



British Columbia's Monthly New Homes Registry Report

May 2016 Issue

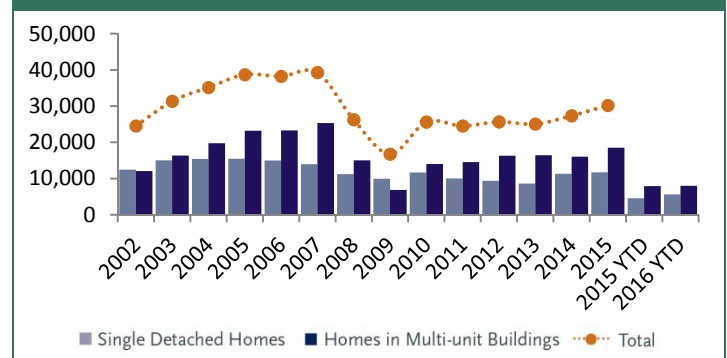
LEADING HOUSING MARKET INDICATOR FOR BRITISH COLUMBIA

Registered new homes data are a leading indicator of housing and economic¹ activity in British Columbia. The *Monthly New Homes Registry Report* provides information on registered new homes by building type, building size and location, and is intended for use by the residential construction industry, real estate community and researchers.

Highlights

- In the first five months of 2016, 13,598 new homes were registered in BC, up by 9.1% from the same period in 2015, driven by an increase in both multi-unit homes² (+1.0%) and single detached homes³ (+23.1%).
- Registered new homes in May included 1,263 single detached homes and 1,250 homes in multi-unit buildings. Compared to the same month in 2015, the number of registered new homes decreased by 1.9%. Between May and April in 2016, there was an increase in single detached homes (+9.0%) and a decrease in multi-unit homes (-45.2%).
- Using a trend analysis with moving averages⁴, there were 2,978 new registered homes in May 2016, trending at an increase of 6.4% from April 2016 for all new homes, including an increase of 5.9% in multi-unit homes and 7.0% in single detached homes.
- Metro Vancouver accounted for 53.2% of all new homes registered in BC in May 2016.
- Surrey, Kelowna, and Burnaby were the three cities with the highest number of new homes registered this month. The majority of new homes in New Westminister, Furry Creek, Kelowna, Burnaby, Langley⁵, Surrey, and Chilliwack were in multi-unit buildings.
- There were 175 proposed new multi-unit buildings in the province in May 2016. The majority of these buildings were buildings of 5 to 50 dwelling units (39.4%) and duplexes (27.4%). The two largest buildings each had 92 dwelling units and were proposed to be built in Langley⁵ and Burnaby.
- So far in 2016, 1,826 new homes in multi-unit rental buildings have qualified for exemptions from home warranty insurance, down 4.4% from the same period in 2015. Rental units were proposed in Vancouver, Port Coquitlam, Kelowna, North Vancouver⁵, Surrey, Squamish, Victoria, Langford, Abbotsford, Cranbrook, Courtenay, Clearwater, and Maple Ridge.

Figure 1: Registered New Homes by Building Type, 2002 – 2016 Year-to-date



¹ Bank of Canada, 2016. New Housing Registrations as a Leading Indicator of the BC Economy. Document available at: <http://www.bankofcanada.ca/>

² Registered new homes in multi-unit buildings (two or more dwelling units) refers to new homes in multi-unit buildings enrolled with home warranty insurance and does not include new homes in multi-unit rental buildings.

³ Registered new single detached homes refers to new single detached homes enrolled with home warranty insurance or with Owner Builder Authorizations approved by the Homeowner Protection Office.

⁴ The trend analysis with moving average is based on a three-month moving average of the monthly new home registration data. Data are not seasonally adjusted.

⁵ Langley includes the City of Langley and the Township of Langley, while North Vancouver includes the City of North Vancouver and the District of North Vancouver.



