



PRESS RELEASE



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2008 Victoria and BC Housing Outlook

VICTORIA, British Columbia, November 15, 2007 — Demand for homeownership will keep housing starts and existing home sales at above-average levels in BC and Victoria, and push new and existing home prices higher in 2008.

“In Victoria, housing demand will be supported through 2008 by ongoing job growth and a steady flow of people moving to the region” said Peggy Prill, CMHC’s Victoria Senior Market Analyst. Home prices will continue to rise, spurring demand from move-up and move-down buyers, as well as investors. In 2008, both new home starts and existing home sales will stay above the average of the last ten years, but edge down slightly from 2007’s strong levels. Look for new and resale home prices in Metro Victoria communities to increase, but at a slower pace than in recent years.

“Housing starts in BC will top 33,250 next year down slightly from this year’s level but still above average levels”, noted Carol Frketich, BC Regional Economist. Factors behind this demand include: unemployment near record lows, strong employment growth, rising wages, relatively low mortgage rates and growing migration. Recent financial market turmoil in the United States and a strong Canadian dollar will keep interest rates relatively flat in Canada despite upward inflationary pressures.

Canada Mortgage and Housing Corporation (CMHC) has been Canada's national housing agency for more than 60 years. CMHC is committed to helping Canadians access a wide choice of quality, affordable homes, while making vibrant, healthy communities and cities a reality across the country.

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Housing Market Outlook

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Total Housing Starts	2006 Actual	2007 Forecast	2008 Forecast
British Columbia	36,443	36,200	33,250

Abbotsford CMA ¹	1,207	1,150	1,200
Kelowna CMA	2,692	2,750	2,700
Vancouver CMA	18,705	19,000	18,500
Victoria CMA	2,739	2,445	2,275

Total MLS® Sales²	2006 Actual	2007 Forecast	2008 Forecast
British Columbia	96,671	100,500	93,750

Abbotsford CMA	3,853	3,700	3,650
Kelowna CMA	4,158	5,500	5,200
Vancouver CMA	36,479	38,300	37,200
Victoria CMA	7,500	8,300	7,600

Average MLS® Price (\$)¹	2006 Actual	2007 Forecast	2008 Forecast
British Columbia	390,963	438,200	464,500

Abbotsford CMA	303,959	361,700	398,000
Kelowna CMA	349,805	415,000	448,000
Vancouver CMA	509,876	571,000	623,000
Victoria CMA	427,154	465,000	485,000

SOURCE: CMHC Housing Market Outlook, British Columbia Region Highlights, Fourth Quarter 2007.

¹ Census Metropolitan Area (CMA).

² The term MLS® stands for Multiple Listing Service and is a registered trademark of the Canadian Real Estate Association (CREA).