HOUSING NOW

Ottawa

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

www.cmhc.ca

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IN THIS ISSUE

New Homes

HOUSING STARTS DOWN IN AUGUST

Residential construction in Ottawa continues to record year-over-year declines and this August was no exception, with housing starts dropping by 39 per cent. Along with a rising number of listings in the resale market, the new home market is showing signs of growing inventories as well, all of which is pointing to a continued slow down in residential construction ahead. The growing supply of homes available for consumers to choose from will continue to impact demand for new homes; new home sales are already down by almost a quarter this year. From January to August of 2005, there have been 3,168 home units started, representing a decline of 32 per cent from the same eight month period in 2004.

Single-family residential construction was down by over a quarter in August, achieving 234 starts. Construction for this housing type continued its slide in August, with the current level falling well below the 10-year average for the Ottawa area. Single-family housing starts have not been this low for a month of August since 1997. In the first eight months of 2005, single-family housing construction has fallen by 29 per cent to achieve 1,519 starts.

The construction of multiple-family homes shrank by a half in August, with declines for all multi-family type dwellings. In August we saw a slump in semi-detached and apartment construction, while townhouse construction dropped by 16 per cent. While the decline of single-family homes has slowed somewhat compared to the beginning of the year, the decline in multi-family starts has been steeper. From January to August of this year, multi-family construction has fallen by 35 per cent to achieve 1,649 new units so far compared to the 2,524 units recorded during the same period last year.

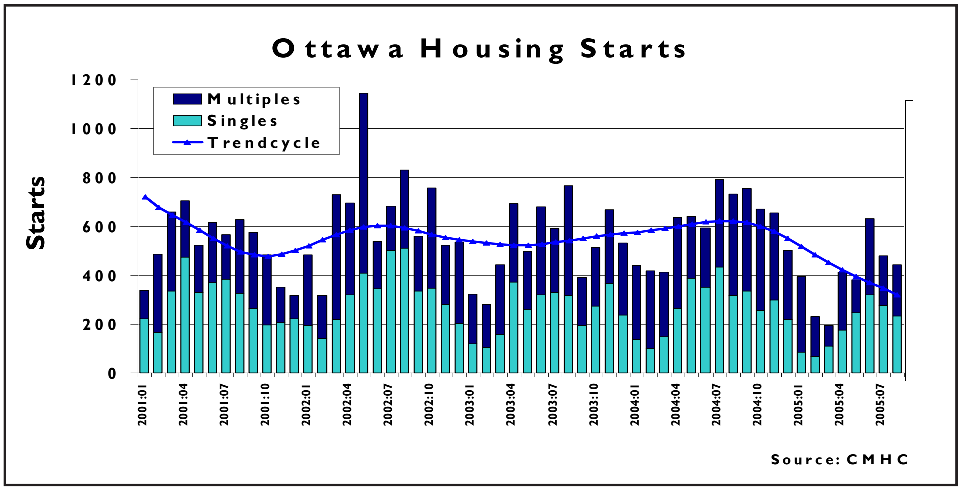

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Table 1: Housing Activity Summary for Ottawa

