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Metropolitan Condo Outlook Winter 2007

Insights Into the Condominium Market in Canada's Six Largest Census Metropolitan Areas

ECONOMIC PERFORMANCE AND TRENDS

Metropolitan Condo Outlook: Insights Into the Condominium Market in Canada's Six Largest Census Metropolitan Areas
by *Alan Arcand*

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Preface

This report from The Conference Board of Canada and Genworth Financial Canada offers an in-depth analysis of the condominium market for Canada's six largest census metropolitan areas (CMAs). The report covers a wide range of condominium market statistics, such as starts, completions, absorptions and prices. The main goal of this publication is to provide an analysis of the recent trends in the condo market in each of the six CMAs, as well as an analysis of where each of the six markets is heading over the next five years.

The six census metropolitan areas covered are Montréal, Ottawa, Toronto, Calgary, Edmonton and Vancouver.

This report is completed two times a year, in June and December.

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Executive Summary

The Canadian condo market has been firing on all cylinders over the past 10 years. The vigorous activity has been fairly widespread too. For example, existing sales of condo apartments have grown strongly in all six cities covered in this edition of the *Metropolitan Condo Outlook*. In fact, between 1996 and 2005 growth in sales ranged from 9.2 per cent per year in Ottawa to 20.6 per cent per year in Edmonton. Demand outpaced supply in all markets, resulting in a big run-up in prices on the multiple listing service (MLS). On an average annual basis, resale price increases ranged from 6.3 per cent per year in Toronto to 10.6 per cent per year in Ottawa–Gatineau between 1999 and 2005.

Existing condo apartment sales continued to move higher in 2006. Through the first six months of the year, condo apartment sales were up 4.2 per cent year-to-date in all six markets combined. Supply continued to lag demand, putting even more upward pressure on prices. For the year as a whole, existing price growth is projected to range from a whopping 42.6 per cent in Calgary to a much more modest 2.8 per cent in Ottawa.

Home builders responded to the tight conditions in the resale market by ramping up construction of new condos. Indeed, between 1996 and 2005 growth in starts ranged from 3.1 per cent per year in Vancouver to 26.1 per cent per year in Ottawa–Gatineau. What's more, activity remained strong in 2006. In fact, starts increased in three of the six markets covered in this report.

Without taking a closer look at the overall picture of the condo market, one might be tempted to assume that a correction must be in the cards. But this is not the case. The rapid rise in condo apartment sales and condo starts described above does not appear to be the result of speculative activity. In fact, the supply of condo apartments has barely managed to keep pace with demand. For example, the sales-to-listings ratio is high in the resale condo apartment market in most of the six cities, something that is indicative of a sellers' market. At the same time, short-term supply remains below its estimated equilibrium in all new markets except Montréal. This suggests that, if anything, supply-demand fundamentals in the condo apartment market remain tight across five of the six cities.

The good news is that there is no end in sight to the current cycle of strong demand. True, condo apartment sales are expected to come off their recent highs, while condo starts are expected to fall by an average of 0.2 per cent per year between 2007 and 2011 in all markets combined. Nevertheless, the level of activity is still expected to remain high by historical standards over the forecast horizon. This will allow resale condo price growth to stay in positive territory across all six markets.

Table 1—Condo Indicators

	Starts			Absorptions			Average resale price ($)		
	2006	2007f	2008f	2006	2007f	2008f	2006	2007f	2008f
Montréal	7,219	6,903	6,475	7,178	7,074	6,945	169,899	177,015	184,386
	–17.6	*–4.4*	*–6.2*	*–16.2*	*–1.4*	*–1.8*	*5.0*	*4.2*	*4.2*
Ottawa	1,646	1,288	1,281	1,538	1,254	1,240	177,267	184,772	191,775
	35.0	*–21.7*	*–0.5*	*–14.4*	*–18.4*	*–1.1*	*2.8*	*4.2*	*3.8*
Toronto	15,432	14,462	14,840	16,631	15,094	15,230	239,816	247,303	257,808
	–4.6	*–6.3*	*2.6*	*20.1*	*–9.2*	*0.9*	*5.0*	*3.1*	*4.2*
Calgary	5,226	4,850	4,700	3,466	4,606	4,606	262,456	294,681	307,836
	27.1	*–7.2*	*–3.1*	*–9.4*	*32.9*	*0.0*	*42.6*	*12.3*	*4.5*
Edmonton	4,539	4,091	3,927	4,048	3,843	3,854	180,367	213,352	222,354
	6.6	*–9.9*	*–4.0*	*28.1*	*–5.1*	*0.3*	*28.3*	*18.3*	*4.2*
Vancouver	12,419	11,813	11,939	11,599	11,630	11,916	289,344	307,305	320,744
	–5.1	*–4.9*	*1.1*	*11.3*	*0.3*	*2.5*	*17.1*	*6.2*	*4.4*

Italics indicate percentage change.
Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation; Canadian Real Estate Association.

Résumé

Depuis dix ans, le marché du condominium canadien tourne à plein régime et cette vigueur est assez généralisée. Par exemple, les ventes d'appartements-condos existants se sont accrues considérablement dans les six régions métropolitaines de recensement couvertes par cette première édition de la Note de conjoncture métropolitaine du marché du condominium. Effectivement, de 1996 à 2005, la progression annuelle des ventes s'est située entre 9,2 p. 100 à Ottawa et 20,6 p. 100 à Edmonton. La demande a devancé l'offre sur tous les marchés et entraîné une flambée des prix. De 1999 à 2005, l'augmentation moyenne des prix de revente a varié annuellement entre 6,3 p. 100 à Toronto et 10,6 p. 100 à Ottawa-Gatineau.

En 2006, les ventes d'appartements-condos existants ont continué de progresser. Pendant le premier semestre, elles se sont accrues de 4,2 p. 100 par rapport à la même période de l'année précédente sur les six marchés combinés. L'offre a continué de traîner derrière la demande, ce qui a accentué la pression à la hausse sur les prix. Pour l'ensemble de l'année, la montée des prix des appartements existants devrait fluctuer entre un époustouflant 42,6 p. 100 à Calgary et un très modeste 2,8 p. 100 à Ottawa.

