

# HOUSING NOW

## Charlottetown CMA



CANADA MORTGAGE AND HOUSING CORPORATION

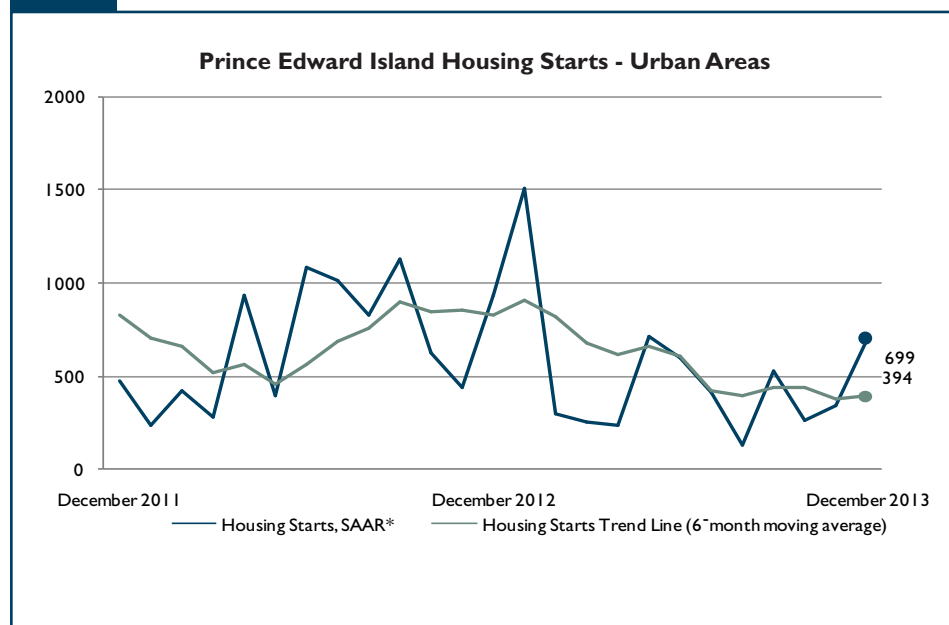
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### Highlights

- Housing starts trend lower in 2013.
- MLS® sales and average price softened.
- Average price of new a home continues to rise.

Housing starts in Prince Edward Island were trending at 394 units in December compared to 378 in November according to Canada Mortgage and Housing Corporation (CMHC). The trend is a six month moving average of the monthly seasonally adjusted annual rates (SAAR)<sup>1</sup> of housing starts.

Figure 1



Source: CMHC

\*SAAR: Seasonally Adjusted Annual Rate

The seasonally adjusted annual rate (SAAR) is a monthly figure for starts adjusted to remove normal season variation and multiplied by 12 to reflect annual levels. By removing seasonal ups and downs, seasonal adjustment allows for a comparison from one season to the next and from one month to the next. Reporting monthly figures at annual rates indicates the annual level of starts that would be obtained if the monthly pace was maintained for 12 months. This facilitates comparison of the current pace of activity to annual forecasts as well as to historical annual levels.

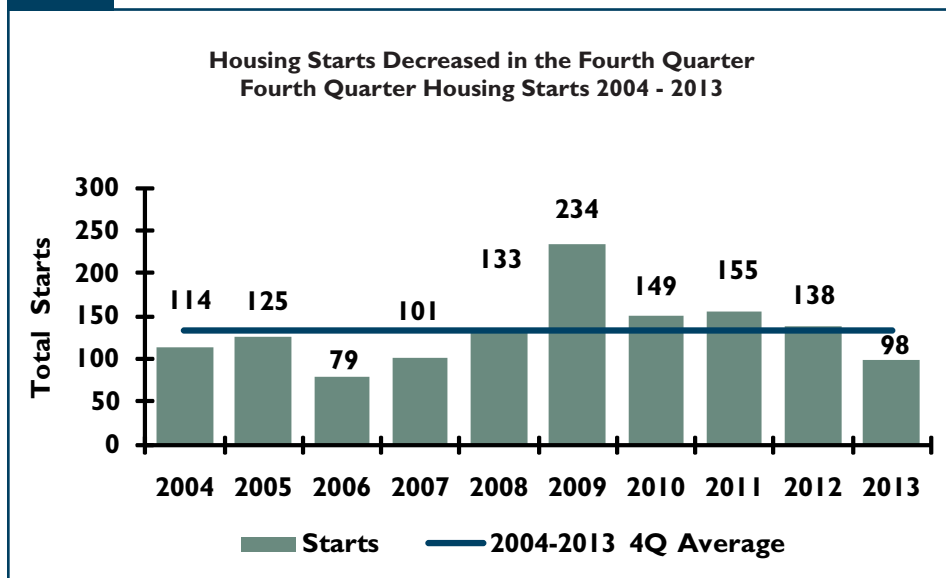
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Figure 2



Source: CMHC

## New Home Market

Since 2009, the Charlottetown market has recorded above average levels of new housing starts. This trend, however, reversed in the second quarter of 2013, as rental apartment starts slowed significantly during the last three quarters of 2013. The homeownership market, consisting mainly of single, semi and row units, also recorded declining activity during this period. The lower activity in rental apartment starts can be partially attributed to the rising vacancy rate, while declines in the new home construction market can be attributed largely to rising prices. Declining international in-migration, due to the expiration of the Provincial Nominee Program, contributed to reduced demand for all types of housing.