	OWNERSHIP					RENTAL		
	FREEHOLD			CONDOMINIUM				GRAND
	*SINGLE	*SEMI	ROW	ROW	APT	ROW	APT	**TOTAL
STARTS								
August 2005	234	24	119	20	22	0	24	443
August 2004	317	14	119	46	231	0	4	731
% Change	-26.2	71.4	0.0	-56.5	-90.5	NA	**	-39.4
Year-to-date 2005	1,519	154	698	252	483	3	59	3,168
Year-to-date 2004	2,141	236	1,115	243	740	102	88	4,665
% Change	-29.1	-34.7	-37.4	3.7	-34.7	-97.1	-33.0	-32.1
Q2 2005	741	62	284	50	250	3	35	1,425
Q2 2004	1,002	116	460	39	181	9	64	1,871
% Change	-26.0	-46.6	-38.3	28.2	38.1	-66.7	-45.3	-23.8
UNDER CONSTRUCTION								
August 2005	1,385	156	703	259	1,160	15	118	3,796
August 2004	1,767	188	925	355	1,198	73	274	4,780
COMPLETIONS								
August 2005	172	18	71	113	100	0	158	632
August 2004	232	40	91	42	277	13	0	695
% Change	-25.9	-55.0	-22.0	169.0	-63.9	-100.0	NA	-9.1
Year-to-date 2005	1,645	172	949	366	623	73	249	4,077
Year-to-date 2004	1,816	202	1,294	77	606	72	408	4,475
% Change	-9.4	-14.9	-26.7	**	2.8	1.4	-39.0	-8.9
Q2 2005	597	76	469	141	243	23	12	1,561
Q2 2004	737	92	522	20	143	5	15	1,534
% Change	-19.0	-17.4	-10.2	**	69.9	**	-20.0	1.8
COMPLETE & NOT ABSORBED								
August 2005	66	20	88	36	65	15	237	527
August 2004	45	27	80	6	91	20	221	490
ABSORPTIONS								
August 2005	172	24	70	105	96	5	100	572
August 2004	231	35	95	42	262	6	83	754
% Change	-25.5	-31.4	-26.3	150.0	-63.4	-16.7	20.5	-24.1
Year-to-date 2005	1,664	177	934	357	635	72	145	3,984
Year-to-date 2004	1,797	203	1,292	79	517	79	284	4,251
% Change	-7.4	-12.8	-27.7	**	22.8	-8.9	-48.9	-6.3
Q2 2005	605	70	450	127	258	23	10	1,543
Q2 2004	728	90	516	21	122	19	38	1,534
% Change	-16.9	-22.2	-12.8	**	111.5	21.1	-73.7	0.6

*Includes all market types

** Year-over-year change greater than 200 per cent.

Source: CMHC

Save on Home Energy Costs

Effective November 18, 2004
CMHC will offer a 10% refund on its mortgage loan insurance premium when a borrowers buys or builds an energy-efficient home or makes energy-saving renovations to an existing home. Multi-residential buildings are also eligible.

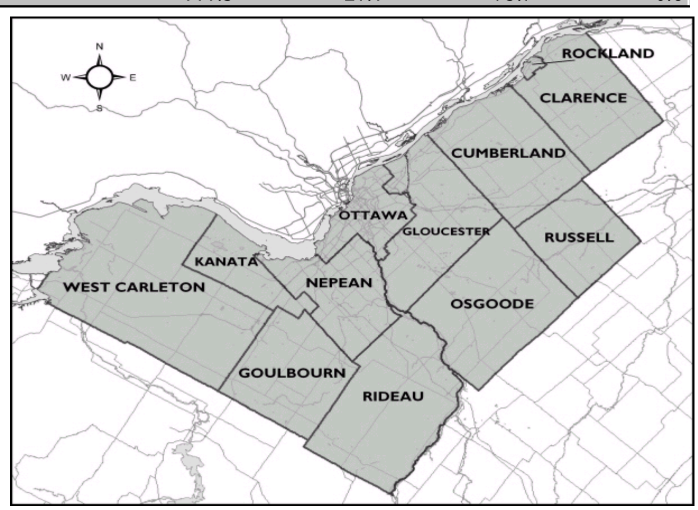


Table 2A: Starts by Area and by Intended Market - Current Month

Sub Market Area	SINGLES Aug 04	SINGLES Aug 05	SINGLES % change	MULTIPLES Aug 04	MULTIPLES Aug 05	MULTIPLES % change	TOTAL Aug 04	TOTAL Aug 05	TOTAL % change
Ottawa	317	234	-26.2	414	209	-49.5	731	443	-39.4
Ottawa City	280	202	-27.9	410	203	-50.5	690	405	-41.3
Ottawa, Vanier, Rockcliffe	14	29	107.1	238	43	-81.9	252	72	-71.4
Nepean inside greenbelt	0	2	NA	0	13	NA	0	15	NA
Nepean outside greenbelt	66	43	-34.8	44	43	-2.3	110	86	-21.8
Gloucester inside greenbelt	2	1	-50.0	0	4	NA	2	5	150.0
Gloucester outside greenbelt	32	20	-37.5	16	17	6.3	48	37	-22.9
Kanata	33	20	-39.4	52	40	-23.1	85	60	-29.4
Cumberland	49	19	-61.2	44	25	-43.2	93	44	-52.7
Goulbourn	43	36	-16.3	16	18	12.5	59	54	-8.5
West Carleton	18	15	-16.7	0	0	NA	18	15	-16.7
Rideau	3	10	**	0	0	NA	3	10	**
Osgoode	20	7	-65.0	0	0	NA	20	7	-65.0
Clarence-Rockland City	18	17	-5.6	4	6	50.0	22	23	4.5
Russell Twp.	19	15	-21.1	0	0	NA	19	15	-21.1