Les constructeurs de résidences ont réagi aux conditions serrées du marché de la revente en intensifiant la construction de nouveaux condominiums. En effet, de 1996 à 2005, l'augmentation annuelle des mises en chantier s'est située entre 3,1 p. 100, à Vancouver, et 26,1 p. 100, à Ottawa–Gatineau. En 2006, les mises en chantier devraient s'accroître dans trois des six marchés (Ottawa, Calgary et Edmonton). Même si elles sont en train de décliner à Montréal, à Toronto et à Vancouver, le niveau d'activité demeurera bien au-dessus des moyennes historiques dans les trois marchés.

Sans regarder de plus près l'ensemble du marché du condominium, on pourrait être tenté de supposer qu'une correction s'impose, mais ce n'est pas le cas. La progression rapide des ventes d'appartements-condos et des mises en chantier de condominiums décrite précédemment ne semble pas résulter d'une activité spéculative.

De plus, le Conference Board anticipe que demande soutenue devrait se maintenir. On prévoit que les ventes d'appartements-condos descendront de leurs récents sommets et que les mises en chantier des condominiums reculeront annuellement de 0,2 p. 100 en moyenne de 2007 à 2011 sur tous les marchés combinés. Néanmoins, pendant la période de prévisions, l'activité demeurera vigoureuse par rapport aux normes antérieures, car la popularité des condominiums s'accroît, en partie en raison du vieillissement de la population. Cela permettra aux prix de revente moyen des appartements-condos de poursuivre leur ascension sur les six marchés.

Tableau 1—Indicateurs sur les condos

	Mises en chantier			Écoulement			Prix de revente moyens (en dollars)		
	2006	2007p	2008p	2006	2007p	2008p	2006	2007p	2008p
Montréal	7 219	6 903	6 475	7 178	7 074	6 945	169 899	177 015	184 386
	–17,6	*–4,4*	*–6,2*	*–16,2*	*–1,4*	*–1,8*	*5,0*	*4,2*	*4,2*
Ottawa	1 646	1 288	1 281	1 538	1 254	1 240	177 267	184 772	191 775
	35,0	*–21,7*	*–0,5*	*–14,4*	*–18,4*	*–1,1*	*2,8*	*4,2*	*3,8*
Toronto	15 432	14 462	14 840	16 631	15 094	15 230	239 816	247 303	257 808
	–4,6	*–6,3*	*2,6*	*20,1*	*–9,2*	*0,9*	*5,0*	*3,1*	*4,2*
Calgary	5 226	4 850	4 700	3 466	4 606	4 606	262 456	294 681	307 836
	27,1	*–7,2*	*–3,1*	*–9,4*	*32,9*	*0,0*	*42,6*	*12,3*	*4,5*
Edmonton	4 539	4 091	3 927	4 048	3 843	3 854	180 367	213 352	222 354
	6,6	*–9,9*	*–4,0*	*28,1*	*–5,1*	*0,3*	*28,3*	*18,3*	*4,2*
Vancouver	12 419	11 813	11 939	11 599	11 630	11 916	289 344	307 305	320 744
	–5,1	*–4,9*	*1,1*	*11,3*	*0,3*	*2,5*	*17,1*	*6,2*	*4,4*

L'italique signale les variations en pourcentage.
Sources : Le Conference Board du Canada; Société canadienne d'hypothèques et de logement; Association canadienne de l'immeuble.

Montréal

Although condominium starts are expected to continue to trend downward until 2008, the medium-term outlook for Montréal's condominium market remains healthy. Starts are forecast to post increases from 2009 to 2011, while price growth is expected to maintain a solid clip.

Like most cities in Canada, Montréal has enjoyed a hot housing market over the last several years. And as in most other cities, activity in the condominium segment has been particularly strong. The housing market has been powered by a generally buoyant labour market, low borrowing costs and pent-up demand built up over the early 1990s, when the housing market slumped. The condominium market has the added advantage of being more affordable than other types of housing, although the price divergence in Montréal is smaller than that of other cities covered in this report.

Existing sales of apartments have increased every year since 1996. In fact, sales in 2005 were more than five times higher than in 1995. Meanwhile, active listings fell between 1996 and 2001. But despite the increase in demand and a drop in supply, the sales-to-listings ratio managed to stay at or below 50 per cent from 1996 to 2001, indicating a balanced market. As a result, resale apartment price growth was fairly modest, averaging only 1.2 per cent per year over this period.

But the apartment market finally tipped into a sellers' market in 2002, with sales jumping by 15 per cent and active listings continuing to fall. As a result, the sales-to-listings ratio shot up to 81 per cent, while price growth accelerated sharply to 24.3 per cent. The big leap in prices finally spurred an increase in listings in 2003. In fact, listings have continued to climb since.

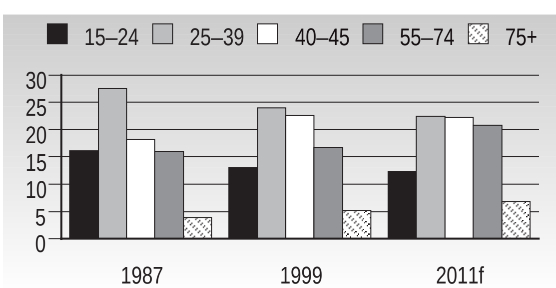
Through the first three quarters of 2006, active listings in the apartment market were up 26 per cent year-to-date. But unit sales were only 12.2 per cent higher. Accordingly, the sales-to-listings ratio has fallen below 50 per cent once again. Price growth has also finally begun to slow. In fact, apartment prices are on pace to increase by 5 per cent in 2006, the slowest rate of growth in five years.

Although supply kept up with demand in the resale market throughout the 1990s, home builders responded to the strong demand in the resale market by ramping up construction of new condominiums. Starts increased every year beginning in 1996, reaching a peak in 2004, when they hit a record 10,000 units. Despite the increase in supply of new condominiums, short-term supply trended down through the last half of the 1990s and early into this decade, implying tightening conditions in the new market.

