	25	0	15	0	0	0	40
N. Saanich	3	0	0	0	0	3	4	0	0	0	0	4	38	4	0	0	0	0	42
Sidney	1	0	0	0	0	1	1	0	0	0	5	6	13	0	6	0	46	0	65
View Royal	0	0	0	0	0	0	3	0	3	0	0	6	33	6	18	0	0	0	57
RDA H	2	0	0	0	0	2	1	0	0	0	0	1	37	2	0	0	0	0	39
Highlands	1	0	0	0	0	1	0	0	0	0	0	0	18	0	0	0	0	0	18
Langford	30	0	0	0	0	30	16	0	4	0	0	20	163	6	0	0	40	0	209
Colwood	6	0	0	0	0	6	9	0	0	0	0	9	50	6	18	0	58	0	132
Metchosin	1	0	0	0	0	1	1	0	0	0	0	1	8	0	0	0	0	0	8
Sooke	13	0	0	0	0	13	13	0	3	0	0	16	49	0	6	0	0	0	55
Indian Res.	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	1
<b>MONTH TOTAL</b>	<b>77</b>	<b>4</b>	<b>11</b>	<b>0</b>	<b>12</b>	<b>104</b>	<b>72</b>	<b>4</b>	<b>14</b>	<b>0</b>	<b>99</b>	<b>189</b>	<b>645</b>	<b>64</b>	<b>85</b>	<b>4</b>	<b>1099</b>	<b>3</b>	<b>1900</b>
<b>YEAR-TO-DATE</b>	<b>646</b>	<b>58</b>	<b>89</b>	<b>0</b>	<b>580</b>	<b>1376</b>	<b>622</b>	<b>64</b>	<b>115</b>	<b>4</b>	<b>622</b>	<b>1427</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>	<b>---</b>

Preliminary

Page 2

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

# METROPOLITAN VICTORIA

Inventory and Absorptions by Municipality

## August 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	21	0	4	0	25	6	31	1	0	1	0	2	9	11
Oak Bay	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Esquimalt	5	0	0	0	5	1	6	36	0	0	0	36	2	38
Saanich	4	0	1	0	5	11	16	54	0	4	0	58	17	75
C. Saanich	0	0	0	0	0	3	3	0	0	0	0	0	2	2
N. Saanich	0	0	0	0	0	2	2	0	0	0	0	0	2	2
Sidney	2	0	0	0	2	1	3	5	0	1	0	6	4	10
View Royal	0	0	2	0	2	0	2	0	0	3	0	3	6	9
RDA H	0	0	0	0	0	1	1	0	0	0	0	0	1	1
Highlands	0	0	0	0	0	1	1	0	0	0	0	0	0	0
Langford	0	0	0	0	0	18	18	2	0	4	0	6	17	23
Colwood	3	0	9	0	12	5	17	0	0	2	0	2	6	8
Metchosin	0	0	0	0	0	0	0	0	0	0	0	0	1	1
Sooke	0	0	1	0	1	4	5	0	0	3	0	3	14	17
Indian Res.	0	0	0	0	0	1	1	0	0	0	0	0	0	0
<b>MONTH TOTAL</b>	<b>35</b>	<b>0</b>	<b>17</b>	<b>0</b>	<b>52</b>	<b>54</b>	<b>106</b>	<b>98</b>	<b>0</b>	<b>18</b>	<b>0</b>	<b>116</b>	<b>81</b>	<b>197</b>
<b>Y.T.D. AVG. 2005</b>	<b>37</b>	<b>0</b>	<b>19</b>	<b>0</b>	<b>56</b>	<b>63</b>	<b>119</b>	<b>602</b>	<b>1</b>	<b>121</b>	<b>4</b>	<b>728</b>	<b>695</b>	<b>1423</b>
<b>Y.T.D. AVG. 2004</b>	<b>23</b>	<b>11</b>	<b>16</b>	<b>0</b>	<b>50</b>	<b>60</b>	<b>110</b>	<b>236</b>	<b>189</b>	<b>89</b>	<b>3</b>	<b>517</b>	<b>735</b>	<b>1252</b>