Table 2B: Starts by Area and by Intended Market- Year-to-Date

Sub Market Area	SINGLES YTD 2004	SINGLES YTD 2005	SINGLES % change	MULTIPLES YTD 2004	MULTIPLES YTD 2005	MULTIPLES % change	TOTAL YTD 2004	TOTAL YTD 2005	TOTAL % change
Ottawa	2,141	1,519	-29.1	2,524	1,649	-34.7	4,665	3,168	-32.1
Ottawa City	1,921	1,349	-29.8	2,473	1,602	-35.2	4,394	2,951	-32.8
Ottawa, Vanier, Rockcliffe	122	93	-23.8	883	584	-33.9	1005	677	-32.6
Nepean inside greenbelt	10	10	0.0	207	85	-58.9	217	95	-56.2
Nepean outside greenbelt	438	303	-30.8	294	303	3.1	732	606	-17.2
Gloucester inside greenbelt	24	17	-29.2	96	20	-79.2	120	37	-69.2
Gloucester outside greenbelt	182	148	-18.7	299	134	-55.2	481	282	-41.4
Kanata	275	137	-50.2	375	193	-48.5	650	330	-49.2
Cumberland	380	244	-35.8	271	265	-2.2	651	509	-21.8
Goulbourn	252	201	-20.2	48	18	-62.5	300	219	-27.0
West Carleton	89	82	-7.9	0	0	NA	89	82	-7.9
Rideau	29	34	17.2	0	0	NA	29	34	17.2
Osgoode	120	80	-33.3	0	0	NA	120	80	-33.3
Clarence-Rockland City	106	90	-15.1	45	39	-13.3	151	129	-14.6
Russell Twp.	114	80	-29.8	6	8	33.3	120	88	-26.7

Table 3: Average Price ($) of Completed and Absorbed Single-Detached Dwellings

Sub Market Area	Aug 04	Aug 05	% change	YTD 2004	YTD 2005	% change
Ottawa	329,916	362,366	9.8	331,804	353,174	6.4
Ottawa City	371,329	409,013	10.1	381,884	419,450	9.8
Cumberland	294,671	299,436	1.6	309,841	314,525	1.5
Gloucester	310,169	324,336	4.6	333,611	356,447	6.8
Nepean	378,425	388,837	2.8	341,621	359,690	5.3
Kanata	419,344	445,205	6.2	368,121	391,463	6.3
Rest of CMA	299,079	336,802	12.6	315,153	347,358	10.2

** Year-over-year change greater than 200 per cent.

Note: NA may appear where CMHC data suppression rules apply

Source: CMHC

Table 4: New Home Sales, City of Ottawa

	Singles			Lowrise Multiples			Total		
	2004	2005	% Chg	2004	2005	% Chg	2004	2005	% Chg
January	146	132	-9.6	174	133	-23.6	320	265	-17.2
February	175	179	2.3	245	179	-26.9	420	358	-14.8
March	298	199	-33.2	305	248	-18.7	603	447	-25.9
April	242	150	-38.0	282	201	-28.7	524	351	-33.0
May	211	174	-17.5	255	206	-19.2	466	380	-18.5
June	215	114	-47.0	221	178	-19.5	436	292	-33.0
July	120	116	-3.3	157	152	-3.2	277	268	-3.2
August	152	147	-3.3	224	183	-18.3	376	330	-12.2
September	139			181			320		
October	131			141			272		
November	140			170			310		
December	88			97			185		
Year-to-date	**1,407**	**1,211**	**-13.9**	**1,639**	**1,480**	**-9.7**	**3,046**	**2,691**	**-11.7**
YEARLY TOTAL	**2,057**			**2,452**			**4,509**		

Source: Corporate Research Group Ltd.