Total starts in the Charlottetown area fell to 98 units in the fourth quarter, from 138 during the same period in 2012. Single starts, recorded the largest decline in absolute terms, falling to 41 units, from 62 units in 2012. Semi-detached and row starts also recorded less activity in the

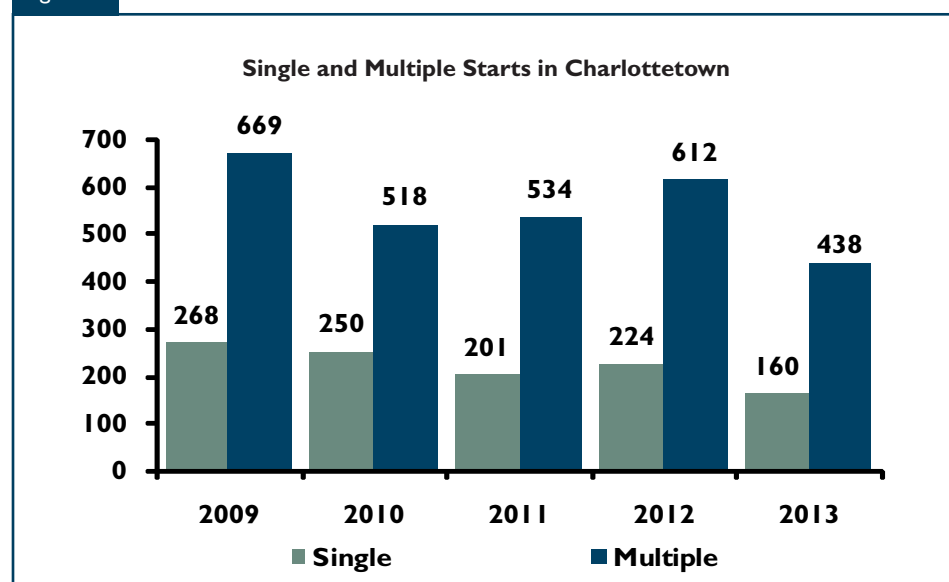
fourth quarter, with totals of 14 and 6 units, from 26 and 16 units respectively. Apartment starts, in the fourth quarter of 2013, were stable compared to 2012, with 37 units compared to 34 units in 2012.

With the slowdown in construction during the final three quarters of 2013, total new construction in the Charlottetown CA finished the year

28 per cent below 2012 levels. Total housing starts in the Charlottetown area declined to 438 units in 2013, from 612 units in 2012. Single starts slowed significantly in 2013, falling to 160 units from 224 units in 2012. This level of construction represents the lowest level of single starts activity since 1998, and the third lowest level since 1987. With the price of new homes rising faster than inflation levels and weak employment conditions, the demand for homeownership continues to soften. This is especially apparent in the lower price ranges which are popular with first-time home buyers. Apartment starts also posted a significant decrease in 2013, with 218 units, down from 284 in 2012. The main reason for the decline was the rising vacancy rate. Finally semi-detached and row starts are well below 2012 levels with 46 and 14 new units, which represents declines of 32 and 61 per cent, respectively.

The cost of a new home in the Charlottetown area rose by five per cent in 2013 to \$286,344. This represents a new record high for the capital region. While some of

Figure 3



Source: CMHC

the price increase can be attributed to rising land, labour and material costs, consumer preferences for larger homes has been the main contributor to the higher prices. As measured by Statistics Canada's New House Price Index, new homes in the Charlottetown CA advanced only 0.5 per cent during the first eleven months of 2013. This figure includes both the structure and the lot, and represents the increase in costs when building the same home year-over-year. Consumer preferences for larger homes contributed to the overall average price rising faster than the new home price index.

## Existing Home Market

Looking back over the last ten years, the resale market in Charlottetown peaked in 2007 with sales activity declining since. With a 14 per cent decline in 2013, the resale market reached the lowest level of sales since 1997. The average sale price also decreased in 2013, resulting in the first year-over-year decline since 1998.

During the fourth quarter of 2013, MLS® sales in the capital region declined in all four submarkets that make up the Charlottetown area. District 5, recorded the largest decline, at 62%. Districts 6 and 7 also posted significant declines with sales slipping by 46 and 42 per cent, respectively. District 4, which is the Charlottetown City area, posted the smallest decrease, with sales falling from 55 units in 2012 to 45 in the fourth quarter of 2013.

In 2013, sales declined in all four districts, with declines ranging from 7 per cent in District 4, to 23 per cent in District 6. Slowing sales activity was the result of declining demand for housing in the area. A slowdown in international migration and provincial out-migration

curtails demand for housing. On the supply side, the large number of readily available rental units will attract some potential homeowners, in both the empty-nester and first-time homebuyers segments.

New listings rose by eight per cent in 2013, to a new record high of 1,033 units. The rise in new listings, combined with weak sales activity has shifted the pendulum towards a buyers' market. This represents the first time the local market has been classified as a buyers' market since the late 1990s. Buyer's conditions typically mean more housing choices for prospective homebuyers and little to no price growth in both 2014 and 2015.

The Capital Region saw the average sale price declined by 1 per cent in 2013, which the first decline in 16 years. At the submarket level, two of the four districts recorded declines in 2013. District 7, the Stratford area, posted an increase in 2013, with an average sale price of \$236,704. This represents a 3 per cent increase from the 2012 level. District 4, Charlottetown City, recorded an increase of less than 1 per cent, resulting in an average sale price of \$206,578 in 2013. Districts 5 and 6 recorded declines during the year with the average prices falling by nine and one per cent respectively.