The torrid pace of activity in the new condominium market has eased since, in line with a rising short-term supply. Starts fell by 12.9 per cent to 8,800 units in 2005 and are on pace to fall by a further 17.6 per cent to 7,200 units in 2006. New condominium activity is expected to continue to trend down over the next two years, with starts falling to 6,500 units by 2008.

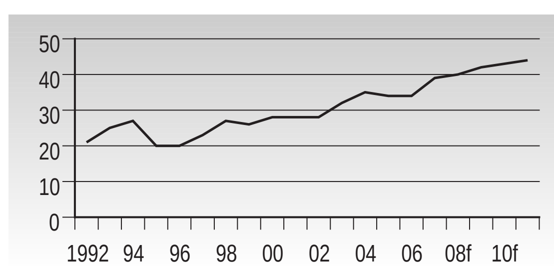
But demand for condominiums in Montréal is expected to be solid over the medium term, not only

Chart 1—Share of Population by Age Cohort



Sources: The Conference Board of Canada; Statistics Canada.

Chart 2—Share of Condo Starts to Total Starts

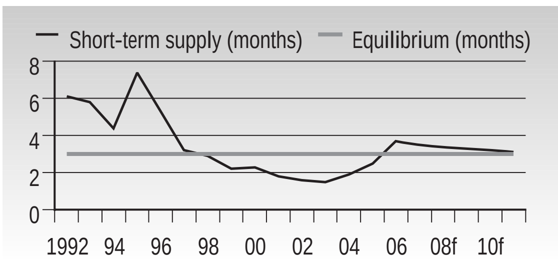


Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

because of steady population growth, but also because of an aging population. Baby boomers are expected to flock to condominiums as they enter their retirement years, taking advantage of maintenance-free living and enhanced security. At the same time, condominiums are expected to remain more affordable than other types of housing, boosting demand for condominiums.

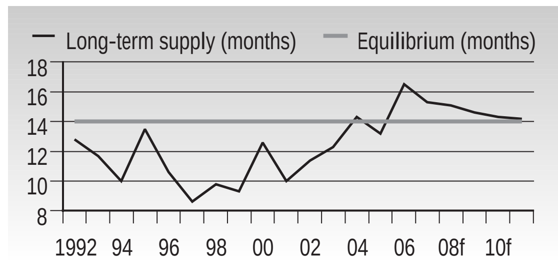
As a result, the condominium market is forecast to continue to outpace the overall housing market over the medium term. In fact, the share of condominium starts to total starts, which stood at 21 per cent in 1992, is projected to reach 44 per cent by 2011. Price gains in the condominium market are also expected to remain solid, with condo apartment resale prices condo apartment posting 4.2 per cent annual increases from 2007 to 2011.

Chart 3—Short-Term Supply and Its Equilibrium



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

Chart 4—Long-Term Supply and Its Equilibrium



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

Table 1—Condo Indicators

	2004	2005	2006	2007f	2008f	2009f	2010f	2011f
Starts	10,053	8,758	7,219	6,903	6,475	6,582	6,624	6,726
	27.4	*–12.9*	*–17.6*	*–4.4*	*–6.2*	*1.7*	*0.6*	*1.5*
Under construction	7,492	7,668	7,634	6,953	6,756	6,450	6,349	6,328
	49.1	*2.3*	*–0.4*	*–8.9*	*–2.8*	*–4.5*	*–1.6*	*–0.3*
Completions	8,120	8,876	7,492	6,902	6,808	6,698	6,773	6,826
	38.9	*9.3*	*–15.6*	*–7.9*	*–1.4*	*–1.6*	*1.1*	*0.8*
Complete and not absorbed	1,181	1,770	2,216	2,078	1,968	1,843	1,789	1,765
	73.3	*49.9*	*25.2*	*–6.2*	*–5.3*	*–6.3*	*–3.0*	*–1.3*
Absorptions	7,300	8,564	7,178	7,074	6,945	6,800	6,809	6,842
	31.2	*17.3*	*–16.2*	*–1.4*	*–1.8*	*–2.1*	*0.1*	*0.5*
Short-term supply (months)	1.9	2.5	3.7	3.5	3.4	3.3	3.2	3.1
Long-term supply (months)	14.3	13.2	16.5	15.3	15.1	14.6	14.3	14.2
Average resale condo apartment price ($)	150,229	161,771	169,899	177,015	184,386	192,065	200,063	208,394
	11.3	*7.7*	*5.0*	*4.2*	*4.2*	*4.2*	*4.2*	*4.2*

Italics indicate percentage change.
Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation; Canadian Real Estate Association.

Montréal

> Même si les mises en chantier de condominiums devraient continuer de fléchir jusqu'en 2008, les prévisions à moyen terme demeurent bonnes pour le marché du condominium à Montréal. De 2009 à 2011, les mises en chantier devraient reprendre et les prix continuer d'augmenter à une bonne cadence.

Comme la plupart des villes du Canada, Montréal a bénéficié ces dernières années d'un marché du logement, et du condominium en particulier, en pleine effervescence. En effet, le marché du logement de la ville a profité d'une croissance de l'emploi généralement soutenue, de faibles coûts d'emprunt et d'une accumulation de la demande refoulée depuis l'effondrement du marché du logement au début des années 1990. Même si la divergence des prix est plus faible à Montréal que dans les autres villes couvertes par le présent rapport, le marché du condominium a l'avantage d'être plus accessible, en termes de prix, que les autres types d'habitation.

Depuis 1996, les ventes d'appartements existants ont augmenté chaque année. En fait, elles étaient cinq fois plus élevées en 2005 qu'en 1995. En même temps, de 1996 à 2001, les inscriptions auprès des agents immobiliers ont baissé. Cependant, en dépit de la hausse de la demande et de la diminution de l'offre, le ratio ventes/inscriptions s'est maintenu à 50 p. 100 ou moins, de 1996 à 2001, signe d'un marché équilibré. Par conséquent, le prix de revente des appartements s'est accru assez modestement, de seulement 1,2 p. 100 en moyenne annuellement pendant cette période.