Table 5: Completed and Absorbed Single-Detached Units by Price Range

	PRICE RANGES										
	<$250,000		$250-$299,999		$300-$399,999		$400-$499,999		$500,000 +		
AREA	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	TOTAL
Ottawa total											
August 2005	18	10.5	32	18.6	77	44.8	29	16.9	16	9.3	172
August 2004	34	14.7	74	32.0	85	36.8	25	10.8	13	5.6	231
YTD 2005	127	7.6	337	20.3	893	53.7	208	12.5	99	5.9	1,664
YTD 2004	195	10.9	523	29.1	826	46.0	165	9.2	88	4.9	1,797
Ottawa City											
August 2005	0	0.0	0	0.0	5	62.5	2	25.0	1	12.5	8
August 2004	0	0.0	1	7.1	10	71.4	2	14.3	1	7.1	14
YTD 2005	1	2.0	3	6.0	28	56.0	11	22.0	7	14.0	50
YTD 2004	2	1.9	12	11.4	67	63.8	14	13.3	10	9.5	105
Cumberland											
August 2005	7	31.8	6	27.3	8	36.4	0	0.0	1	4.5	22
August 2004	3	8.8	18	52.9	13	38.2	0	0.0	0	0.0	34
YTD 2005	40	13.7	98	33.6	135	46.2	13	4.5	6	2.1	292
YTD 2004	16	6.2	92	35.8	141	54.9	7	2.7	1	0.4	257
Gloucester											
August 2005	0	0.0	5	45.5	5	45.5	1	9.1	0	0.0	11
August 2004	1	3.8	9	34.6	16	61.5	0	0.0	0	0.0	26
YTD 2005	4	1.9	25	11.7	167	78.4	13	6.1	4	1.9	213
YTD 2004	4	2.0	42	20.7	149	73.4	3	1.5	5	2.5	203
Nepean											
August 2005	0	0.0	7	15.2	20	43.5	13	28.3	6	13.0	46
August 2004	0	0.0	14	29.2	17	35.4	11	22.9	6	12.5	48
YTD 2005	0	0.0	75	20.3	208	56.4	66	17.9	20	5.4	369
YTD 2004	10	2.4	153	37.4	168	41.1	58	14.2	20	4.9	409
Kanata											
August 2005	0	0.0	3	13.6	9	40.9	5	22.7	5	22.7	22
August 2004	0	0.0	6	33.3	5	27.8	4	22.2	3	16.7	18
YTD 2005	3	1.4	25	12.0	115	55.3	42	20.2	23	11.1	208
YTD 2004	0	0.0	50	27.3	83	45.4	34	18.6	16	8.7	183
Rest of CMA											
August 2005	11	17.5	11	17.5	30	47.6	8	12.7	3	4.8	63
August 2004	30	33.0	26	28.6	24	26.4	8	8.8	3	3.3	91
YTD 2005	79	14.8	111	20.9	240	45.1	63	11.8	39	7.3	532
YTD 2004	163	25.5	174	27.2	218	34.1	49	7.7	36	5.6	640

Source: CMHC

Table 6A: Resale Housing Activity for Ottawa Real Estate Board

		Number of Sales	Yr/Yr %	Sales SAAR	Number of New Listings	New Listings SAAR	Sales-to-New Listings SA	Average Price ($)	Yr/Yr %	Average Price ($) SA
2004	January	652	-0.3	13,200	1,571	20,900	63.1	229,921	11.2	228,978
	February	967	2.2	12,600	1,742	21,100	59.6	229,313	7.6	230,090
	March	1,407	22.0	14,100	2,260	21,600	65.4	237,326	10.5	236,865
	April	1,511	20.2	14,000	2,286	21,300	65.7	240,848	8.4	237,052
	May	1,640	10.2	14,100	2,483	22,100	63.8	243,350	9.2	238,416
	June	1,464	9.7	14,100	2,255	22,500	62.7	243,522	8.1	236,785
	July	1,218	-11.7	13,700	1,976	22,500	61.0	238,637	9.1	231,800
	August	1,068	1.1	12,400	1,904	22,800	54.4	233,470	7.7	240,045
	September	988	-4.4	13,200	1,962	23,500	56.0	238,776	5.9	241,120
	October	979	-5.2	13,700	1,710	23,300	58.7	237,327	7.7	243,308
	November	907	4.3	13,200	1,455	23,700	55.5	239,139	7.6	245,242
	December	656	-2.4	13,200	744	22,800	58.0	235,601	6.5	248,155
2005	January	646	-0.9	13,200	1,689	22,900	57.6	242,934	5.7	247,214
	February	933	-3.5	12,700	1,855	22,900	55.3	240,533	4.9	242,970
	March	1,120	-20.4	11,700	2,367	23,500	49.8	248,865	4.9	249,493
	April	1,440	-4.7	13,600	2,758	26,200	51.8	247,681	2.8	240,577
	May	1,564	-4.6	13,000	2,691	23,700	54.9	248,436	2.1	244,450
	June	1,494	2.0	14,200	2,448	24,200	58.8	254,725	4.6	247,307
	July	1,215	-0.2	13,900	2,052	24,400	56.9	250,996	5.2	248,045
	August	1,264	18.4	14,500	2,082	24,300	59.6	243,419	4.3	250,535
	September									
	October									
	November									
	December									
	Q2 2004	4,615	13.1	14,080	7,024	21,976	64.1	237,419	8.8	242,585
	Q2 2005	4,498	-2.5	13,612	7,897	24,692	55.1	250,283	5.4	244,142
	YTD 2004	9,927	7.1		16,477			238,250	10.3	
	YTD 2005	9,676	-2.5		17,942			247,881	4.0	

