HOUSING MARKET INFORMATION

HOUSING NOW
Charlottetown CMA

CANADA MORTGAGE AND HOUSING CORPORATION

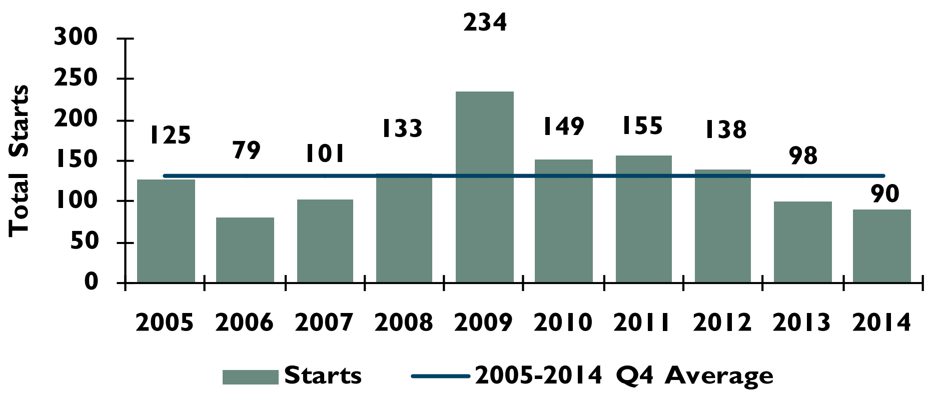
Date Released: First Quarter 2015

Highlights

- Total housing starts trended lower during the fourth quarter of 2014
- MLS® sales in Charlottetown increased significantly in the fourth quarter
- The average price on the resale market was up in 2014

Figure 1

Housing Starts Decreased in the Fourth Quarter
Fourth Quarter Housing Starts 2005 - 2014



Source: CMHC

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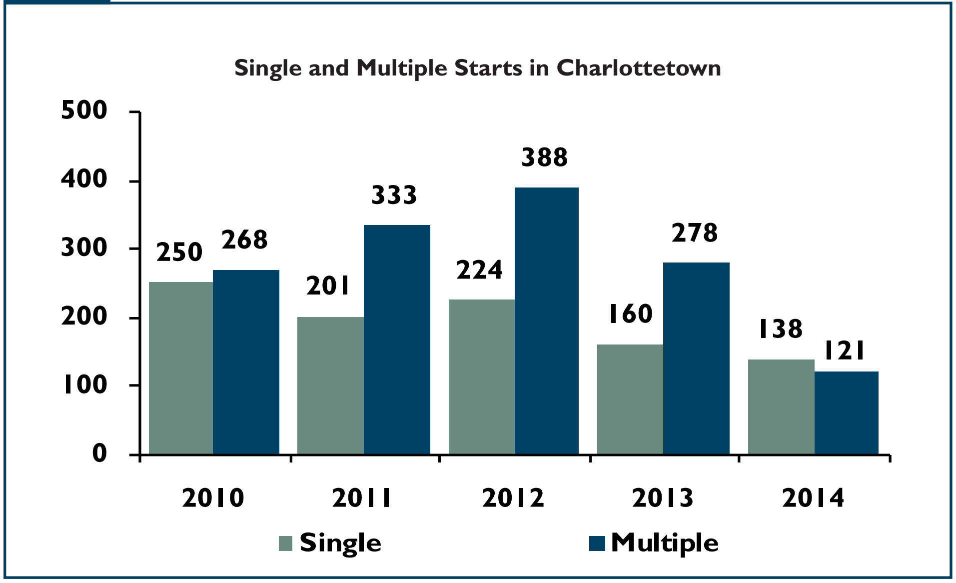


Source: CMHC

New Home Market

During the fourth quarter of 2014, total housing starts in the Charlottetown CA trended lower, with an 8.2 per cent year-over-year decline to 90 units. With 48 units on record, multi-residential starts accounted for more than half of this total. On a year-over-year basis, multi-residential starts were down from 2013's total of 57 units for the quarter. This decline was partially the result of reduced construction activity in the local rental market, with starts down to 12 units from 2013's total of 37. The slower pace of construction in the rental market was not limited to the fourth quarter. For the year, apartment starts in the rental market were down 65.1 per cent to 60 units.

The substantial decline in rental market construction activity throughout the year was mainly due to persistently high levels of supply. During the five-year period ending in 2013, apartment starts in the Charlottetown rental market averaged 223 units annually, adding a total of 939 completed units to the local rental universe. As expected, the local vacancy rate has been trending above the long-term historical average in recent years. Faced with excess supply and an additional 146 apartment units under construction, local builders responded by continuing to slow the pace of development in the rental market, resulting in the pullback in starts for the year.