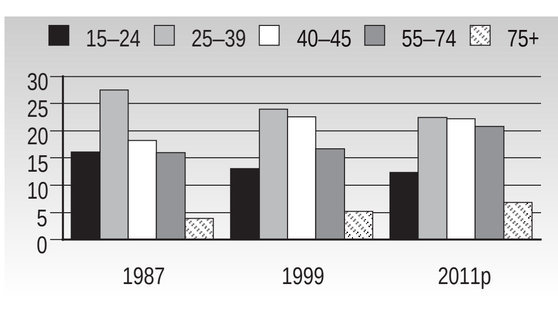
Le marché des appartements a finalement basculé vers un marché de vendeurs en 2002, avec un bond des ventes de 15 p. 100 et une baisse continue des inscriptions auprès des agents immobiliers. Le ratio ventes/inscriptions a donc terminé l'année à 81 p. 100 et la poussée des prix s'est accélérée brusquement pour atteindre 24,3 p. 100. Cette flambée des prix a finalement généré une augmentation des inscriptions en 2003 et, depuis, celles-ci ont continué de grimper.

Pendant les trois premiers trimestres de 2006, la hausse cumulée des inscriptions sur le marché des appartements a été de 26 p. 100. Par contre, les ventes d'unités n'ont augmenté que de 12,2 p. 100. En conséquence, le ratio ventes/inscriptions est retombé en dessous de 50 p. 100. Les prix ont aussi finalement commencé à ralentir leur ascension. En fait, celle-ci sera probablement de 5 p. 100 en 2006, le taux le plus lent en cinq ans.

Même si l'offre a soutenu le rythme de la demande sur le marché de la revente pendant les années 1990, les constructeurs de résidences ont réagi à la forte demande sur ce marché en construisant un plus grand nombre de condominiums. Depuis 1996, les mises en chantier ont augmenté chaque année, pour atteindre le nombre record de 10 000 unités en 2004. Malgré la progression du nombre de nouveaux condominiums, il y a eu un fléchissement de l'offre à court terme du milieu des années 1990 jusqu'au début des années 2000, ce qui a resserré les conditions de ce marché.

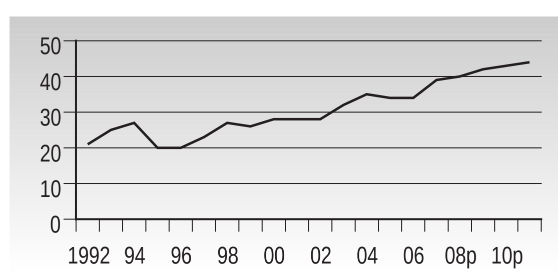
Le bouillonnement de l'activité sur le marché des nouveaux condominiums s'est calmé depuis, paral-

Graphique 1 — Proportion de la population par tranche d'âge



Sources : Le Conference Board du Canada; Statistique Canada.

Graphique 2 — Proportion de mises en chantier de condos par rapport aux mises en chantier totales



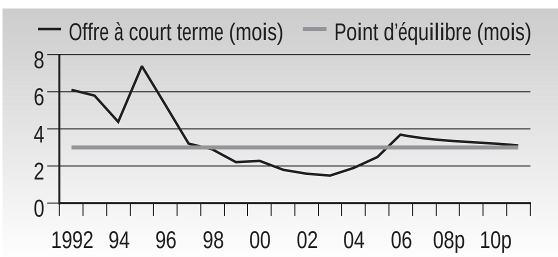
Sources : Le Conference Board du Canada; Société canadienne d'hypothèques et de logement.

lèlement à une hausse de l'offre à court terme. Les mises en chantier ont décliné de 12,9 p. 100, à 8 800 unités, en 2005, et se dirigent vers une autre baisse, de 17,6 p. 100, à 7 200 unités en 2006. L'activité dans ce secteur devrait continuer de fléchir pendant les deux prochaines années, avec un recul des mises en chantier à 6 500 unités d'ici 2008.

Cependant, on prévoit que la demande de condominiums à Montréal sera ferme à moyen terme, non seulement en raison d'une croissance soutenue de la population, mais aussi du vieillissement de celle-ci. Arrivés à l'âge de la retraite, les enfants du baby boom devraient affluer vers les condominiums, qui leur permettent de se décharger de l'entretien d'un logement et leur offrent une plus grande sécurité. En même temps, les prix des condominiums devraient demeurer plus abordables que ceux des autres types de logements, ce qui alimentera la demande.

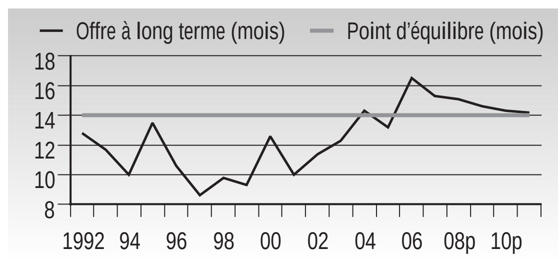
Par conséquent, on anticipe que le marché du condominium continuera de distancer le reste du marché du logement à moyen terme. Effectivement, la part des condominiums dans l'ensemble des mises en chantier, qui se chiffrait à 21 p. 100 en 1992, devrait atteindre 44 p. 100 d'ici 2011. On prévoit également une solide majoration des prix, avec des hausses annuelles des prix de revente de 4,2 p. 100 de 2007 à 2011.

Graphique 3 — Offre à court terme et son point d'équilibre



Sources : Le Conference Board du Canada; Société canadienne d'hypothèques et de logement.

Graphique 4 — Offre à long terme et son point d'équilibre



Sources : Le Conference Board du Canada; Société canadienne d'hypothèques et de logement.