	Annual Sales	Yr/Yr %		Annual New Listings	Yr/Yr %		Annual Average Price ($)	Yr/Yr %	
1995	6,484	-15.0		20,016	-14.4		143,127	-2.7	
1996	8,648	33.4		20,602	2.9		140,513	-1.8	
1997	9,431	9.1		20,312	-1.4		143,866	2.4	
1998	9,552	1.3		18,825	-7.3		143,914	0.0	
1999	11,334	18.7		17,512	-7.0		149,626	4.0	
2000	12,692	12.0		16,213	-7.4		159,511	6.6	
2001	12,240	-3.6		17,338	6.9		175,972	10.3	
2002	12,894	5.3		17,982	3.7		200,711	14.1	
2003	12,877	-0.1		19,706	9.6		219,713	9.5	
2004	13,457	4.5		22,348	13.4		238,152	8.4	

Source: Canadian Real Estate Association

Table 6B: Average Price ($) of Resale Dwellings

Area	Aug 04	Aug 05	% Change	YTD 2004	YTD 2005	% Change
Orléans	$235,304	$236,031	0.3	$230,958	$238,502	3.3
East End	$205,216	$213,733	4.2	$212,783	$214,111	0.6
SouthEast	$260,261	$261,663	0.5	$254,757	$258,952	1.6
Downtown	$349,990	$329,398	-5.9	$338,679	$342,376	1.1
West End	$243,337	$266,159	9.4	$253,928	$261,646	3.0
Nepean	$232,685	$230,746	-0.8	$237,749	$243,695	2.5
Barrhaven	$229,831	$246,807	7.4	$229,931	$242,807	5.6
Kanata-Stittsville	$247,728	$271,876	9.7	$254,083	$261,007	2.7

** Year-over-year change greater than 200 per cent.

Source: Ottawa Real Estate Board

Table 7: Economic Indicators

		Interest and Exchange Rates				Inflation Rate (%)	NHPI*** % chg.	Ottawa Labour Market		
		P & I*	Mortgage Rate (%)		Exch. Rate	Ontario	Ottawa-Gatineau CMA	Employment	Employment	Unemployment
		Per $100,000	1 Yr. Term	5 Yr. Term	($US/$Cdn)	1996=100	1997=100	SA** (,000)	SA m/m(%)	Rate (%) SA
2004	January	642.78	4.3	6.1	0.755	1.5	3.7	599.0	-0.6	7.1
	February	627.97	4.3	5.8	0.749	0.7	4.2	598.1	-0.2	6.9
	March	622.08	4.3	5.7	0.763	1.0	5.2	599.0	0.2	6.7
	April	648.75	4.5	6.2	0.729	2.4	6.6	599.7	0.1	6.7
	May	669.82	4.6	6.5	0.733	3.0	7.0	601.3	0.3	7.1
	June	681.99	4.7	6.7	0.750	2.5	7.8	605.2	0.6	6.9
	July	672.86	4.6	6.6	0.752	2.3	7.8	610.7	0.9	6.7
	August	657.75	4.4	6.3	0.762	1.6	8.6	609.9	-0.1	6.5
	September	657.75	4.8	6.3	0.793	1.6	7.4	611.6	0.3	6.4
	October	663.77	4.9	6.4	0.821	2.2	7.3	611.0	-0.1	6.5
	November	657.75	5.0	6.3	0.843	2.1	6.7	618.1	1.2	6.3
	December	642.78	4.8	6.1	0.832	1.8	6.9	622.4	0.7	6.5
2005	January	642.78	4.8	6.1	0.806	1.7	7.1	623.1	0.1	6.5
	February	642.78	4.8	6.1	0.811	2.2	6.4	619.9	-0.5	6.5
	March	654.74	5.1	6.3	0.827	2.5	5.8	616.9	-0.5	6.8
	April	642.78	4.9	6.1	0.795	2.4	4.4	617.2	0.0	7.0
	May	636.84	4.9	6.0	0.797	1.4	4.4	616.5	-0.1	7.2
	June	622.08	4.8	5.7	0.816	1.9	3.4	614.3	-0.4	6.8
	July	627.97	4.9	5.8	0.817	1.9	4.4	610.6	-0.6	6.8
	August	627.97	5.0	5.8	0.842			610.1	-0.1	7.0
	September									
	October									
	November									
	December									