## Spotlight: Charlottetown Rental Market

For the third consecutive year, the vacancy rate in the Charlottetown area increased, as the supply of new units outpaced demand. Since the beginning of 2009, the Charlottetown area has added more than 1,300 new rental apartment units to the local apartment universe. This level of completions is well above the ten-year average and is equal to the total level

of apartment construction during the previous 18 years combined. As supply has been increasing, demand has declined due to falling international migration and increased out-migration. The net effect has been a rising vacancy rate for apartment structures containing three or more units in the Charlottetown CA.

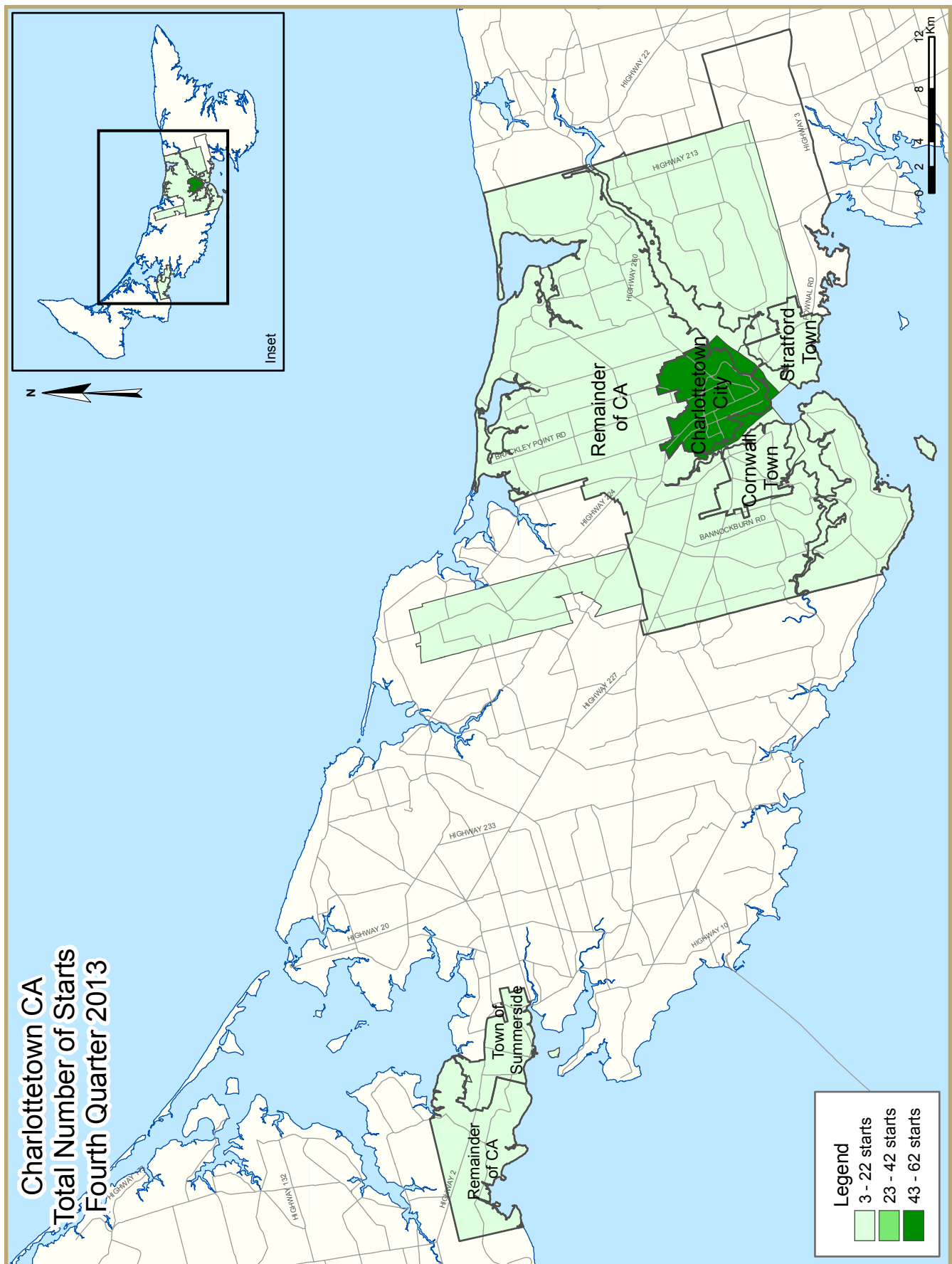
At the end of December 2013 there were 192 apartment units under construction in the Charlottetown area. These additional apartment units will increase the size of the local rental universe by about four per cent, when they come to market in 2014. Considering the vacancy rate in Charlottetown was 7.9 per cent in October 2013 and rental demand is dwindling, expect the vacancy rate to increase throughout 2014.

## Spotlight: Provincial Nominee Program

From 2007 to 2012, Prince Edward Island, and specifically the Charlottetown area, received an influx of people through the Provincial Nominee Program. Statistics Canada Tax Filer data shows that during the six year period over 10,000 international migrants made their way to PEI. This influx of people resulted in the city posting an almost eight per cent increase in population in the 2011 last census. It also gave the city the distinction of having one of the highest levels of international migration per capita among Canada's cities during the same census period.

With this many people moving to the area during the past five years there was a sharp increase in the demand for all types of housing. The influx of people led many developers to begin new rental projects in an effort to offer an increasing array of choices. Rising migration levels also had an effect on the price of existing homes, as rising demand helped in pushing upward the average sale price.

With the program coming to an end and international migration returning to traditional levels, the effects on the housing market are many. The expansion of the local rental market resulted in a climbing vacancy rate and existing home sales have slowed over the past year.