Tableau 1 — Indicateurs sur les condos

	2004	2005	2006	2007p	2008p	2009p	2010p	2011p
Mises en chantier	10 053 *27,4*	8 758 *–12,9*	7 219 *–17,6*	6 903 *–4,4*	6 475 *–6,2*	6 582 *1,7*	6 624 *0,6*	6 726 *1,5*
En chantier	7 492 *49,1*	7 668 *2,3*	7 634 *–0,4*	6 953 *–8,9*	6 756 *–2,8*	6 450 *–4,5*	6 349 *–1,6*	6 328 *–0,3*
Achèvements des chantiers	8 120 *38,9*	8 876 *9,3*	7 492 *–15,6*	6 902 *–7,9*	6 808 *–1,4*	6 698 *–1,6*	6 773 *1,1*	6 826 *0,8*
Achevés et non écoulés	1 181 *73,3*	1 770 *49,9*	2 216 *25,2*	2 078 *–6,2*	1 968 *–5,3*	1 843 *–6,3*	1 789 *–3,0*	1 765 *–1,3*
Écoulement	7 300 *31,2*	8 564 *17,3*	7 178 *–16,2*	7 074 *–1,4*	6 945 *–1,8*	6 800 *–2,1*	6 809 *0,1*	6 842 *0,5*
Offre à court terme (mois)	1,9	2,5	3,7	3,5	3,4	3,3	3,2	3,1
Offre à long terme (mois)	14,3	13,2	16,5	15,3	15,1	14,6	14,3	14,2
Prix moyen de revente des appartements-condos (en dollars)	150 229 *11,3*	161 771 *7,7*	169 899 *5,0*	177 015 *4,2*	184 386 *4,2*	192 065 *4,2*	200 063 *4,2*	208 394 *4,2*

L'italique signale les variations en pourcentage.
Sources : Le Conference Board du Canada; Société canadienne d'hypothèques et de logement; Association canadienne de l'immeuble.

Ottawa–Gatineau

By all measures, Ottawa–Gatineau's condominium market remains on solid footing. Apartment sales are on pace to reach a record in 2006, while starts are projected to post a 35 per cent increase. Although activity is expected to moderate in 2007, the medium-term outlook for the condominium market remains strong, with starts expected to post modest gains and prices forecast to remain on an upward track.

Pent-up demand, steady employment gains, healthy population growth, low mortgage rates and the eroding affordability of single-family homes have been a boon to Ottawa's condominium market. In fact, existing apartment sales have been on an upward trend since 1996, with sales reaching nearly 1,200 units in 2005, up from just 500 units in 1995. But the number of active listings has failed to keep pace, resulting in rapid price growth in the resale market and a sharp increase in demand for new condominium units. The price of an existing apartment on the multiple listing service (MLS) more than doubled between 1999 and 2005.

Home builders have responded to the tight supply of existing condominiums by ratcheting up construction of new ones. Condominium building took off in 2001, as evidenced by a surge in starts to 400 units from just 44 in 2000. Activity peaked in 2004, with starts reaching a record 2,300 units. Although condominium starts fell to 1,200 units in 2005, they remained well above their historical average.

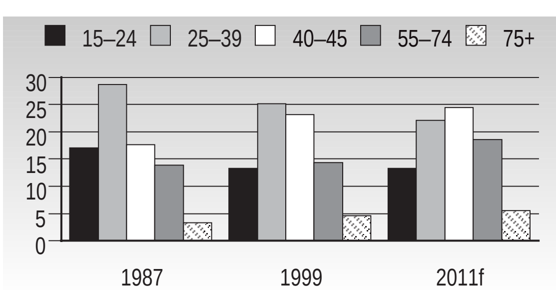
Demand for condominiums has remained strong in 2006. Through the first three quarters of the year, unit sales of apartments were up 13.6 per cent year-to-date, while active listings were off by 1.3 per cent. As a result, the sales-to-listings ratio climbed from 83 per cent in the third quarter of 2005 to 96 per cent in the third quarter of 2006. Therefore, home builders have been justified in boosting new condominium activity. In fact, condominium starts are on pace to climb by 35 per cent to 1,600 units in 2006.

Condominium activity is expected to cool slightly in 2007, with the pent-up demand built up in the early 1990s now largely satisfied. As well, mortgage rates are expected to rise slightly, curbing home demand. Accordingly, condominium starts are forecast to fall by 21.7 per cent to 1,300 units in 2007. But again, activity will remain well above its historical average.

Despite the surge in new condominium construction, condominium starts now account for only about 20 per cent of overall new home building in Ottawa–Gatineau, the smallest share of the six cities covered in the *Metropolitan Condo Outlook*. This suggests that there is more room for growth for the condominium market.

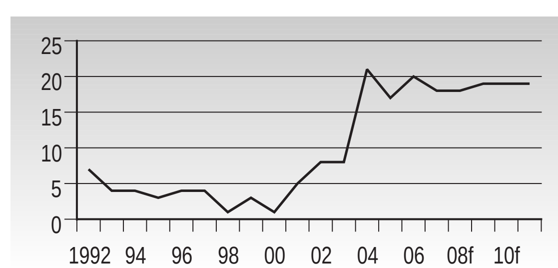
There are other reasons to believe that the Ottawa–Gatineau condominium market will stay healthy over the medium term. For one, condominiums are much more affordable than single detached homes. Currently, the average resale price of all homes listed on the MLS is about 35 per cent higher than the average price for apartments. Moreover, demand for condominiums is expected to strengthen as baby boomers age and leave their single detached homes to settle in condominiums, in order to enjoy maintenance-free living and enhanced

Chart 1—Share of Population by Age Cohort



Sources: The Conference Board of Canada; Statistics Canada.

Chart 2—Share of Condo Starts to Total Starts

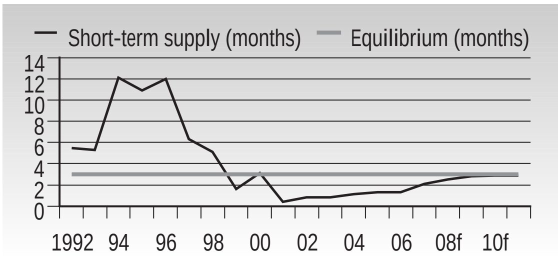


Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

security. In fact, the 55–74 age cohort, which accounted for 14 per cent of the population in 1987, is projected to account for 19 per cent of the population by 2011.

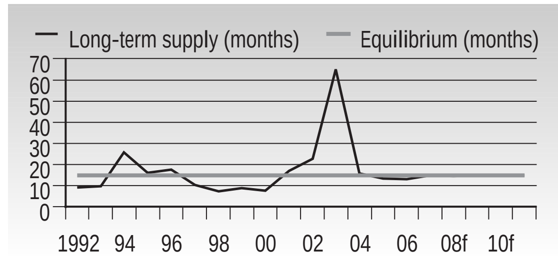
Accordingly, condominium starts are expected to post modest growth of 0.3 per cent per year from 2008 to 2011. In comparison, overall housing starts are expected to fall on average by 0.8 per cent annually over the same period. The steady demand for condominiums will allow price growth to remain healthy. Indeed, resale apartment prices are projected to grow by 3.9 per cent per year from 2007 to 2011.