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

## 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		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	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								
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.-Aug. 2005					Jan.-Aug. 2004 **					Jan.-Aug. 2005					Jan.-Aug. 2004**				
	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL	Single	Semi	Row	Apt	TOTAL
Campbell River *	88	4	8	28	128	64	20	0	21	105	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Courtenay	253	46	37	137	473	279	34	23	102	438	271	28	26	109	434	231	40	24	40	335
Parksville/Qualicum	119	22	10	29	180	186	63	46	0	295	157	62	28	0	247	132	30	14	0	176
Nanaimo **	402	53	3	35	493	396	40	9	53	498	342	36	9	24	411	315	41	7	0	363
Duncan	146	66	17	46	275	124	18	0	0	142	98	20	0	7	125	106	12	0	0	118
Port Alberni *	37	0	0	0	37	13	0	16	0	29	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Victoria	646	58	89	583	1376	697	122	68	513	1400	622	64	119	622	1427	654	84	81	423	1242
Total	1691	249	164	858	2962	1759	297	162	689	2907	1490	210	182	762	2644	1438	207	126	463	2234

\* updated quarterly, to June

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

Preliminary

Page 4

# VANCOUVER ISLAND

## Starts/Completions/Under Construction

### August 2005

	UNDER CONSTR: JUL. 2005				STARTS				COMPLETIONS				UNDER CONSTR: AUG. 2005							
	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total	Single	Semi	Row	Apt	Total
Comox Town	49	4	9	14	76	5	0	0	0	5	8	2	5	0	15	46	2	4	14	66
Courtenay City	88	44	27	169	328	20	6	6	24	56	23	8	0	26	57	85	42	33	167	327
Cumberland	7	2	0	0	9	0	0	0	0	0	3	0	0	0	3	4	2	0	0	6
Comox Strath RDA A	19	0	0	0	19	0	0	0	0	0	4	0	0	0	4	15	0	0	0	15
Comox Strath RDA B	41	2	0	0	43	3	0	0	0	3	7	0	0	0	7	37	2	0	0	39
Indian Res.	2	0	0	0	2	5	0	0	0	5	0	0	0	0	0	7	0	0	0	7
<b>Courtenay CA</b>	<b>206</b>	<b>52</b>	<b>36</b>	<b>183</b>	<b>477</b>	<b>33</b>	<b>6</b>	<b>6</b>	<b>24</b>	<b>69</b>	<b>45</b>	<b>10</b>	<b>5</b>	<b>26</b>	<b>86</b>	<b>194</b>	<b>48</b>	<b>37</b>	<b>181</b>	<b>460</b>
Parksville City	20	52	7	0	79	10	0	0	0	10	5	8	0	0	13	25	44	7	0	76
Qualicum Beach Town	18	2	0	29	49	1	0	0	0	1	3	0	0	0	3	16	2	0	29	47
Nanaimo RDA G	57	6	0	0	63	5	0	0	0	5	7	4	0	0	11	55	2	0	0	57
<b>Parksville-Qualicum</b>	<b>95</b>	<b>60</b>	<b>7</b>	<b>29</b>	<b>191</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>16</b>	<b>15</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>27</b>	<b>96</b>	<b>48</b>	<b>7</b>	<b>29</b>	<b>180</b>
Nanaimo City	222	32	7	128	389	67	15	0	0	82	40	6	0	0	46	249	41	7	128	425
Lantzville	2	0	0	0	2	2	0	0	0	2	0	0	0	0	0	4	0	0	0	4
Nanaimo RDA A	16	0	0	0	16	1	0	0	0	1	1	0	0	0	1	16	0	0	0	16
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	13	0	0	0	13	0	0	0	0	0	1	0	0	0	1	12	0	0	0	12
<b>Nanaimo CA *</b>	<b>253</b>	<b>32</b>	<b>7</b>	<b>128</b>	<b>420</b>	<b>70</b>	<b>15</b>	<b>0</b>	<b>0</b>	<b>85</b>	<b>42</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>48</b>	<b>281</b>	<b>41</b>	<b>7</b>	<b>128</b>	<b>457</b>
North Cowichan	107	40	17	24	188	8	2	0	0	10	3	6	0	0	9	112	36	17	24	189
Duncan City	1	28	0	22	51	0	0	0	0	0	0	2	0	0	2	1	26	0	22	49
Cowich. Valley RDA D	18	0	0	0	18	12	0	0	0	12	7	0	0	0	7	23	0	0	0	23
Cowich. Valley RDA E	11	0	0	0	11	2	0	0	0	2	2	0	0	0	2	11	0	0	0	11
<b>Duncan CA</b>	<b>137</b>	<b>68</b>	<b>17</b>	<b>46</b>	<b>268</b>	<b>22</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>24</b>	<b>12</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>20</b>	<b>147</b>	<b>62</b>	<b>17</b>	<b>46</b>	<b>272</b>
<b>TOTAL</b>	<b>691</b>	<b>212</b>	<b>67</b>	<b>386</b>	<b>1356</b>	<b>141</b>	<b>23</b>	<b>6</b>	<b>24</b>	<b>194</b>	<b>114</b>	<b>36</b>	<b>5</b>	<b>26</b>	<b>181</b>	<b>718</b>	<b>199</b>	<b>68</b>	<b>384</b>	<b>1369</b>