## HOUSING NOW REPORT TABLES

### Available in **ALL** reports:

- 1.1 Housing Activity Summary of CA
- 2 Starts by Submarket and by Dwelling Type – Current Month or Quarter
- 2.1 Starts by Submarket and by Dwelling Type – Year-to-Date
- 3 Completions by Submarket and by Dwelling Type – Current Month or Quarter
- 3.1 Completions by Submarket and by Dwelling Type – Year-to-Date
- 4 Absorbed Single-Detached Units by Price Range
- 5 MLS® Residential Activity
- 6 Economic Indicators

### Available in **SELECTED** Reports:

- 1.2 Housing Activity Summary by Submarket
- 1.3 History of Housing Activity (once a year)
- 2.2 Starts by Submarket, by Dwelling Type and by Intended Market – Current Month or Quarter
- 2.3 Starts by Submarket, by Dwelling Type and by Intended Market – Year-to-Date
- 2.4 Starts by Submarket and by Intended Market – Current Month or Quarter
- 2.5 Starts by Submarket and by Intended Market – Year-to-Date
- 3.2 Completions by Submarket, by Dwelling Type and by Intended Market – Current Month or Quarter
- 3.3 Completions by Submarket, by Dwelling Type and by Intended Market – Year-to-Date
- 3.4 Completions by Submarket and by Intended Market – Current Month or Quarter
- 3.5 Completions by Submarket and by Intended Market – Year-to-Date
- 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
- Amount too small to be expressed
- SA Monthly figures are adjusted to remove normal seasonal variation

**Table 1.1a: Housing Activity Summary of Charlottetown CA**  
**Fourth Quarter 2013**

	Ownership						Rental		Total*
	Freehold			Condominium			Single, Semi, and Row	Apt. & Other	
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other			
STARTS									
Q4 2013	41	14	6	0	0	0	0	37	98
Q4 2012	62	26	4	0	12	0	0	34	138
% Change	-33.9	-46.2	50.0	n/a	-100.0	n/a	n/a	8.8	-29.0
Year-to-date 2013	160	46	10	0	0	46	4	172	438
Year-to-date 2012	224	68	4	0	24	35	8	249	612
% Change	-28.6	-32.4	150.0	n/a	-100.0	31.4	-50.0	-30.9	-28.4
UNDER CONSTRUCTION									
Q4 2013	92	16	10	0	0	81	4	146	349
Q4 2012	100	38	4	0	24	35	10	146	357
% Change	-8.0	-57.9	150.0	n/a	-100.0	131.4	-60.0	0.0	-2.2
COMPLETIONS									
Q4 2013	47	14	0	0	12	0	17	18	108
Q4 2012	71	14	0	0	0	12	17	18	132
% Change	-33.8	0.0	n/a	n/a	n/a	-100.0	0.0	0.0	-18.2
Year-to-date 2013	167	54	4	0	24	0	30	167	446
Year-to-date 2012	206	42	16	0	0	24	21	257	566
% Change	-18.9	28.6	-75.0	n/a	n/a	-100.0	42.9	-35.0	-21.2
COMPLETED & NOT ABSORBED									
Q4 2013	22	2	0	0	0	0	n/a	n/a	24
Q4 2012	31	9	0	0	0	7	n/a	n/a	47
% Change	-29.0	-77.8	n/a	n/a	n/a	-100.0	n/a	n/a	-48.9
ABSORBED									
Q4 2013	34	18	0	0	12	0	n/a	n/a	64
Q4 2012	62	13	1	0	0	12	n/a	n/a	88
% Change	-45.2	38.5	-100.0	n/a	n/a	-100.0	n/a	n/a	-27.3
Year-to-date 2013	174	57	4	0	24	7	n/a	n/a	266
Year-to-date 2012	176	39	18	0	0	24	n/a	n/a	257
% Change	-1.1	46.2	-77.8	n/a	n/a	-70.8	n/a	n/a	3.5

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

**Table 1.1b: Housing Activity Summary of Summerside CA**  
**Fourth Quarter 2013**

	Ownership						Rental		Total*
	Freehold			Condominium			Single, Semi, and Row	Apt. & Other	
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other			
STARTS									
Q4 2013	4	2	0	0	0	0	0	0	14
Q4 2012	7	2	0	0	0	0	2	21	32
% Change	-42.9	0.0	n/a	n/a	n/a	n/a	-100.0	-100.0	-56.3
Year-to-date 2013	14	8	0	0	0	0	11	23	64
Year-to-date 2012	17	8	0	0	0	0	21	21	67
% Change	-17.6	0.0	n/a	n/a	n/a	n/a	-47.6	9.5	-4.5
UNDER CONSTRUCTION									
Q4 2013	9	2	0	0	0	0	0	22	41
Q4 2012	8	2	0	0	0	0	8	21	39
% Change	12.5	0.0	n/a	n/a	n/a	n/a	-100.0	4.8	5.1
COMPLETIONS									
Q4 2013	4	2	0	0	0	0	0	0	6
Q4 2012	6	4	0	0	0	0	2	0	12
% Change	-33.3	-50.0	n/a	n/a	n/a	n/a	-100.0	n/a	-50.0
Year-to-date 2013	13	8	0	0	0	0	19	22	62
Year-to-date 2012	13	4	6	0	0	0	27	12	62
% Change	0.0	100.0	-100.0	n/a	n/a	n/a	-29.6	83.3	0.0
COMPLETED & NOT ABSORBED									
Q4 2013	0	0	0	0	0	0	n/a	n/a	0
Q4 2012	0	0	0	0	0	0	n/a	n/a	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
ABSORBED									
Q4 2013	0	0	0	0	0	0	n/a	n/a	0
Q4 2012	0	0	0	0	0	0	n/a	n/a	0
% Change	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Year-to-date 2013	0	0	0	0	0	0	n/a	n/a	0
Year-to-date 2012	0	0	0	0	0	0	n/a	n/a	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 1.2: Housing Activity Summary by Submarket**  
**Fourth Quarter 2013**