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Figure 2: Registered Single Detached Homes, May 2016

Number in May 2016 **1,263**
 % change from April 2016 (+) 9.0%
 % change from May 2015 (+) 27.3%

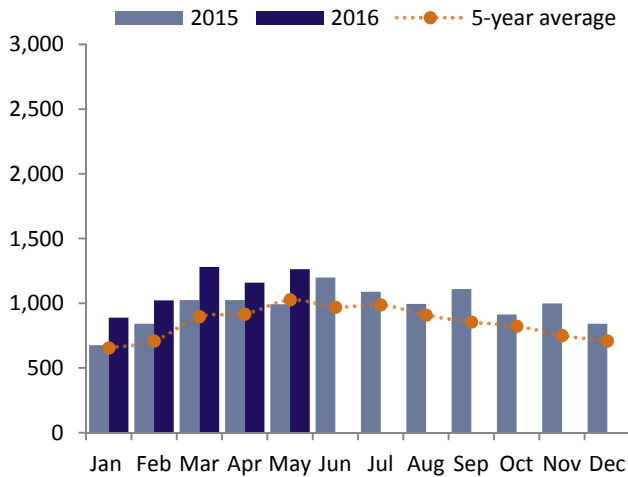


Figure 3: Registered New Homes in Multi-unit Buildings, May 2016

Number in May 2016 **1,250**
 % change from April 2016 (-) 45.2%
 % change from May 2015 (-) 20.4%

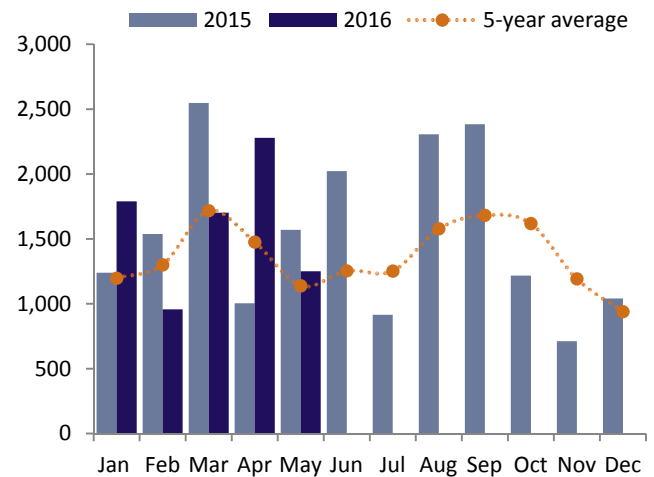


Figure 4: Registered New Multi-unit Buildings by Building Size⁶, May 2016

Total Number in May 2016 **175**

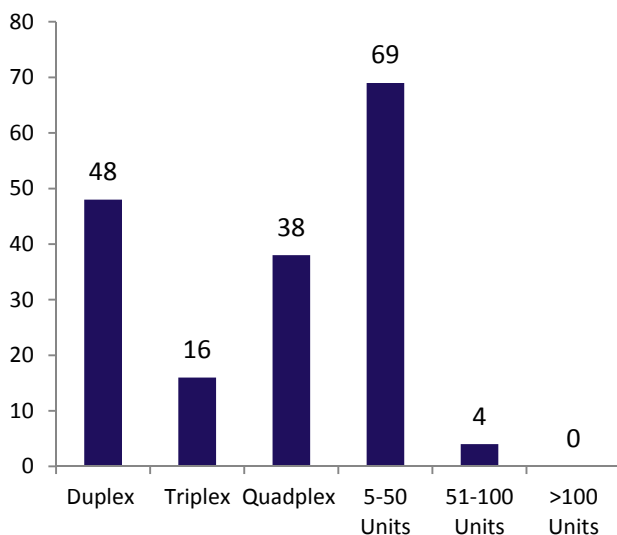


Figure 5: Top 10 Largest Registered New Multi-unit Buildings by City, May 2016

City	Building Size ⁶
Langley ⁷	92
Burnaby	92
Kelowna	83
Kelowna	65
Burnaby	44
Kelowna	40
Burnaby	38
Chilliwack	32
Burnaby	23
Kelowna	18

⁶ Building size is measured by number of dwelling units, which is equivalent to new homes.

⁷ Langley includes the City of Langley and the Township of Langley.

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Figure 6: Registered Owner-built Homes⁸, 2002 – 2016 Year-to-date