The downward trend in new home construction, however, was not limited to the multi-residential market. Throughout the year, the inventory of available homes on the resale market remained high in historical terms. In addition, the widening gap between the cost of purchasing and building a new home muted demand for new single-detached homes. This, combined with weakness in employment gains and rising out-migration, resulted in fewer starts. During the fourth quarter, single starts were stable, with a one unit year-over-year increase to 42 starts. On an annual basis, construction activity weakened in 2014, with single starts declining 13.8 per cent to 138 units as fewer starts were recorded in the Charlottetown CA's two largest submarkets. In the City proper, single starts for the year were down 22 per cent to 39 units. Meanwhile, in the Town of Stratford, a 12.8 per cent decline in starts led to a slightly lower total of 34 starts for the year.

Despite the decline in single detached starts, the average price of an absorbed single-detached unit in the Charlottetown area maintained an upward trend, rising 6.1 per cent to a record high of $303,812. Since 2000, the average cost of a new home in the Charlottetown area has increased annually by 6.3 per cent. Over this period, the average annual increase in Statistics Canada's New House Price Index (NHPI) has been less than two per cent. The NHPI measures the increase in construction costs on a year-over-year basis using an established benchmark. While some of the observed annual price increase for new homes can be attributed to the rising costs of land, labour and building materials, consumer preferences for larger homes with increasingly high levels of finish and amenities have undoubtedly exerted additional upward pressure on prices.

Existing Home Market

For the Greater Charlottetown area, both MLS® sales and the average MLS® sale price experienced their first overall decline in more than a decade in 2013 as demand for existing homes weakened. Subsequently, resale market activity in Charlottetown rebounded in 2014. The increase in sales activity for the year stemmed, in part, from a fourth quarter surge in sales. With the potential threat of rising interest rates on the horizon during the latter part of 2014, potential homeowners took advantage of favorable market conditions, most notably low mortgage rates and attractive prices.

During the final three months of 2014, overall MLS® sales in the Charlottetown area were up 29 per cent to 124 units sold as each of the area's four main submarkets posted increased sales for the quarter. The most significant change was recorded in District 7, where sales were up 53 per cent to 29 units. In the remaining Districts – 4, 5 and 6 – the increases in fourth quarter MLS® sales ranged between 21 and 24 per cent.

For the year, overall MLS® sales in Charlottetown were up six per cent to 575 units. Individual results, however, were mixed at the submarket level. In Districts 5 and 7, MLS® sales barely changed with a one per cent decline in District 5 offset by a two per cent increase in District 7. Sales in District 4, which captured the largest volume for the year, sales were up 24 per cent to 260 units sold. Conversely, in District 6, annual sales were down 19 per cent.

Though new listings were down nine per cent in the fourth quarter, consumers benefitted from a relatively high number of available homes for most of the year as the annual total for new listings was up four per cent in 2014. This increase provided prospective buyers with ample options. It also helped sustain the buyers' market conditions that have characterized the Charlottetown market since late 2013, when the classification was changed from a balanced market for the first time since the late1990s.