	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									
Q4 2013	11	8	6	0	0	0	0	37	62
Q4 2012	17	12	4	0	0	0	0	29	62
Stratford Town									
Q4 2013	7	2	0	0	0	0	0	0	9
Q4 2012	21	4	0	0	12	0	0	0	37
Cornwall Town									
Q4 2013	9	2	0	0	0	0	0	0	11
Q4 2012	4	8	0	0	0	0	0	5	17
Remainder of the CA									
Q4 2013	14	2	0	0	0	0	0	0	16
Q4 2012	20	2	0	0	0	0	0	0	22
Charlottetown CA									
Q4 2013	41	14	6	0	0	0	0	37	98
Q4 2012	62	26	4	0	12	0	0	34	138
UNDER CONSTRUCTION									
Charlottetown City									
Q4 2013	22	10	6	0	0	57	1	146	242
Q4 2012	30	20	4	0	0	35	0	123	212
Stratford Town									
Q4 2013	27	0	0	0	0	24	0	0	51
Q4 2012	35	6	0	0	24	0	2	18	85
Cornwall Town									
Q4 2013	15	2	4	0	0	0	0	0	21
Q4 2012	6	8	0	0	0	0	8	5	27
Remainder of the CA									
Q4 2013	28	4	0	0	0	0	3	0	35
Q4 2012	29	4	0	0	0	0	0	0	33
Charlottetown CA									
Q4 2013	92	16	10	0	0	81	4	146	349
Q4 2012	100	38	4	0	24	35	10	146	357

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

**Table 1.2: Housing Activity Summary by Submarket**  
**Fourth Quarter 2013**

	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									
Q4 2013	19	10	0	0	0	0	6	0	35
Q4 2012	18	8	0	0	0	0	2	0	28
Stratford Town									
Q4 2013	9	4	0	0	12	0	0	18	43
Q4 2012	17	2	0	0	0	12	7	18	56
Cornwall Town									
Q4 2013	3	0	0	0	0	0	7	0	10
Q4 2012	8	0	0	0	0	0	0	0	8
Remainder of the CA									
Q4 2013	16	0	0	0	0	0	4	0	20
Q4 2012	28	4	0	0	0	0	8	0	40
Charlottetown CA									
Q4 2013	47	14	0	0	12	0	17	18	108
Q4 2012	71	14	0	0	0	12	17	18	132
COMPLETED & NOT ABSORBED									
Charlottetown City									
Q4 2013	8	2	0	0	0	0	n/a	n/a	10
Q4 2012	7	7	0	0	0	7	n/a	n/a	21
Stratford Town									
Q4 2013	8	0	0	0	0	0	n/a	n/a	8
Q4 2012	12	2	0	0	0	0	n/a	n/a	14
Cornwall Town									
Q4 2013	1	0	0	0	0	0	n/a	n/a	1
Q4 2012	2	0	0	0	0	0	n/a	n/a	2
Remainder of the CA									
Q4 2013	5	0	0	0	0	0	n/a	n/a	5
Q4 2012	10	0	0	0	0	0	n/a	n/a	10
Charlottetown CA									
Q4 2013	22	2	0	0	0	0	n/a	n/a	24
Q4 2012	31	9	0	0	0	7	n/a	n/a	47

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

**Table 1.2: Housing Activity Summary by Submarket**  
**Fourth Quarter 2013**

	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									
Q4 2013	11	10	0	0	0	0	n/a	n/a	21
Q4 2012	16	5	1	0	0	0	n/a	n/a	22
Stratford Town									
Q4 2013	7	6	0	0	12	0	n/a	n/a	25
Q4 2012	18	2	0	0	0	12	n/a	n/a	32
Cornwall Town									
Q4 2013	4	2	0	0	0	0	n/a	n/a	6
Q4 2012	8	2	0	0	0	0	n/a	n/a	10
Remainder of the CA									
Q4 2013	12	0	0	0	0	0	n/a	n/a	12
Q4 2012	20	4	0	0	0	0	n/a	n/a	24
Charlottetown CA									
Q4 2013	34	18	0	0	12	0	n/a	n/a	64
Q4 2012	62	13	1	0	0	12	n/a	n/a	88

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

**Table 1.3: History of Housing Starts of Charlottetown CA  
2004 - 2013**

	Ownership						Rental		Total*
	Freehold			Condominium			Single, Semi, and Row	Apt. & Other	
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other			
2013	160	46	10	0	0	46	4	172	438
% Change	-28.6	-32.4	150.0	n/a	-100.0	31.4	-50.0	-30.9	-28.4
2012	224	68	4	0	24	35	8	249	612
% Change	11.4	54.5	-80.0	n/a	n/a	n/a	0.0	-4.6	14.6
2011	201	44	20	0	0	0	8	261	534
% Change	-19.6	4.8	-42.9	n/a	n/a	n/a	n/a	36.6	3.1
2010	250	42	35	0	0	0	0	191	518
% Change	-6.7	-8.7	0.0	n/a	-100.0	-100.0	-100.0	-21.4	-22.6
2009	268	46	35	0	19	46	12	243	669
% Change	-4.3	15.0	59.1	n/a	n/a	**	-40.0	**	57.0
2008	280	40	22	0	0	13	20	51	426
% Change	-5.1	-37.5	n/a	n/a	n/a	8.3	n/a	121.7	8.1
2007	295	64	0	0	0	12	0	23	394
% Change	6.9	45.5	n/a	n/a	n/a	-50.0	-100.0	-80.7	-15.6
2006	276	44	0	0	0	24	4	119	467
% Change	-8.3	-50.6	-100.0	n/a	-100.0	n/a	-75.0	**	4.2
2005	301	89	6	0	3	0	16	33	448
% Change	-9.1	64.8	-71.4	n/a	n/a	n/a	-65.2	-13.2	-8.6
2004	331	54	21	0	0	0	46	38	490