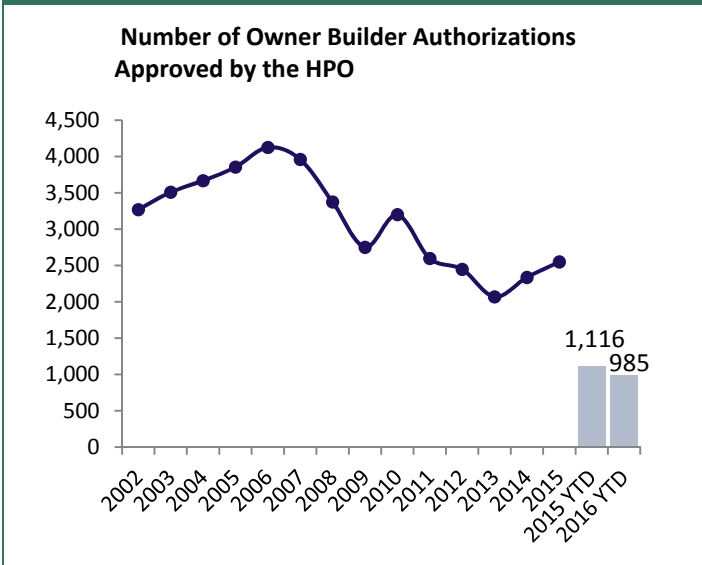


Figure 7: Registered New Homes in Multi-unit Rental Buildings⁹, 2002 – 2016 Year-to-date

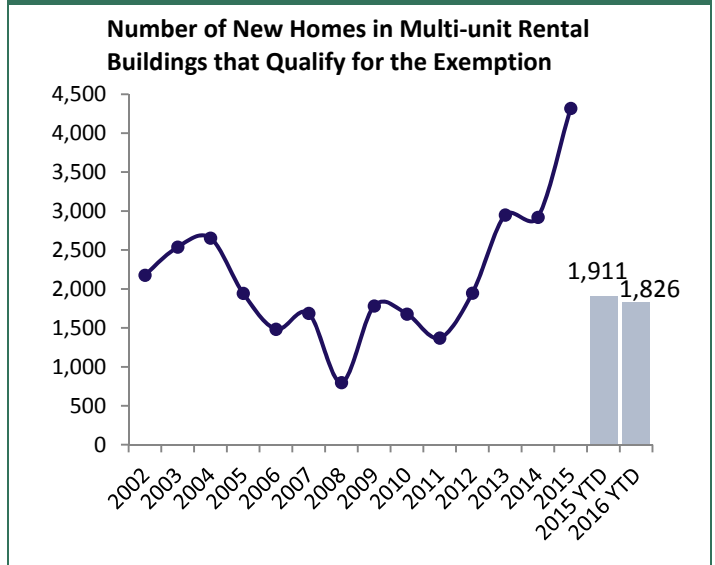
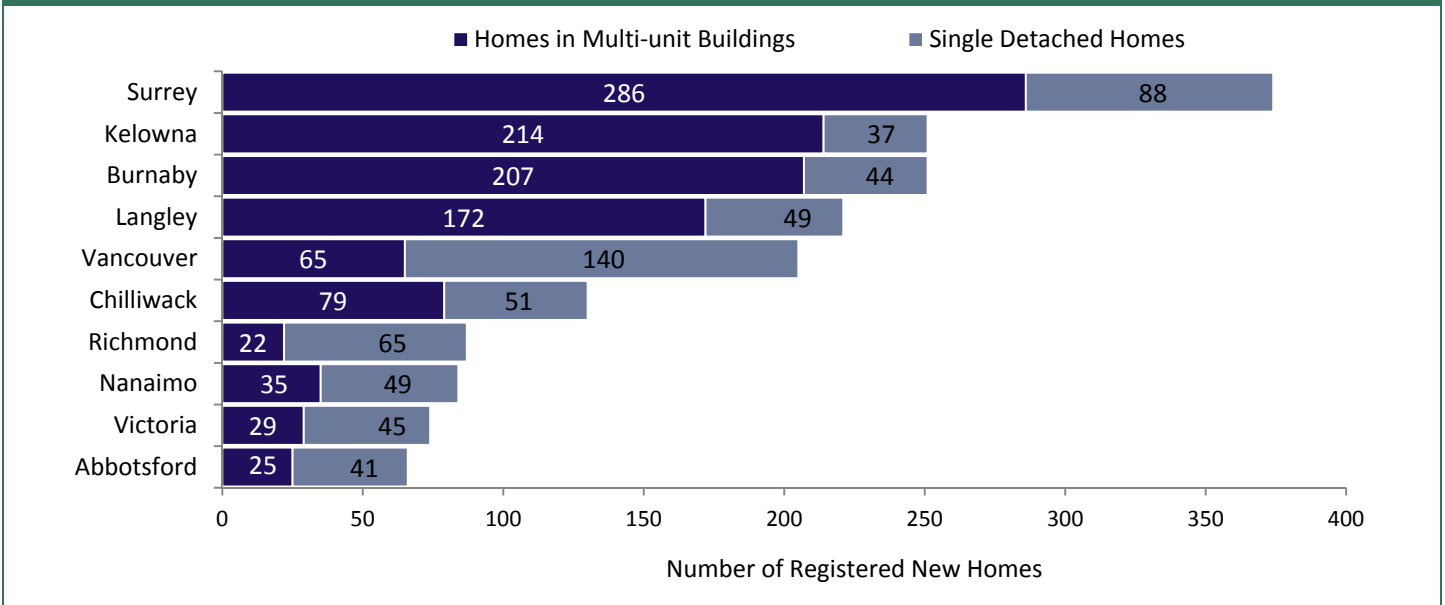