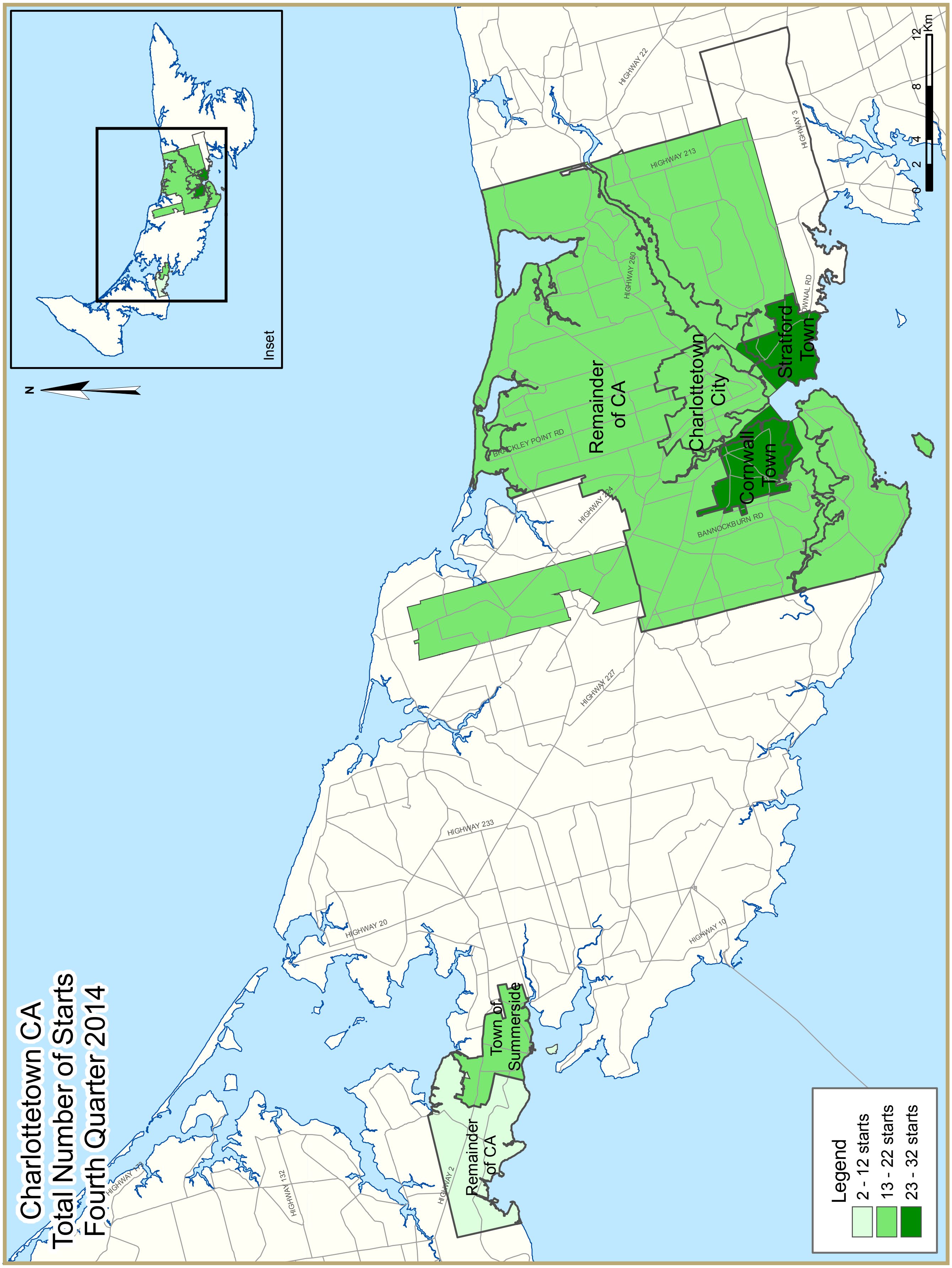
Despite the rise in inventory, increased MLS® sales, particularly in the higher price ranges, produced significant price growth in the Capital Region in 2014. During the fourth quarter, the average MLS® sale price rose 12 per cent to $206,451. For the year, price growth was also significant, with a seven per cent year-over-year increase to $204,366. At the submarket level, the lone year-over-year price decline was observed in District 6, with a four per cent decline to $155,443. The average fourth quarter MLS® sale price rose higher in the remaining submarkets, with year-over-year increases ranging between eight and 16 per cent. District 7, the Stratford area, posted the highest average MLS® sale price at $236,004.

Spotlight: Condominiums

In recent years, many urban centres in the Atlantic region have seen a rise in the number of alternative housing options aimed at those seeking a newly built home. In addition to the traditional mainstays, single-detached homes and rental apartments, semi-detached and row units have gained significant popularity in some markets. Furthermore, the tenure of new homes has also evolved from freehold and rental. Although they have been present in larger Canadian urban centres for many years, condominium units are still in a stage of relative infancy in some smaller urban centres.

In Prince Edward Island, new condominium starts, which have been essentially limited to the Charlottetown market, were virtually nonexistent prior to 2005. In subsequent years, their share of overall annual starts, while remaining small, has gradually increased. In 2013, with 46 starts on record, condominium units captured their largest share of the new home market to date, accounting for 10.5 per cent of total starts. As local consumers have not fully embraced the concept of condominium living, absorption times can be significant. With the strong showing in 2013, condominium starts declined slightly in 2014.

The expansion of the condominium market on the island has proceeded slowly. While Charlottetown has experienced significant population growth in recent years, the supply of easily developable land has been sufficient to prevent price rapid increases. As such, consumer preference for single-detached homes has benefitted some communities, such as the Town of Stratford, which has grown considerably during the past decade. For those seeking multi-residential units closer to the downtown core, the rental market continues to be the product of choice.