Source: CMHC (Starts and Completions Survey)

**Table 2: Starts by Submarket and by Dwelling Type**  
**Fourth Quarter 2013**

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012	% Change
Charlottetown City	11	17	8	12	6	4	37	29	62	62	0.0
Stratford Town	7	21	2	4	0	12	0	0	9	37	-75.7
Cornwall Town	9	4	2	8	0	0	0	5	11	17	-35.3
Remainder of the CA	14	20	2	2	0	0	0	0	16	22	-27.3
<b>Charlottetown CA</b>	<b>41</b>	<b>62</b>	<b>14</b>	<b>26</b>	<b>6</b>	<b>16</b>	<b>37</b>	<b>34</b>	<b>98</b>	<b>138</b>	<b>-29.0</b>

**Table 2.1: Starts by Submarket and by Dwelling Type**  
**January - December 2013**

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	% Change
Charlottetown City	50	62	28	30	7	4	168	231	253	327	-22.6
Stratford Town	39	69	4	20	0	24	42	36	85	149	-43.0
Cornwall Town	21	17	4	10	4	8	0	5	29	40	-27.5
Remainder of the CA	50	76	10	8	3	0	8	12	71	96	-26.0
<b>Charlottetown CA</b>	<b>160</b>	<b>224</b>	<b>46</b>	<b>68</b>	<b>14</b>	<b>36</b>	<b>218</b>	<b>284</b>	<b>438</b>	<b>612</b>	<b>-28.4</b>

Source: CMHC (Starts and Completions Survey)

**Table 2.2: Starts by Submarket, by Dwelling Type and by Intended Market  
Fourth Quarter 2013**

Submarket	Row				Apt. & Other			
	Freehold and Condominium		Rental		Freehold and Condominium		Rental	
	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012
Charlottetown City	6	4	0	0	0	0	37	29
Stratford Town	0	12	0	0	0	0	0	0
Cornwall Town	0	0	0	0	0	0	0	5
Remainder of the CA	0	0	0	0	0	0	0	0
<b>Charlottetown CA</b>	<b>6</b>	<b>16</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>37</b>	<b>34</b>

**Table 2.3: Starts by Submarket, by Dwelling Type and by Intended Market  
January - December 2013**

Submarket	Row				Apt. & Other			
	Freehold and Condominium		Rental		Freehold and Condominium		Rental	
	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012
Charlottetown City	6	4	1	0	22	35	146	196
Stratford Town	0	24	0	0	24	0	18	36
Cornwall Town	4	0	0	8	0	0	0	5
Remainder of the CA	0	0	3	0	0	0	8	12
<b>Charlottetown CA</b>	<b>10</b>	<b>28</b>	<b>4</b>	<b>8</b>	<b>46</b>	<b>35</b>	<b>172</b>	<b>249</b>

Source: CMHC (Starts and Completions Survey)

**Table 2.4: Starts by Submarket and by Intended Market  
Fourth Quarter 2013**

Submarket	Freehold		Condominium		Rental		Total*	
	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012
Charlottetown City	25	33	0	0	37	29	62	62
Stratford Town	9	25	0	12	0	0	9	37
Cornwall Town	11	12	0	0	0	5	11	17
Remainder of the CA	16	22	0	0	0	0	16	22
<b>Charlottetown CA</b>	<b>61</b>	<b>92</b>	<b>0</b>	<b>12</b>	<b>37</b>	<b>34</b>	<b>98</b>	<b>138</b>

**Table 2.5: Starts by Submarket and by Intended Market  
January - December 2013**

Submarket	Freehold		Condominium		Rental		Total*	
	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012
Charlottetown City	84	96	22	35	147	196	253	327
Stratford Town	43	89	24	24	18	36	85	149
Cornwall Town	29	27	0	0	0	13	29	40
Remainder of the CA	60	84	0	0	11	12	71	96
<b>Charlottetown CA</b>	<b>216</b>	<b>296</b>	<b>46</b>	<b>59</b>	<b>176</b>	<b>257</b>	<b>438</b>	<b>612</b>

Source: CMHC (Starts and Completions Survey)

**Table 3: Completions by Submarket and by Dwelling Type**  
**Fourth Quarter 2013**

Submarket	Single		Semi		Row		Apt. & Other		Total		
	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012	% Change
Charlottetown City	19	18	16	10	0	0	0	0	35	28	25.0
Stratford Town	9	17	4	6	12	3	18	30	43	56	-23.2
Cornwall Town	3	8	2	0	5	0	0	0	10	8	25.0
Remainder of the CA	16	28	4	4	0	8	0	0	20	40	-50.0
<b>Charlottetown CA</b>	<b>47</b>	<b>71</b>	<b>26</b>	<b>20</b>	<b>17</b>	<b>11</b>	<b>18</b>	<b>30</b>	<b>108</b>	<b>132</b>	<b>-18.2</b>