Chart 3—Short-Term Supply and Its Equilibrium



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

Chart 4—Long-Term Supply and Its Equilibrium



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

Table 1—Condo Indicators

	2004	2005	2006	2007f	2008f	2009f	2010f	2011f
Starts	2,259	1,219	1,646	1,288	1,281	1,291	1,298	1,306
	196.5	*–46.0*	*35.0*	*–21.7*	*–0.5*	*0.7*	*0.6*	*0.6*
Under construction	1,886	1,786	1,510	1,339	1,262	1,261	1,268	1,273
	66.6	*–5.3*	*–15.5*	*–11.3*	*–5.8*	*–0.1*	*0.6*	*0.4*
Completions	1,750	1,786	1,519	1,304	1,274	1,275	1,277	1,279
	816.2	*2.1*	*–15.0*	*–14.1*	*–2.3*	*0.1*	*0.2*	*0.1*
Complete and not absorbed	139	199	173	223	262	288	303	311
	909.1	*43.4*	*–13.1*	*29.0*	*17.5*	*9.8*	*5.3*	*2.9*
Absorptions	1,538	1,797	1,538	1,254	1,240	1,254	1,265	1,272
	628.2	*16.8*	*–14.4*	*–18.4*	*–1.1*	*1.1*	*0.9*	*0.6*
Short-term supply (months)	1.1	1.3	1.3	2.1	2.5	2.8	2.9	2.9
Long-term supply (months)	15.8	13.3	13.1	14.9	14.7	14.8	14.9	15.0
Average resale condo apartment price ($)	165,263	172,475	177,267	184,772	191,775	199,044	206,587	214,417
	7.2	*4.4*	*2.8*	*4.2*	*3.8*	*3.8*	*3.8*	*3.8*

Italics indicate percentage change.
Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation; Canadian Real Estate Association.

Toronto

Although condominium starts in Toronto are expected to post back-to-back declines in 2006 and 2007, the medium-term outlook for the condominium market remains strong. Starts are forecast to increase from 2008 to 2011, while price growth is expected to grow at a healthy clip.

Toronto's condominium market has been red-hot. Sales of existing apartments increased for 10 consecutive years, more than doubling from 7,100 units in 1995 to 17,700 units in 2005. Prices also rose dramatically, with the existing condominium apartment price increasing by nearly 75 per cent between 1994 and 2005. This feverish activity has been the result of pent-up demand that built up during the housing correction of the early 1990s, as well as low mortgage rates, steady employment and wage gains, and brisk population growth.

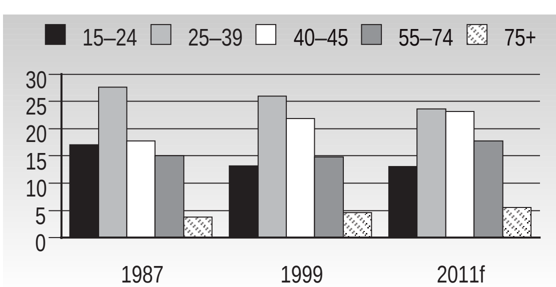
Fortunately, active listings have been increasing at an even faster rate than sales, alleviating some of the tightness in the resale apartment market. Active listings of apartments were up 8.6 per cent year-to-date in the third quarter of 2006, while sales were up 4.1 per cent. This allowed the sales-to-listings ratio to fall from 87 per cent in the third quarter of 2005 to 78 per cent in the third quarter of 2006. As a result, price growth has been more modest as of late. For 2006 as a whole, resale condominium price growth is projected to come in at 5 per cent.

The vigorous demand for condominiums in the resale market has spurred new condominium building. Indeed, the annual number of condominium starts has increased in 10 of the last 13 years. Construction activity has been so strong that starts reached a record high of 16,200 units in 2005. But the more balanced resale market this year has led to reduced demand for new condominiums, and so condominium starts are on pace to fall by 4.6 per cent to 15,400 units in 2006. Condominium starts are expected to fall by a further 6.3 per cent to 14,500 units in 2007, as activity in the existing market continues to moderate.

Nevertheless, demand for condominiums in Toronto is expected to remain strong over the medium term, not only because of strong population growth but also because of shifts in the age structure of the population. Toronto's population is forecast to increase by an average of 1.9 per cent per year from 2007 to 2011. At the same time, the city's population is aging; and as people age, it becomes natural for them to consider downsizing, allowing them to enjoy maintenance-free living as well as increased security. In fact, the share of the 55–74 age cohort is projected to rise from 15 per cent in 1987 to 18 per cent in 2011.

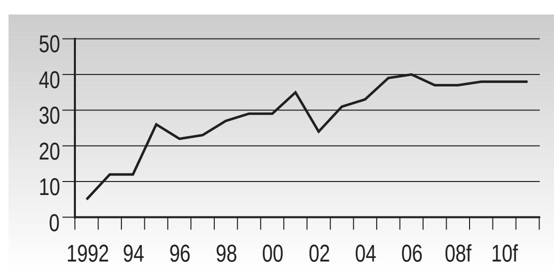
Condominiums also have the added advantage of being relatively more affordable than other types of housing. Rising home prices have resulted in demand shifting away from single detached homes, which have become too expensive for many first-time homebuyers and for some existing homeowners as well. In fact, average home prices have been increasing at a faster rate than condominium prices since 2002. In 2002, the average resale price on the multiple listing service (MLS) was roughly 40 per cent higher than that of condominium apartment prices. The gap widened to 50 per cent in 2005.

Chart 1—Share of Population by Age Cohort



Sources: The Conference Board of Canada; Statistics Canada.