Charlottetown CA
Total Number of Starts
Fourth Quarter 2014
Inset
N
Remainder of CA
Charlottetown City
Stratford Town
Cornwall Town
Town of Summerside
Remainder of CA
HIGHWAY 22
HIGHWAY 213
HIGHWAY 3
HIGHWAY 260
BRACKLEY POINT RD
HIGHWAY 224
BANNOCKBURN RD
HIGHWAY 227
HIGHWAY 233
HIGHWAY 20
HIGHWAY 10
HIGHWAY 2
HIGHWAY 132
0 2 4 8 12 Km
Legend
2 - 12 starts
13 - 22 starts
23 - 32 starts

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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
--	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 2014									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q4 2014	42	6	6	0	0	24	0	12	90
Q4 2013	41	14	6	0	0	0	0	37	98
% Change	2.4	-57.1	0.0	n/a	n/a	n/a	n/a	-67.6	-8.2
Year-to-date 2014	138	22	15	0	0	24	0	60	259
Year-to-date 2013	160	46	10	0	0	46	4	172	438
% Change	-13.8	-52.2	50.0	n/a	n/a	-47.8	-100.0	-65.1	-40.9
UNDER CONSTRUCTION									
Q4 2014	84	16	12	0	0	24	0	42	178
Q4 2013	92	16	10	0	0	81	4	146	349
% Change	-8.7	0.0	20.0	n/a	n/a	-70.4	-100.0	-71.2	-49.0
COMPLETIONS									
Q4 2014	54	8	0	0	0	24	0	40	126
Q4 2013	47	14	0	0	12	0	17	18	108
% Change	14.9	-42.9	n/a	n/a	-100.0	n/a	-100.0	122.2	16.7
Year-to-date 2014	142	18	3	0	0	46	12	164	385
Year-to-date 2013	167	54	4	0	24	0	30	167	446
% Change	-15.0	-66.7	-25.0	n/a	-100.0	n/a	-60.0	-1.8	-13.7
COMPLETED & NOT ABSORBED									
Q4 2014	26	2	0	0	0	8	n/a	n/a	36
Q4 2013	22	2	0	0	0	0	n/a	n/a	24
% Change	18.2	0.0	n/a	n/a	n/a	n/a	n/a	n/a	50.0
ABSORBED									
Q4 2014	40	10	0	0	1	34	n/a	n/a	85
Q4 2013	34	18	0	0	12	0	n/a	n/a	64
% Change	17.6	-44.4	n/a	n/a	-91.7	n/a	n/a	n/a	32.8
Year-to-date 2014	136	18	2	0	1	38	n/a	n/a	195
Year-to-date 2013	174	57	4	0	24	7	n/a	n/a	266
% Change	-21.8	-68.4	-50.0	n/a	-95.8	**	n/a	n/a	-26.7

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

Table 1.1b: Housing Activity Summary of Summerside CA
Fourth Quarter 2014

	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
STARTS									
Q4 2014	4	2	13	0	0	0	0	0	19
Q4 2013	4	2	0	0	0	0	0	0	14
% Change	0.0	0.0	n/a	n/a	n/a	n/a	n/a	n/a	35.7
Year-to-date 2014	10	18	13	0	0	0	8	26	75
Year-to-date 2013	14	8	0	0	0	0	11	23	64
% Change	-28.6	125.0	n/a	n/a	n/a	n/a	-27.3	13.0	17.2
UNDER CONSTRUCTION									
Q4 2014	7	4	13	0	0	0	0	26	50
Q4 2013	9	2	0	0	0	0	0	22	41
% Change	-22.2	100.0	n/a	n/a	n/a	n/a	n/a	18.2	22.0
COMPLETIONS									
Q4 2014	4	10	0	0	0	0	8	0	22
Q4 2013	4	2	0	0	0	0	0	0	6
% Change	0.0	**	n/a	n/a	n/a	n/a	n/a	n/a	**
Year-to-date 2014	12	12	0	0	0	0	16	22	62
Year-to-date 2013	13	8	0	0	0	0	19	22	62
% Change	-7.7	50.0	n/a	n/a	n/a	n/a	-15.8	0.0	0.0
COMPLETED & NOT ABSORBED									
Q4 2014	0	0	0	0	0	0	n/a	n/a	0
Q4 2013	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 2014	0	0	0	0	0	0	n/a	n/a	0
Q4 2013	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 2014	0	0	0	0	0	0	n/a	n/a	0
Year-to-date 2013	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 2014									
	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 2014	11	4	0	0	0	0	0	0	15
Q4 2013	11	8	6	0	0	0	0	37	62
Stratford Town									
Q4 2014	8	0	0	0	0	24	0	0	32
Q4 2013	7	2	0	0	0	0	0	0	9
Cornwall Town									
Q4 2014	3	2	6	0	0	0	0	12	23
Q4 2013	9	2	0	0	0	0	0	0	11
Remainder of the CA									
Q4 2014	20	0	0	0	0	0	0	0	20
Q4 2013	14	2	0	0	0	0	0	0	16
Charlottetown CA									
Q4 2014	42	6	6	0	0	24	0	12	90
Q4 2013	41	14	6	0	0	0	0	37	98
UNDER CONSTRUCTION									
Charlottetown City									
Q4 2014	22	14	0	0	0	0	0	23	59
Q4 2013	22	10	6	0	0	57	1	146	242
Stratford Town									
Q4 2014	19	0	3	0	0	24	0	0	46
Q4 2013	27	0	0	0	0	24	0	0	51
Cornwall Town									
Q4 2014	10	2	6	0	0	0	0	19	37
Q4 2013	15	2	4	0	0	0	0	0	21
Remainder of the CA									
Q4 2014	33	0	3	0	0	0	0	0	36
Q4 2013	28	4	0	0	0	0	3	0	35
Charlottetown CA									
Q4 2014	84	16	12	0	0	24	0	42	178
Q4 2013	92	16	10	0	0	81	4	146	349