Figure 8: Registered New Homes by Building Type and by Selected City¹⁰, May 2016



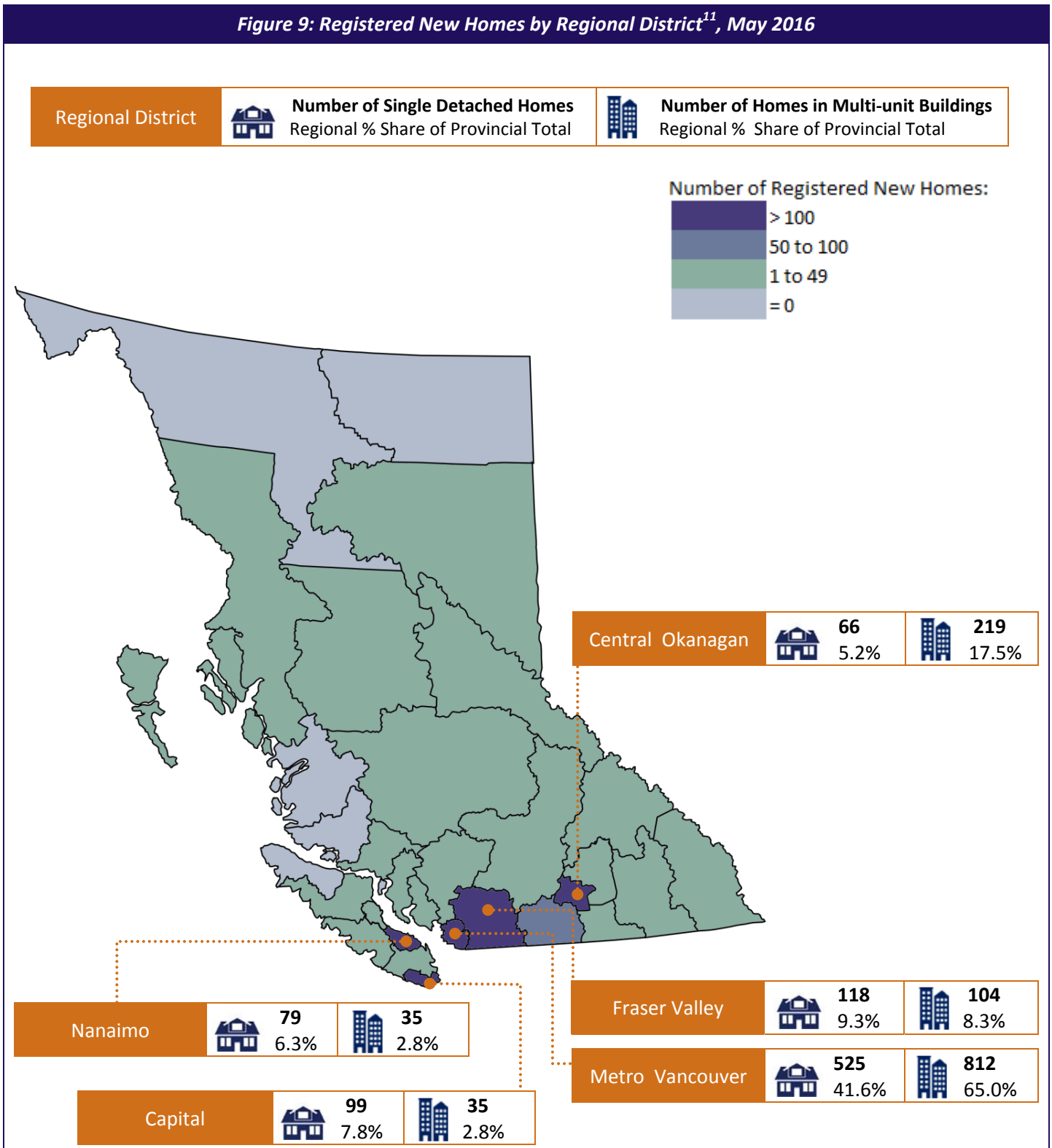
⁸ Registered owner-built homes refers to Owner Builder Authorizations approved by the HPO. Individuals building a single home for their own personal use and who directly manage the construction of the new home may obtain an Owner Builder Authorization and be exempt from licensing and home warranty insurance.