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

Preliminary  
Page 5

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

**pprill@cmhc.ca**

# NANAIMO CA

## Inventory and Absorptions by Municipality

### August 2005 AND YEAR-TO-DATE 2004 & 2005

	INVENTORY OF NEW HOMES					ABSORPTION OF NEW HOMES					Grand Total		
	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi	Apt Condo	Apt Rental	Row Condo	Row Rental		Multi. Total	Single & Semi
Nanaimo City	1	0	0	0	1	22	0	0	0	0	0	0	52
Lantzville	0	0	0	0	0	0	0	0	0	0	0	0	0
Nanaimo A,C,D	0	0	0	0	0	0	0	0	0	0	0	2	2
<b>MONTH TOTAL</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>22</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>54</b>
Y.T.D. AVG. 2005	1	0	0	0	1	28	0	0	9	0	0	9	378
Y.T.D. AVG. 2004	1	0	1	0	2	18	2	0	14	0	16	352	368

\* 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

### August 2005 AND YEAR-TO-DATE 2004 & 2005

	INVENTORY OF NEW HOMES					ABSORPTION OF NEW HOMES					Grand Total		
	Apt Condo	Apt Rental	Row Condo	Row Rental	Multi. Total	Single & Semi	Apt Condo	Apt Rental	Row Condo	Row Rental		Multi. Total	Single & Semi
Comox Town	6	0	2	0	8	3	0	0	0	0	0	10	10
Courtenay	0	0	2	0	2	11	0	0	0	0	0	24	24
Cumberland	0	0	0	0	0	0	0	0	0	0	0	4	4
Comox Strath A,B	31	0	0	0	31	0	0	0	0	0	0	12	12
Indian Res.	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>MONTH TOTAL</b>	<b>37</b>	<b>0</b>	<b>4</b>	<b>0</b>	<b>41</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>50</b>	<b>50</b>
Y.T.D. AVG. 2005	16	0	2	0	18	21	47	0	15	4	66	224	290
Y.T.D. AVG. 2004	0	0	3	0	3	11	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

# CMHC Market Watch

## VICTORIA AND NANAIMO New Ownership Construction AUGUST 2005

### METRO VICTORIA

	Completed & Unoccupied <sup>1</sup>	Under Construction	Total Supply	Monthly Absorption Forecast <sup>2</sup>	Duration of Supply (Months)	Surplus/Shortfall <sup>3</sup> (Months)	Market Classification <sup>4</sup>
Single & Semi	54	683	737	95	7.8	0.8	Balanced.
Row Condo	17	85	102	13	7.8	-2.2	Balanced.
Apt Condo	35	1099	1134	65	17.4	3.4	Oversupplied.