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

Table 1.2: Housing Activity Summary by Submarket Fourth Quarter 2014									
	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 2014	16	8	0	0	0	0	0	40	64
Q4 2013	19	10	0	0	0	0	6	0	35
Stratford Town									
Q4 2014	19	0	0	0	0	24	0	0	43
Q4 2013	9	4	0	0	12	0	0	18	43
Cornwall Town									
Q4 2014	2	0	0	0	0	0	0	0	2
Q4 2013	3	0	0	0	0	0	7	0	10
Remainder of the CA									
Q4 2014	17	0	0	0	0	0	0	0	17
Q4 2013	16	0	0	0	0	0	4	0	20
Charlottetown CA									
Q4 2014	54	8	0	0	0	24	0	40	126
Q4 2013	47	14	0	0	12	0	17	18	108
COMPLETED & NOT ABSORBED									
Charlottetown City									
Q4 2014	4	0	0	0	0	8	n/a	n/a	12
Q4 2013	8	2	0	0	0	0	n/a	n/a	10
Stratford Town									
Q4 2014	12	2	0	0	0	0	n/a	n/a	14
Q4 2013	8	0	0	0	0	0	n/a	n/a	8
Cornwall Town									
Q4 2014	2	0	0	0	0	0	n/a	n/a	2
Q4 2013	1	0	0	0	0	0	n/a	n/a	1
Remainder of the CA									
Q4 2014	8	0	0	0	0	0	n/a	n/a	8
Q4 2013	5	0	0	0	0	0	n/a	n/a	5
Charlottetown CA									
Q4 2014	26	2	0	0	0	8	n/a	n/a	36
Q4 2013	22	2	0	0	0	0	n/a	n/a	24

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

Table 1.2: Housing Activity Summary by Submarket
Fourth Quarter 2014

	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 2014	17	9	0	0	1	10	n/a	n/a	37
Q4 2013	11	10	0	0	0	0	n/a	n/a	21
Stratford Town									
Q4 2014	9	0	0	0	0	24	n/a	n/a	33
Q4 2013	7	6	0	0	12	0	n/a	n/a	25
Cornwall Town									
Q4 2014	1	0	0	0	0	0	n/a	n/a	1
Q4 2013	4	2	0	0	0	0	n/a	n/a	6
Remainder of the CA									
Q4 2014	13	1	0	0	0	0	n/a	n/a	14
Q4 2013	12	0	0	0	0	0	n/a	n/a	12
Charlottetown CA									
Q4 2014	40	10	0	0	1	34	n/a	n/a	85
Q4 2013	34	18	0	0	12	0	n/a	n/a	64

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

Table 1.3: History of Housing Starts of Charlottetown CA 2005 - 2014									
	Ownership						Rental		Total*
	Freehold			Condominium					
	Single	Semi	Row, Apt. & Other	Single	Row and Semi	Apt. & Other	Single, Semi, and Row	Apt. & Other	
2014	138	22	15	0	0	24	0	60	259
% Change	-13.8	-52.2	50.0	n/a	n/a	-47.8	-100.0	-65.1	-40.9
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

Source: CMHC (Starts and Completions Survey)

Table 2: Starts by Submarket and by Dwelling Type Fourth Quarter 2014												
Submarket	Single		Semi		Row		Apt. & Other		Total			
	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013	% Change
Charlottetown City	11	11	4	8	0	6	0	37	15	62	-75.8
Stratford Town	8	7	0	2	0	0	24	0	32	9	**
Cornwall Town	3	9	2	2	0	0	18	0	23	11	109.1
Remainder of the CA	20	14	0	2	0	0	0	0	20	16	25.0
Charlottetown CA	42	41	6	14	0	6	42	37	90	98	-8.2