**Table 3.1: Completions by Submarket and by Dwelling Type**  
**January - December 2013**

Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	% Change
Charlottetown City	58	54	38	20	4	5	123	172	223	251	-11.2
Stratford Town	47	61	12	18	24	6	36	109	119	194	-38.7
Cornwall Town	12	23	10	6	13	4	0	0	35	33	6.1
Remainder of the CA	51	68	10	8	0	8	8	4	69	88	-21.6
<b>Charlottetown CA</b>	<b>168</b>	<b>206</b>	<b>70</b>	<b>52</b>	<b>41</b>	<b>23</b>	<b>167</b>	<b>285</b>	<b>446</b>	<b>566</b>	<b>-21.2</b>

Source: CMHC (Starts and Completions Survey)

**Table 3.2: Completions by Submarket, by Dwelling Type and by Intended Market  
Fourth Quarter 2013**

Submarket	Row				Apt. & Other			
	Freehold and Condominium		Rental		Freehold and Condominium		Rental	
	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012
Charlottetown City	0	0	0	0	0	0	0	0
Stratford Town	12	0	0	3	0	12	18	18
Cornwall Town	0	0	5	0	0	0	0	0
Remainder of the CA	0	0	0	8	0	0	0	0
<b>Charlottetown CA</b>	<b>12</b>	<b>0</b>	<b>5</b>	<b>11</b>	<b>0</b>	<b>12</b>	<b>18</b>	<b>18</b>

**Table 3.3: Completions by Submarket, by Dwelling Type and by Intended Market  
January - December 2013**

Submarket	Row				Apt. & Other			
	Freehold and Condominium		Rental		Freehold and Condominium		Rental	
	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012
Charlottetown City	4	5	0	0	0	2	123	170
Stratford Town	24	3	0	3	0	26	36	83
Cornwall Town	0	4	13	0	0	0	0	0
Remainder of the CA	0	0	0	8	0	0	8	4
<b>Charlottetown CA</b>	<b>28</b>	<b>12</b>	<b>13</b>	<b>11</b>	<b>0</b>	<b>28</b>	<b>167</b>	<b>257</b>

Source: CMHC (Starts and Completions Survey)

**Table 3.4: Completions by Submarket and by Intended Market  
Fourth Quarter 2013**

Submarket	Freehold		Condominium		Rental		Total*	
	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012	Q4 2013	Q4 2012
Charlottetown City	29	26	0	0	6	2	35	28
Stratford Town	13	19	12	12	18	25	43	56
Cornwall Town	3	8	0	0	7	0	10	8
Remainder of the CA	16	32	0	0	4	8	20	40
<b>Charlottetown CA</b>	<b>61</b>	<b>85</b>	<b>12</b>	<b>12</b>	<b>35</b>	<b>35</b>	<b>108</b>	<b>132</b>

**Table 3.5: Completions by Submarket and by Intended Market  
January - December 2013**

Submarket	Freehold		Condominium		Rental		Total*	
	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012	YTD 2013	YTD 2012
Charlottetown City	92	77	0	0	131	174	223	251
Stratford Town	57	78	24	24	38	92	119	194
Cornwall Town	20	33	0	0	15	0	35	33
Remainder of the CA	56	76	0	0	13	12	69	88
<b>Charlottetown CA</b>	<b>225</b>	<b>264</b>	<b>24</b>	<b>24</b>	<b>197</b>	<b>278</b>	<b>446</b>	<b>566</b>

Source: CMHC (Starts and Completions Survey)

**Table 4: Absorbed Single-Detached Units by Price Range**  
**Fourth Quarter 2013**

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													
Q4 2013	0	0.0	0	0.0	0	0.0	6	54.5	5	45.5	11	249,000	336,509
Q4 2012	0	0.0	0	0.0	1	6.3	4	25.0	11	68.8	16	264,500	278,656
Year-to-date 2013	0	0.0	2	3.6	10	18.2	17	30.9	26	47.3	55	249,000	285,655
Year-to-date 2012	0	0.0	0	0.0	10	20.4	11	22.4	28	57.1	49	256,000	269,990
Stratford Town													
Q4 2013	0	0.0	0	0.0	0	0.0	0	0.0	7	100.0	7	--	--
Q4 2012	0	0.0	0	0.0	1	5.6	5	27.8	12	66.7	18	329,900	351,444
Year-to-date 2013	0	0.0	0	0.0	3	5.9	7	13.7	41	80.4	51	319,500	328,641
Year-to-date 2012	0	0.0	0	0.0	2	4.1	14	28.6	33	67.3	49	289,000	331,118
Cornwall Town													
Q4 2013	0	0.0	0	0.0	1	25.0	0	0.0	3	75.0	4	--	--
Q4 2012	0	0.0	0	0.0	2	25.0	3	37.5	3	37.5	8	--	--
Year-to-date 2013	0	0.0	2	15.4	2	15.4	4	30.8	5	38.5	13	239,000	232,762
Year-to-date 2012	1	4.5	0	0.0	4	18.2	5	22.7	12	54.5	22	250,000	278,359
Remainder of the CA													
Q4 2013	0	0.0	3	25.0	0	0.0	5	41.7	4	33.3	12	234,850	263,092
Q4 2012	0	0.0	3	15.0	9	45.0	3	15.0	5	25.0	20	189,900	213,015
Year-to-date 2013	0	0.0	5	9.1	8	14.5	17	30.9	25	45.5	55	239,900	260,478
Year-to-date 2012	0	0.0	12	21.4	18	32.1	10	17.9	16	28.6	56	192,500	222,186
Charlottetown CA													
Q4 2013	0	0.0	3	8.8	1	2.9	11	32.4	19	55.9	34	274,700	303,603
Q4 2012	0	0.0	3	4.8	13	21.0	15	24.2	31	50.0	62	252,400	275,574
Year-to-date 2013	0	0.0	9	5.2	23	13.2	45	25.9	97	55.7	174	269,450	286,344
Year-to-date 2012	1	0.6	12	6.8	34	19.3	40	22.7	89	50.6	176	250,000	272,844