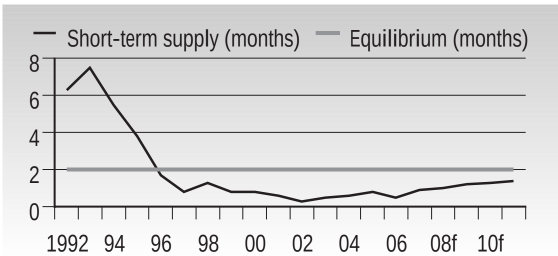
Chart 2—Share of Condo Starts to Total Starts



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

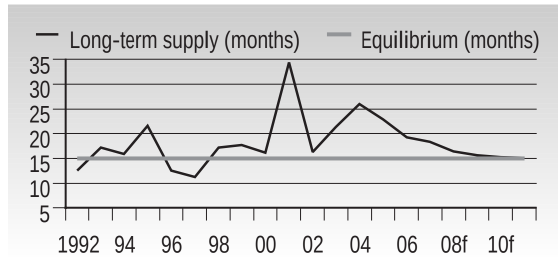
As a result, the condominium market is expected to continue to outpace the overall housing market over the medium term. In fact, the share of condominium starts to total starts, which stood at just 5 per cent in 1992, is expected to be 38 per cent in 2011. Specifically, condominium starts are forecast to increase by 4.2 per cent per year from 2008 to 2011, while overall starts are projected to climb by an annual average of 3.6 per cent. Price gains in the condominium market are also expected to remain solid, with apartment condominium prices expected to record 4 per cent annual increases from 2007 to 2011.

Chart 3—Short-Term Supply and Its Equilibrium



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

Chart 4—Long-Term Supply and Its Equilibrium



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

Table 1—Condo Indicators

	2004	2005	2006	2007f	2008f	2009f	2010f	2011f
Starts	14,022 *–3.1*	16,178 *15.4*	15,432 *–4.6*	14,462 *–6.3*	14,840 *2.6*	15,507 *4.5*	16,234 *4.7*	17,028 *4.9*
Under construction	22,565 *15.8*	25,517 *13.1*	26,046 *2.1*	21,991 *–15.6*	19,537 *–11.2*	18,769 *–3.9*	18,514 *–1.4*	18,525 *0.1*
Completions	11,014 *–2.3*	13,568 *23.2*	17,080 *25.9*	15,276 *–10.6*	15,438 *1.1*	15,685 *1.6*	16,028 *2.2*	16,393 *2.3*
Complete and not absorbed	570 *24.9*	928 *62.7*	688 *–25.8*	1,143 *66.1*	1,315 *15.0*	1,518 *15.4*	1,719 *13.2*	1,912 *11.2*
Absorptions	10,697 *–4.3*	13,852 *29.5*	16,631 *20.1*	15,094 *–9.2*	15,230 *0.9*	15,483 *1.7*	15,829 *2.2*	16,205 *2.4*
Short-term supply (months)	0.6	0.8	0.5	0.9	1.0	1.2	1.3	1.4
Long-term supply (months)	26.0	22.9	19.3	18.4	16.4	15.7	15.3	15.1
Average resale condo apartment price ($)	219,147 *3.4*	228,437 *4.2*	239,816 *5.0*	247,303 *3.1*	257,808 *4.2*	268,759 *4.2*	280,175 *4.2*	292,077 *4.2*

Italics indicate percentage change.
Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation; Canadian Real Estate Association.

Calgary

> Although Calgary's condominium market has been on an upward trend since 1995, no huge correction is in the cards. The condominium market will be powered by strong economic growth, relatively more affordable prices and an aging population. Demand for condominiums has grown over the past 10 years, and this phenomenon is expected to continue.

Demand for condominiums in Calgary has been on a general upward trend since 1995. Strong economic growth, very low mortgage rates, high levels of in-migration and the relative affordability of condominiums all contributed to this rise in demand. Sales of existing apartments increased on average by a vigorous 18.2 per cent per year from 1995 to 2005. Although active listings increased too, they failed to keep up with the pace of sales growth. As a result, the sales-to-listings ratio, an indicator of market tightness, reached 232 per cent in 2005. Not surprisingly, price growth has been very strong. The price of condominiums listed on the multiple listing service (MLS) increased by 6.1 per cent per year from 1998 to 2005.

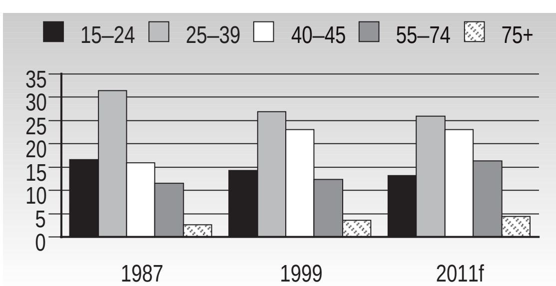
To say that the supply-demand fundamentals in the condominium market have become even more unbalanced in 2006 is an understatement. Through the first three quarters of 2006, existing apartment sales were up 28.1 per cent year-to-date, while active listings were down by a staggering 64.2 per cent. As a result, condominium prices are projected to increase by a blistering 42.6 per cent in 2006. The average sale price of a condominium in Calgary was $281,000 in the third quarter of 2006, up from just $101,700 in 1995.

A similar story is unfolding in the new condominium market. In the 10-year period between 1995 and 2004, starts increased on average by 12.7 per cent per year, reaching a record 4,600 units in 2004. Starts fell by nearly 10 per cent in 2005, but they have bounced right back in 2006. For the year as a whole, starts are projected to climb by 27.1 per cent to 5,200 units, another new record. Despite the record level of construction activity, the new market remains very tight. In fact, short-term supply of new condominiums actually fell to zero months in the second quarter of 2006. Short-term supply edged up to 0.1 months in the third quarter, but is still well below its estimated equilibrium of 2 months.

It must be noted, however, that part of the reason for the steep drop in the number of completed and unabsorbed homes in Calgary is the shortage of labour plaguing the city's construction sector, lengthening the time it takes to start and complete a building. Fortunately, a sharp increase in completions is expected in 2007, which will help lift short-term supply to 0.7 months.