Table 2.1: Starts by Submarket and by Dwelling Type January - December 2014											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013	% Change
Charlottetown City	39	50	16	28	3	7	41	168	99	253	-60.9
Stratford Town	34	39	2	4	3	0	24	42	63	85	-25.9
Cornwall Town	9	21	2	4	0	4	25	0	36	29	24.1
Remainder of the CA	56	50	2	10	3	3	0	8	61	71	-14.1
Charlottetown CA	138	160	22	46	9	14	90	218	259	438	-40.9

Source: CMHC (Starts and Completions Survey)

Table 2.2: Starts by Submarket, by Dwelling Type and by Intended Market Fourth Quarter 2014								
Submarket	Row				Apt. & Other			
	Freehold and Condominium		Rental		Freehold and Condominium		Rental	
	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013
Charlottetown City	0	6	0	0	0	0	0	37
Stratford Town	0	0	0	0	24	0	0	0
Cornwall Town	0	0	0	0	6	0	12	0
Remainder of the CA	0	0	0	0	0	0	0	0
Charlottetown CA	0	6	0	0	30	0	12	37

Table 2.3: Starts by Submarket, by Dwelling Type and by Intended Market January - December 2014								
Submarket	Row				Apt. & Other			
	Freehold and Condominium		Rental		Freehold and Condominium		Rental	
	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013
Charlottetown City	3	6	0	1	0	22	41	146
Stratford Town	3	0	0	0	24	24	0	18
Cornwall Town	0	4	0	0	6	0	19	0
Remainder of the CA	3	0	0	3	0	0	0	8
Charlottetown CA	9	10	0	4	30	46	60	172

Source: CMHC (Starts and Completions Survey)

Table 2.4: Starts by Submarket and by Intended Market Fourth Quarter 2014								
Submarket	Freehold		Condominium		Rental		Total*	
	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013
Charlottetown City	15	25	0	0	0	37	15	62
Stratford Town	8	9	24	0	0	0	32	9
Cornwall Town	11	11	0	0	12	0	23	11
Remainder of the CA	20	16	0	0	0	0	20	16
Charlottetown CA	54	61	24	0	12	37	90	98

Table 2.5: Starts by Submarket and by Intended Market January - December 2014								
Submarket	Freehold		Condominium		Rental		Total*	
	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013
Charlottetown City	58	84	0	22	41	147	99	253
Stratford Town	39	43	24	24	0	18	63	85
Cornwall Town	17	29	0	0	19	0	36	29
Remainder of the CA	61	60	0	0	0	11	61	71
Charlottetown CA	175	216	24	46	60	176	259	438

Source: CMHC (Starts and Completions Survey)

Table 3: Completions by Submarket and by Dwelling Type Fourth Quarter 2014												
Submarket	Single		Semi		Row		Apt. & Other		Total			
	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013	% Change
Charlottetown City	16	19	8	16	0	0	40	0	64	35	82.9
Stratford Town	19	9	0	4	0	12	24	18	43	43	0.0
Cornwall Town	2	3	0	2	0	5	0	0	2	10	-80.0
Remainder of the CA	17	16	0	4	0	0	0	0	17	20	-15.0
Charlottetown CA	54	47	8	26	0	17	64	18	126	108	16.7

Table 3.1: Completions by Submarket and by Dwelling Type January - December 2014											
Submarket	Single		Semi		Row		Apt. & Other		Total		
	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013	% Change
Charlottetown City	39	58	12	38	4	4	186	123	241	223	8.1
Stratford Town	41	47	2	12	0	24	24	36	67	119	-43.7
Cornwall Town	14	12	2	10	4	13	0	0	20	35	-42.9
Remainder of the CA	48	51	6	10	3	0	0	8	57	69	-17.4
Charlottetown CA	142	168	22	70	11	41	210	167	385	446	-13.7

Source: CMHC (Starts and Completions Survey)

Table 3.2: Completions by Submarket, by Dwelling Type and by Intended Market
Fourth Quarter 2014

Submarket	Row				Apt. & Other			
	Freehold and Condominium		Rental		Freehold and Condominium		Rental	
	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013
Charlottetown City	0	0	0	0	0	0	40	0
Stratford Town	0	12	0	0	24	0	0	18
Cornwall Town	0	0	0	5	0	0	0	0
Remainder of the CA	0	0	0	0	0	0	0	0
Charlottetown CA	0	12	0	5	24	0	40	18