⁹ Registered new homes in multi-unit rental buildings refers to new homes in multi-unit buildings that qualify for exemption from home warranty insurance. These exempted homes must be constructed for rental purposes, including social housing, and have a restrictive covenant registered on title restricting the sale of any dwelling unit for a 10-year period.

¹⁰ Selected cities are the 10 cities that had the highest numbers of registered new homes in the reference month. In this report, Langley includes the City of Langley and the Township of Langley.

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Figure 9: Registered New Homes by Regional District¹¹, May 2016



¹¹ The five regional districts with the highest numbers of registered new homes in the reference month.

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Data Tables

Table 1: Registered New Homes, 2002 to 2016 Year-to-date

Calendar Year	Registered New Single Detached Homes ¹²		Registered New Homes in Multi-unit Buildings ¹³	Rentals Exempted ¹⁴
	Single Detached Homes Enrolled with Home Warranty Insurance	Owner Builder Authorizations ¹⁵		
2002	9,179	3,268	12,075	2,178
2003	11,498	3,508	16,338	2,539
2004	11,747	3,666	19,732	2,654
2005	11,619	3,854	23,211	1,945
2006	10,838	4,124	23,263	1,484
2007	9,993	3,959	25,334	1,688
2008	7,856	3,373	15,017	799
2009	7,167	2,749	6,827	1,783
2010	8,439	3,199	13,980	1,679
2011	7,417	2,596	14,512	1,371
2012	6,926	2,446	16,293	1,948
2013	6,552	2,067	16,431	2,951
2014	8,989	2,335	16,013	2,921
2015	9,155	2,549	18,497	4,319
2015 Jan – May	3,442	1,116	7,899	1,911
2016 Jan – May	4,627	985	7,977	1,826

Table 2: Registered New Homes, 2015 to 2016 Year-to-date and 5-year Average, Monthly

Month	Registered New Single Detached Homes ¹²			Registered New Homes in Multi-unit Buildings ¹³		
	2016	2015	5-year Average ¹⁶	2016	2015	5-year Average ¹⁶
Jan	888	676	655	1,789	1,239	1,197
Feb	1,022	841	709	957	1,538	1,301
Mar	1,280	1,024	897	1,702	2,548	1,718
Apr	1,159	1,025	916	2,279	1,004	1,476
May	1,263	992	1,027	1,250	1,570	1,139
Jun		1,199	969		2,023	1,254
Jul		1,089	988		915	1,253
Aug		995	908		2,306	1,579
Sep		1,110	855		2,384	1,682
Oct		913	823		1,217	1,619
Nov		999	751		712	1,192
Dec		841	709		1,041	939

¹² Registered new single detached homes refers to new single detached homes enrolled with home warranty insurance or with Owner Builder Authorizations approved by the HPO.

¹³ Registered new homes in multi-unit buildings (two or more dwelling units) refers to new homes in multi-unit buildings enrolled with home warranty insurance and does not include new homes in multi-unit rental buildings.

¹⁴ Rentals Exempted refers to new homes in multi-unit buildings that qualify for exemption from home warranty insurance. These exempted homes must be constructed for rental purposes, including social housing, and have a restrictive covenant registered on title restricting the sale of any dwelling unit for a 10-year period.

¹⁵ Owner Builder Authorizations refers to Owner Builder Authorizations approved by the HPO. Individuals building a single home for their own personal use and who directly manage the construction of the new home may obtain an Owner Builder Authorization and be exempt from licensing and home warranty insurance.

¹⁶ In this report, the five year average is the average of the most recently completed five years.