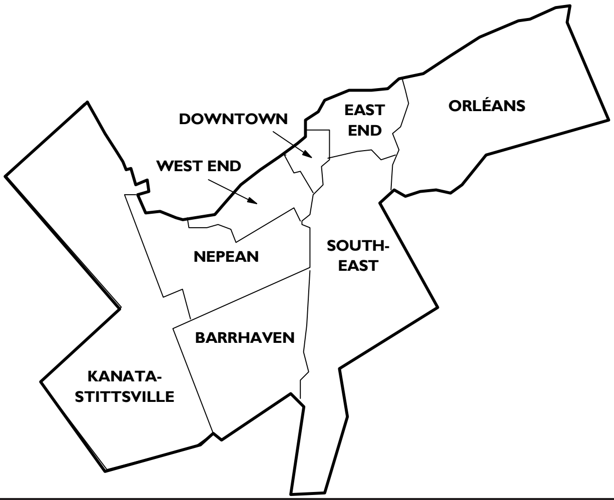
* Principal and Interest Payment assumes a five year mortgage rate and 25 year amortization period.

** Seasonally Adjusted

*** New Housing Price Index

Source: CMHC, Statistics Canada Labour Force Survey

Resale - Urban Sub-Markets



RESALE - URBAN SUB-MARKETS DEFINITIONS (REFER TO TABLE 6B):

Sub- Market	MLS Zones
Orléans	11, 20, 23
East End	21, 22, 31, 34, 35
South East	26, 36, 37, 38, 46, 48, 80
Downtown	33, 40, 41, 44
West End	42, 43, 45, 50, 51, 52, 53, 54, 60, 61, 62, 63
Nepean	47, 70, 71, 72, 73, 74, 75, 76, 78
Barrhaven	77, 79
Kanata-Stittsville	82, 90

Source: Ottawa Real Estate Board

Definitions

1. Starts: refers to units where construction has advanced to a stage where full (100%) footings are in place. For multiple dwellings (semi-detached, row housing and apartments) the definition of a start applies to the structure or block of row units rather than to the project as a whole.

2. Under Construction: those units which have been started but which are not complete.

3. Completions - Single-detached/semi-detached units: this generally is the stage at which all proposed construction work is complete. A unit may be completed at the 90% stage where the remaining work is largely cosmetic. **Row housing/ Apartment:** completions means that 90% or more of the dwelling units within a block of row units or an apartment structure are completed and ready for occupancy

4. Completed and Not Absorbed: all completed units of new construction (excluding model homes not available for sale) which have never been sold or leased.

5. Absorptions: the number of completed units (excluding model homes) that have been sold or leased.

6. Seasonally Adjusted (SA): Actual monthly (or quarterly) figures adjusted to remove normal seasonal variation.

7. Seasonally Adjust Annual Rates (SAAR): Seasonally adjusted monthly figures multiplied by 12 (or quarterly figures multiplied by 4) to reflect annualized levels of activity.

8. Definitions for **CMA, NHPI, CPI**, and **Inflation Rate** can be found in the Statistics Canada website - http://www.statcan.ca