Table 3.3: Completions by Submarket, by Dwelling Type and by Intended Market
January - December 2014

Submarket	Row				Apt. & Other			
	Freehold and Condominium		Rental		Freehold and Condominium		Rental	
	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013
Charlottetown City	3	4	1	0	22	0	164	123
Stratford Town	0	24	0	0	24	0	0	36
Cornwall Town	0	0	4	13	0	0	0	0
Remainder of the CA	0	0	3	0	0	0	0	8
Charlottetown CA	3	28	8	13	46	0	164	167

Source: CMHC (Starts and Completions Survey)

Table 3.4: Completions by Submarket and by Intended Market Fourth Quarter 2014								
Submarket	Freehold		Condominium		Rental		Total*	
	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013	Q4 2014	Q4 2013
Charlottetown City	24	29	0	0	40	6	64	35
Stratford Town	19	13	24	12	0	18	43	43
Cornwall Town	2	3	0	0	0	7	2	10
Remainder of the CA	17	16	0	0	0	4	17	20
Charlottetown CA	62	61	24	12	40	35	126	108

Table 3.5: Completions by Submarket and by Intended Market January - December 2014								
Submarket	Freehold		Condominium		Rental		Total*	
	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013	YTD 2014	YTD 2013
Charlottetown City	52	92	22	0	167	131	241	223
Stratford Town	43	57	24	24	0	38	67	119
Cornwall Town	16	20	0	0	4	15	20	35
Remainder of the CA	52	56	0	0	5	13	57	69
Charlottetown CA	163	225	46	24	176	197	385	446

Source: CMHC (Starts and Completions Survey)

Table 4: Absorbed Single-Detached Units by Price Range Fourth Quarter 2014													
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 2014	0	0.0	0	0.0	2	11.8	6	35.3	9	52.9	17	285,000	288,311
Q4 2013	0	0.0	0	0.0	0	0.0	6	54.5	5	45.5	11	249,000	336,509
Year-to-date 2014	0	0.0	0	0.0	3	7.0	13	30.2	27	62.8	43	279,900	312,904
Year-to-date 2013	0	0.0	2	3.6	10	18.2	17	30.9	26	47.3	55	249,000	285,655
Stratford Town													
Q4 2014	0	0.0	0	0.0	1	11.1	2	22.2	6	66.7	9	--	--
Q4 2013	0	0.0	0	0.0	0	0.0	0	0.0	7	100.0	7	--	--
Year-to-date 2014	0	0.0	0	0.0	1	2.8	8	22.2	27	75.0	36	329,900	352,206
Year-to-date 2013	0	0.0	0	0.0	3	5.9	7	13.7	41	80.4	51	319,500	328,641
Cornwall Town													
Q4 2014	0	0.0	0	0.0	0	0.0	0	0.0	1	100.0	1	--	--
Q4 2013	0	0.0	0	0.0	1	25.0	0	0.0	3	75.0	4	--	--
Year-to-date 2014	0	0.0	1	7.7	2	15.4	4	30.8	6	46.2	13	249,900	294,869
Year-to-date 2013	0	0.0	2	15.4	2	15.4	4	30.8	5	38.5	13	239,000	232,762
Remainder of the CA													
Q4 2014	0	0.0	2	15.4	3	23.1	2	15.4	6	46.2	13	235,000	265,515
Q4 2013	0	0.0	3	25.0	0	0.0	5	41.7	4	33.3	12	234,850	263,092
Year-to-date 2014	0	0.0	5	11.4	9	20.5	14	31.8	16	36.4	44	246,000	257,973
Year-to-date 2013	0	0.0	5	9.1	8	14.5	17	30.9	25	45.5	55	239,900	260,478
Charlottetown CA													
Q4 2014	0	0.0	2	5.0	6	15.0	10	25.0	22	55.0	40	279,450	285,085
Q4 2013	0	0.0	3	8.8	1	2.9	11	32.4	19	55.9	34	274,700	303,603
Year-to-date 2014	0	0.0	6	4.4	15	11.0	39	28.7	76	55.9	136	272,450	303,812
Year-to-date 2013	0	0.0	9	5.2	23	13.2	45	25.9	97	55.7	174	269,450	286,344

Source: CMHC (Market Absorption Survey)

Table 4.1: Average Price ($) of Absorbed Single-detached Units Fourth Quarter 2014						
Submarket	Q4 2014	Q4 2013	% Change	YTD 2014	YTD 2013	% Change
Charlottetown City	288,311	336,509	-14.3	312,904	285,655	9.5
Stratford Town	--	--	n/a	352,206	328,641	7.2
Cornwall Town	--	--	n/a	294,869	232,762	26.7
Remainder of the CA	265,515	263,092	0.9	257,973	260,478	-1.0
Charlottetown CA	285,085	303,603	-6.1	303,812	286,344	6.1

