

March 2018



New Home Sales \uparrow 4.6% • YTD Sales \uparrow 5.2% • Resales \uparrow 12.3%

New Home Sales in March 2018 were 475, a 4.6% increase compared to the same month last year with sales at 454 and is 7% higher than the 10-year average. Townhomes lead the market with a 47% share, singles are second with 40% for a combined total of 87% of total new home sales.

According to CMHC Housing Now Tables published in March, February 2018 housing starts were trending at 7,213 units, compared to 7,945 in February 2017.

Resale sold 1,660 residential properties in March compared to 1,478 in March 2017, an increase of 12.3%. The five-year average for March sales is 1,339. The breakdown of sales is 358 condominiums and 1,302 residential.

The average sale price of a residential home was \$447,561 an increase of 8% over March 2017. The average price for condominium properties was \$275,592, an 0.7% increase in one year.

Market Wrap-Up While home sales dropped across the country, the Ottawa market is getting hotter and hotter. Bidding wars – indicative of a seller’s market – have continued into the first quarter of this year and are the result of lower inventories. This has benefited new home sales where both sufficient supply and strong sales set the stage for a very promising spring buyer season.

Buyers and investors from outside the city, province, and the country continue to flow into Ottawa for its affordability, strong economy, and jobs. Moderate price increases and another interest rate increase are unlikely to impact current market conditions, especially over the next two quarters.

Measures implemented by the Bank of Canada and the Provincial Government to temper escalating prices in other major markets are working, and the pendulum will eventually swing their way again as those markets gain stability. For the time being, Ottawa is the best investment for buyers purchasing a new home. Let the spring buying season begin!

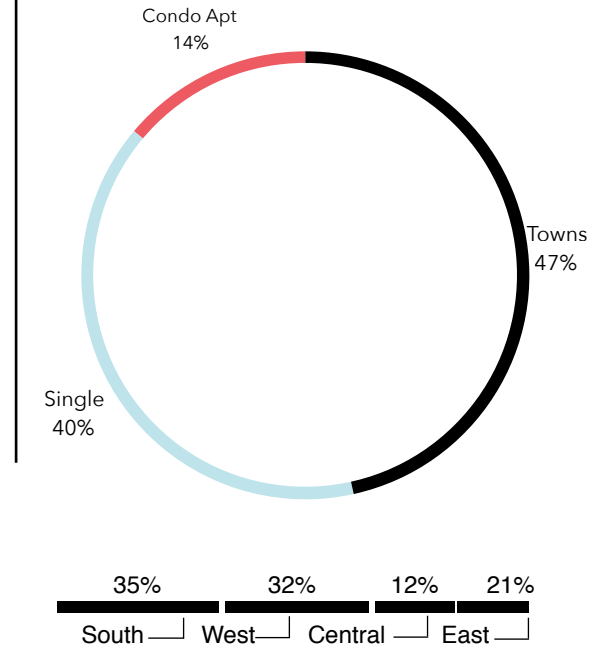
live positive!

Cheryl Rice, President
Ariana Luna, Research Director
inquiries: cherylr@pmabrethour.com

In partnership with the Greater Ottawa Home Builders' Association.



NEW HOME SALES **475** (+4.6%)
YTD 1219



RESALES **1,660** (+12.3%)
YTD 3,348
March 2018

March 2015

residential \$447,561 | condo \$275,592



KEY ECONOMIC INDICATORS

mortgage rate 1yr **3.34%** (0.1%)
 mortgage rate 5yr **5.14%** (0.15%)
 new home pricing index **104.8** (0.2%)
 consumer pricing index **132.1** (0.8%)
 unemployment rate **5.3%** (-0.1%)
 avg weekly earnings **\$1121** (-0.2%)

Sources: PMA Brethour Research, Conference Board of Canada, The Ottawa Citizen, The Star, CMHC, Stats Canada, Globe and Mail