need to know

### NANAIMO CA

	Completed & Unoccupied <sup>1</sup>	Under Construction	Total Supply	Monthly Absorption Forecast <sup>2</sup>	Duration of Supply (Months)	Surplus/Shortfall <sup>3</sup> (Months)	Market Classification <sup>4</sup>
Single & Semi	22	293	315	45	7.0	0.0	Balanced.
Row Condo	0	7	7	2	3.5	-7.5	Undersupplied.
Apt Condo	1	103	104	15	6.9	-6.1	Undersupplied.

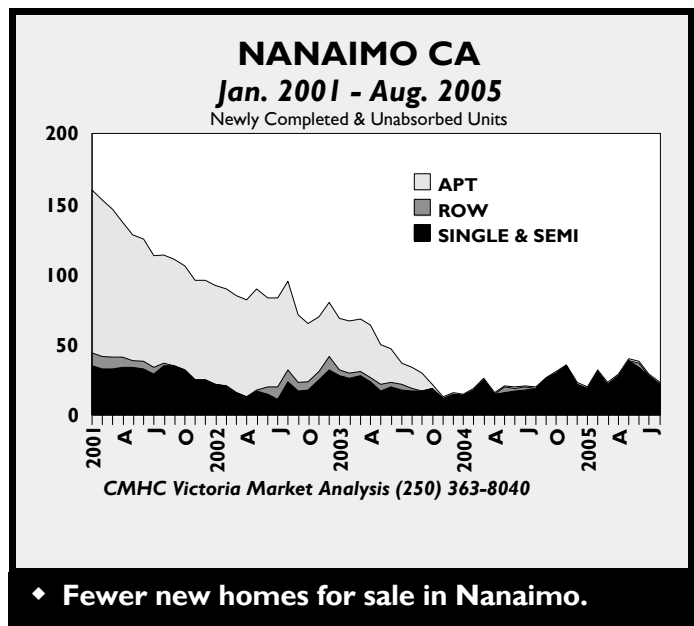
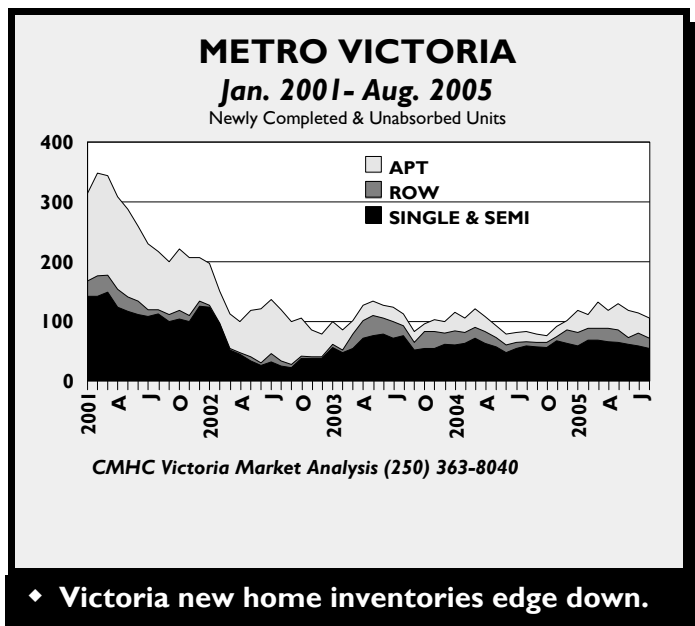
need to know

<sup>1-4</sup> Refer to CMHC Definitions insert.