Source: CMHC (Market Absorption Survey)

Table 5: MLS® Residential Activity in Urban Centres*

Submarket	Fourth Quarter 2014				Fourth Quarter 2013				% Change			
	Sales	Average Sale Price ($)	DOM	New Listings	Sales	Average Sale Price ($)	DOM	New Listings	Sales	Average Sale Price ($)	DOM	New Listings
Charlottetown CA**	124	206,451	99	165	96	185,039	104	181	29.2%	11.6%	-4.8%	-8.8%
District 4	57	224,468	76	79	46	192,925	111	63	23.9%	16.3%	-31.5%	25.4%
District 5	17	158,632	87	23	14	142,600	94	35	21.4%	11.2%	-7.4%	-34.3%
District 6	21	155,443	155	24	17	161,841	97	31	23.5%	-4.0%	59.8%	-22.6%
District 7	29	236,004	108	39	19	217,974	99	52	52.6%	8.3%	9.1%	-25.0%
Summerside CA	31	144,013	85	78	43	143,800	167	70	-27.9%	0.1%	-49.1%	11.4%
Total	258	179,182	113	493	263	152,485	142	478	-1.9%	17.5%	-20.4%	3.1%

Submarket	Year-to-Date 2014				Year-to-Date 2013				% Change			
	Sales	Average Sale Price ($)	DOM	New Listings	Sales	Average Sale Price ($)	DOM	New Listings	Sales	Average Sale Price ($)	DOM	New Listings
Charlottetown CA**	575	204,366	89	1080	541	191,815	93	1034	6.3%	6.5%	-4.3%	4.4%
District 4	260	216,364	78	445	210	199,366	89	392	23.8%	8.5%	-12.4%	13.5%
District 5	105	164,234	84	192	106	153,238	84	193	-0.9%	7.2%	0.0%	-0.5%
District 6	77	160,616	107	156	95	163,402	91	160	-18.9%	-1.7%	17.6%	-2.5%
District 7	133	237,922	104	287	130	231,838	109	289	2.3%	2.6%	-4.6%	-0.7%
Summerside CA	173	135,885	113	413	209	138,738	137	381	-17.2%	-2.1%	-17.5%	8.4%
Total	1264	165,645	113	3129	1306	158,640	131	2842	-3.2%	4.4%	-13.7%	10.1%

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 Fourth Quarter 2014											
		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						
2013	January	595	3.00	5.24	102.7	124.4	74.0	11.7	69.5	728
	February	595	3.00	5.24	102.7	125.9	75.4	11.6	70.7	724
	March	590	3.00	5.14	102.7	126.3	75.0	11.8	70.5	728
	April	590	3.00	5.14	103.0	127.8	75.0	11.3	70.1	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	68.2	739
	July	590	3.14	5.14	103.5	127.4	73.8	11.9	69.2	735
	August	601	3.14	5.34	103.5	127.8	74.0	10.6	68.4	727
	September	601	3.14	5.34	103.5	128.3	73.3	11.3	68.3	730
	October	601	3.14	5.34	103.4	128.3	74.5	10.7	68.9	733
	November	601	3.14	5.34	103.4	128.5	73.7	11.6	69.0	741
	December	601	3.14	5.34	103.4	127.8	73.6	11.6	68.8	743
2014	January	595	3.14	5.24	103.1	128.4	75	11.3	69.4	750
	February	595	3.14	5.24	102.7	129.2	74.7	11.5	69.6	763
	March	581	3.14	4.99	102.3	130.0	74.1	11.8	69.2	769
	April	570	3.14	4.79	102.3	129.6	72.9	11.7	68.0	767
	May	570	3.14	4.79	102.2	129.7	73.5	12.2	68.9	758
	June	570	3.14	4.79	101.9	129.6	74.2	9.8	67.7	754
	July	570	3.14	4.79	101.8	129.6	74.3	9.4	67.4	754
	August	570	3.14	4.79	101.8	129.4	74.5	10.0	68.0	753
	September	570	3.14	4.79	101.6	129.7	74.0	9.5	67.2	757
	October	570	3.14	4.79	101.6	129.8	74.9	9.2	67.7	763
	November	570	3.14	4.79	101.4	128.6	75.0	10.5	68.8	766
	December	570	3.14	4.79		127.5	74.0	11.0	68.1	769

"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 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 2006 Census area definitions.

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