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Table 3: Registered New Homes by Regional District, May 2016

Regional District	Registered New Single Detached Homes ¹⁷		Registered New Homes in Multi-unit Buildings ¹⁸		Total	
	Number of Homes	Regional % Share of Provincial Total	Number of Homes	Regional % Share of Provincial Total	Number of Homes	Regional % Share of Provincial Total
Alberni-Clayoquot	7	0.6%	0	0.0%	7	0.3%
Bulkley-Nechako	13	1.0%	5	0.4%	18	0.7%
Capital	99	7.8%	35	2.8%	134	5.3%
Cariboo	8	0.6%	4	0.3%	12	0.5%
Central Coast	0	0.0%	0	0.0%	0	0.0%
Central Kootenay	13	1.0%	0	0.0%	13	0.5%
Central Okanagan	66	5.2%	219	17.5%	285	11.3%
Columbia-Shuswap	26	2.1%	0	0.0%	26	1.0%
Comox Valley	40	3.2%	0	0.0%	40	1.6%
Cowichan Valley	29	2.3%	0	0.0%	29	1.2%
East Kootenay	15	1.2%	0	0.0%	15	0.6%
Fraser Valley	118	9.3%	104	8.3%	222	8.8%
Fraser-Fort George	29	2.3%	0	0.0%	29	1.2%
Kitimat-Stikine	4	0.3%	0	0.0%	4	0.2%
Kootenay-Boundary	10	0.8%	0	0.0%	10	0.4%
Metro Vancouver	525	41.6%	812	65.0%	1,337	53.2%
Mount Waddington	0	0.0%	0	0.0%	0	0.0%
Nanaimo	79	6.3%	35	2.8%	114	4.5%
North Okanagan	25	2.0%	6	0.5%	31	1.2%
Northern Rockies	0	0.0%	0	0.0%	0	0.0%
Okanagan-Similkameen	46	3.6%	4	0.3%	50	2.0%
Peace River	9	0.7%	2	0.2%	11	0.4%
Powell River	1	0.1%	0	0.0%	1	0.0%
Skeena-Queen Charlotte	3	0.2%	0	0.0%	3	0.1%
Squamish-Lillooet	22	1.7%	24	1.9%	46	1.8%
Stikine	0	0.0%	0	0.0%	0	0.0%
Strathcona	17	1.3%	0	0.0%	17	0.7%
Sunshine Coast	20	1.6%	0	0.0%	20	0.8%
Thompson-Nicola	39	3.1%	0	0.0%	39	1.6%
Total	1,263	100.0%	1,250	100.0%	2,513	100.0%

¹⁷ Registered new single detached homes refers to new single detached homes enrolled with home warranty insurance or with Owner Builder Authorizations approved by the HPO.

¹⁸ Registered new homes in multi-unit buildings (two or more dwelling units) refers to new homes in multi-unit buildings enrolled with home warranty insurance and does not include new homes in multi-unit rental buildings.

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Background and Methodology

The Homeowner Protection Office (HPO) is a branch of BC Housing responsible for the *Homeowner Protection Act*. Our mandate is to help bring about improvements in the quality of residential construction and increase consumer protection for buyers of new homes in British Columbia. Under the *Act*, all new homes in the province must be registered with the HPO.

The registration of new homes in the HPO public registry must occur prior to the issuance of building permits and housing starts. The HPO registry data measures residential construction activities at the beginning of a project before construction commences. Therefore, information in the *Monthly New Homes Registry Report* is a leading indicator of housing activity in British Columbia.

A study has been conducted by the Bank of Canada in collaboration with BC Housing to assess whether new home registration data under the Homeowner Protection Act can be used as a leading indicator for economic activity in British Columbia. The research finds that quarterly increases in new registrations for single detached homes have statistically significant predictive content for growth in real Gross Domestic Product (GDP) over the next one to three quarters, and provide stronger signals compared to housing starts and building permits over this forecast horizon. The research report has been published under Staff Discussion Papers on the website of the Bank of Canada:
<http://www.bankofcanada.ca>

This report provides information on registered new homes by building type, building size, city and regional district. Registered new homes include new homes enrolled with home warranty insurance, rentals exempted and Owner Builder Authorizations. CSA-approved manufactured homes (mobile homes and factory-built homes), floating homes, non-stratified hotels, motels, dormitories and care facilities are excluded from the definition of new homes.

Data is collected based on the information provided by Licensed Residential Builders and owner builders through the HPO New Home Registration forms and Owner Builder Authorization applications. Some minor adjustments may be made to the figures over time as registrations are withdrawn or cancelled from home warranty insurance from time to time.

Geographical terms in this publication are based on Statistics Canada's 2006 Census areas. In October 2009, the regional district of Comox-Strathcona was replaced by two successor regional districts, Comox Valley and Strathcona.

www.bchousing.org/research-centre

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The Monthly New Homes Registry Report is published by the Homeowner Protection Office.

Homeowner Protection Office
Branch of BC Housing
Toll-free: 1 800 407 7757
Email: hpo@hpo.bc.ca
www.hpo.bc.ca

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