## VICTORIA AND NANAIMO

### New Housing Inventory

#### JANUARY 2001 to AUGUST 2005

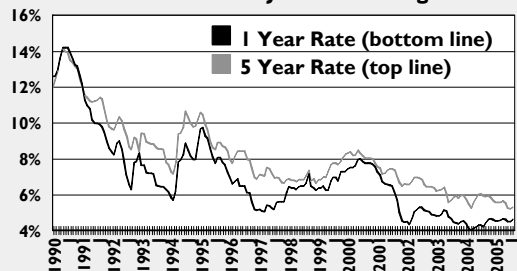


Preliminary  
Page 7

# KEY ECONOMIC INDICATORS

## MORTGAGE RATES

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

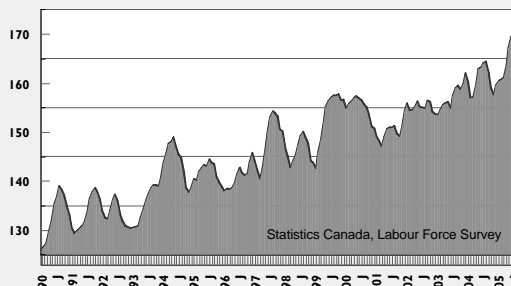


CMHC Market Analysis (250) 363-8040

◆ Mortgage rates inch up in August.

## METRO VICTORIA

Employed Labour Force Jan. 1990 - Aug. 2005

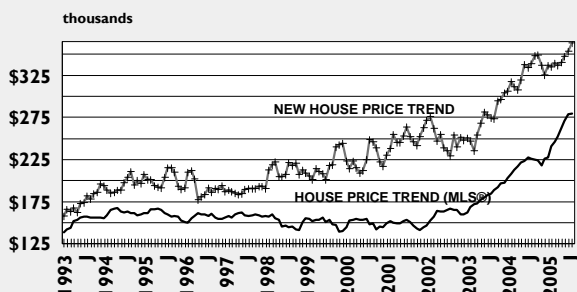


CMHC Market Analysis (250) 363-8040

◆ Victoria job growth sees steady increase.

## NANAIMO

Average House Price Trend Jan. 1993 - Aug. 2005

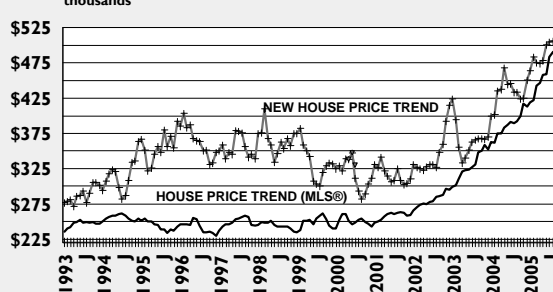


NOTE: Price trends calculated as 3 month moving average.  
CMHC Market Analysis (250) 363-8040 DATA: Vancouver Island Real Estate Board, CMHC

◆ Nanaimo new house price trending up again.

## METRO VICTORIA

Average House Price Trend Jan. 1993 - Aug. 2005



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

◆ Victoria house price trends climbing.

## Vancouver Island Housing Markets

MLS® SALES SINGLE-FAMILY DETACHED	August 2005				January-August 2005			
	Sales Aug. 2005	% Change Aug. 2004	Avg Price Aug. 2005	% Change Aug. 2004	Sales Y.T.D.	% Chg. Y.T.D. 04-05	Avg Price Y.T.D.	% Chg. Y.T.D. 04-05
Metro Victoria	350	4%	\$521,962	33%	3,098	0%	\$455,028	20%
Nanaimo	153	-4%	\$279,160	19%	1,191	3%	\$260,792	19%
Duncan-Cowichan Valley	102	48%	\$270,580	12%	641	5%	\$259,224	21%
Port Alberni*	52	-10%	\$177,759	28%	318	4%	\$150,883	23%
Parksville-Qualicum Beach	74	9%	\$338,324	31%	565	-3%	\$301,705	21%
Comox Valley	107	18%	\$278,646	28%	691	-5%	\$249,486	19%
Campbell River	48	-6%	\$238,310	32%	391	1%	\$218,814	25%

\* 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**.