Source: CMHC (Market Absorption Survey)

**Table 4.1: Average Price (\$) of Absorbed Single-detached Units  
Fourth Quarter 2013**

Submarket	Q4 2013	Q4 2012	% Change	YTD 2013	YTD 2012	% Change
Charlottetown City	336,509	278,656	20.8	285,655	269,990	5.8
Stratford Town	--	351,444	n/a	328,641	331,118	-0.7
Cornwall Town	--	--	n/a	232,762	278,359	-16.4
Remainder of the CA	263,092	213,015	23.5	260,478	222,186	17.2
<b>Charlottetown CA</b>	<b>303,603</b>	<b>275,574</b>	<b>10.2</b>	<b>286,344</b>	<b>272,844</b>	<b>4.9</b>

Source: CMHC (Market Absorption Survey)

**Table 5: MLS® Residential Activity in Urban Centres\***

Submarket	Fourth Quarter 2013			Fourth Quarter 2012			% Change		
	Sales	Average Sale Price (\$)	New Listings	Sales	Average Sale Price (\$)	New Listings	Sales	Average Sale Price (\$)	New Listings
<b>Charlottetown CA**</b>	89	192,306	178	140	213,297	157	-36.4%	-9.8%	13.4%
District 4	45	197,727	62	52	214,262	55	-13.5%	-7.7%	12.7%
District 5	32	121,909	36	29	187,141	28	-62.1%	-34.9%	28.6%
District 6	14	173,593	30	26	200,783	24	-46.2%	-13.5%	25.0%
District 7	19	234,012	50	33	244,621	50	-42.4%	-4.3%	0.0%
<b>Summerside CA</b>	34	170,957	72	54	151,776	49	-37.0%	12.6%	46.9%
<b>Total</b>	123	186,405	250	194	196,173	206	-36.6%	-5.0%	21.4%

Submarket	Year-to-date 2013			Year-to-date 2012			% Change		
	Sales	Average Sale Price (\$)	New Listings	Sales	Average Sale Price (\$)	New Listings	Sales	Average Sale Price (\$)	New Listings
<b>Charlottetown CA**</b>	494	203,305	1033	574	204,583	954	-13.9%	-0.6%	8.3%
District 4	194	206,578	390	208	206,198	321	-6.7%	0.2%	21.5%
District 5	93	163,133	193	110	180,021	181	-15.5%	-9.4%	6.6%
District 6	78	187,824	159	101	190,032	166	-22.8%	-1.2%	-4.2%
District 7	129	236,704	291	155	229,327	286	-16.8%	3.2%	1.7%
<b>Summerside CA</b>	177	147,955	382	187	143,515	335	-5.3%	3.1%	14.0%
<b>Total</b>	671	188,704	1415	761	189,577	1289	-11.8%	-0.5%	9.8%

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\*\*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**  
**Fourth Quarter 2013**

		Interest Rates			NHPI, Total, Charlottetown CMA 2007=100	CPI, 2002 =100	Prince Edward Island Labour Market			
		P & I Per \$100,000	Mortgage Rates (%)				Employment SA (,000)	Unemployment Rate (%) SA	Participation Rate (%) SA	Average Weekly Earnings (\$) (P.E.I.)
			1 Yr. Term	5 Yr. Term						
2012	January	598	3.50	5.29	103.3	122.9	72.2	12.3	68.6	737
	February	595	3.20	5.24	102.8	124.1	72.1	10.8	67.2	733
	March	595	3.20	5.24	102.8	124.8	72.0	11.3	67.5	722
	April	607	3.20	5.44	102.9	125.5	73.1	11.2	68.3	719
	May	601	3.20	5.34	102.5	125.1	72.1	11.4	67.5	724
	June	595	3.20	5.24	102.6	124.5	72.7	11.4	68.2	734
	July	595	3.10	5.24	102.8	124.5	73.6	10.6	68.2	735
	August	595	3.10	5.24	102.7	124.9	72.2	12.0	67.9	737
	September	595	3.10	5.24	102.8	125.5	72.1	11.2	67.2	740
	October	595	3.10	5.24	102.6	125.7	72.5	11.6	67.9	748
	November	595	3.10	5.24	102.6	125.2	73.3	11.4	68.6	744
	December	595	3.00	5.24	101.7	124.2	74.5	11.0	69.5	735
2013	January	595	3.00	5.24	102.7	124.4	74	11.8	69.5	728
	February	595	3.00	5.24	102.7	125.9	75.2	11.6	70.6	724
	March	590	3.00	5.14	102.7	126.3	75.0	12.1	70.8	728
	April	590	3.00	5.14	103.0	127.8	75.3	11.6	70.6	731
	May	590	3.00	5.14	103.2	127.1	74.5	11.2	69.5	740
	June	590	3.14	5.14	103.4	127.1	73.4	10.9	68.3	739
	July	590	3.14	5.14	103.5	127.4	73.8	11.8	69.1	735
	August	601	3.14	5.34	103.5	127.8	73.9	10.6	68.3	727
	September	601	3.14	5.34	103.5	128.3	73.4	11.0	68.2	730
	October	601	3.14	5.34	103.4	128.3	74.3	10.7	68.8	733
	November	601	3.14	5.34	103.4	128.5	73.9	11.4	69.0	741
	December	601	3.14	5.34		127.8	73.6	11.5	68.8	743

"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), 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 2011 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 modeled 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 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 of 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 2006 Census area definitions.

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