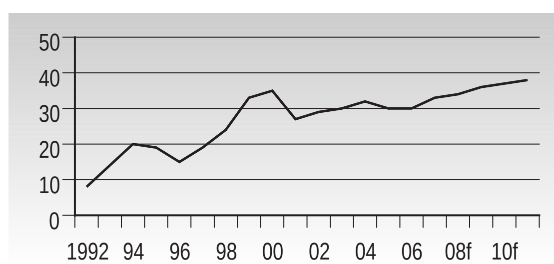
There are several reasons to believe that the outlook for Calgary's condominium market will remain strong over the forecast horizon. First, condominiums are more affordable than other types of housing. In fact, the steep price gains recorded over the last several years have made affordability of single homes an even bigger issue. Currently, the average resale price of all homes listed on the MLS is more than 30 per cent higher than the average price of a condominium. The condominium market is expected to

Chart 1—Share of Population by Age Cohort



Sources: The Conference Board of Canada; Statistics Canada.

Chart 2—Share of Condo Starts to Total Starts

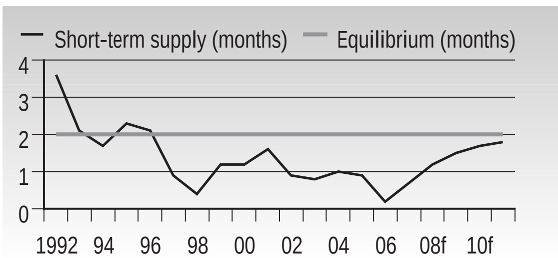


Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

maintain this price advantage over the rest of the forecast period.

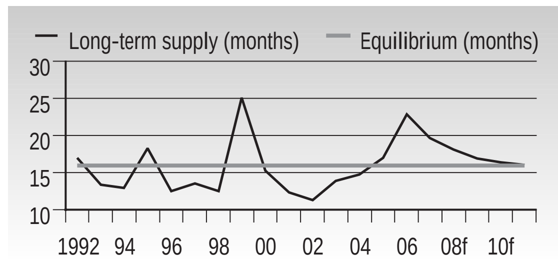
Second, the age structure of the population favours condominiums. The 55–74 age cohort, which has a higher propensity to live in multiple-family dwellings such as condominiums, is expected to see its share of the total population increase from less than 12 per cent in 1987 to 16 per cent by 2011. Accordingly, the share of condominium starts to total starts is forecast to increase throughout the forecast period, climbing from just 8 per cent in 1992 to 38 per cent by 2011. Indeed, condominium starts are projected to average about 4,600 units per year from 2007 to 2011, well above the annual average of 1,500 units recorded in the 1990s.

Chart 3—Short-Term Supply and Its Equilibrium



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

Chart 4—Long-Term Supply and Its Equilibrium



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

Table 1—Condo Indicators

	2004	2005	2006	2007f	2008f	2009f	2010f	2011f
Starts	4,558	4,112	5,226	4,850	4,700	4,578	4,513	4,493
	6.2	*–9.8*	*27.1*	*–7.2*	*–3.1*	*–2.6*	*–1.4*	*–0.4*
Under construction	4,461	5,109	6,582	7,271	6,471	5,868	5,583	5,452
	0.7	*14.5*	*28.8*	*10.5*	*–11.0*	*–9.3*	*–4.9*	*–2.3*
Completions	3,860	3,589	3,436	4,887	4,754	4,684	4,629	4,605
	–7.5	*–7.0*	*–4.3*	*42.2*	*–2.7*	*–1.5*	*–1.2*	*–0.5*
Complete and not absorbed	318	298	44	282	478	588	654	695
	16.7	*–6.3*	*–85.2*	*540.1*	*69.5*	*23.0*	*11.2*	*6.3*
Absorptions	3,869	3,827	3,466	4,606	4,606	4,594	4,575	4,570
	–4.6	*–1.1*	*–9.4*	*32.9*	*0.0*	*–0.3*	*–0.4*	*–0.1*
Short-term supply (months)	1.0	0.9	0.2	0.7	1.2	1.5	1.7	1.8
Long-term supply (months)	14.8	17.0	22.9	19.7	18.1	16.9	16.4	16.1
Average resale condo price ($)	166,517	183,995	262,456	294,681	307,836	321,555	335,885	350,853
	6.2	*10.5*	*42.6*	*12.3*	*4.5*	*4.5*	*4.5*	*4.5*

Italics indicate percentage change.
Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation; Canadian Real Estate Association.

Edmonton

Edmonton's condominium market has skyrocketed in recent years, but no drastic correction is anticipated over the 2007 to 2011 period. Demand is expected to ease from the dizzying heights reached in the first half of 2006, but it will still remain strong, especially when compared with historical standards.

Strong economic growth, robust job creation, low mortgage rates and high levels of in-migration have combined to power Edmonton's housing market to record heights. In particular, the condominium segment has enjoyed stunning growth, thanks in part to the fact that it remains more affordable than other market segments, especially single-family dwellings.

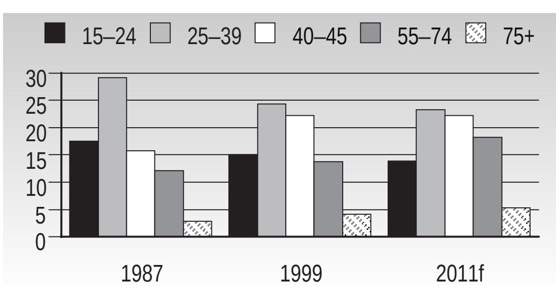
Demand for condominiums in Edmonton has been on the rise since 1995. In fact, unit sales of existing apartments increased on average by a blistering 19 per cent per year between 1995 and 2005. In other words, the level of sales in 2005 was more than six times higher than that recorded in 1994. Supply has been unable to keep up with demand, resulting in significant price gains. Growth has been particularly strong since the beginning of this decade. Indeed, existing condominium prices increased on average by 9.6 per cent annually from 2000 to 2005. The average condominium price on the multiple listing service (MLS) was $140,500 in 2005, up from only $80,900 in 1999.

Demand has only strengthened in 2006, as people scramble to purchase condominiums before prices get even more out of hand. In fact, apartment sales are on pace to surpass the record set in 2002. Through the first three quarters of the year, sales were up 45.4 per cent year-to-date, while active listings were down 57.3 per cent. Price pressures have intensified as a result. For the year as a whole, existing condominium prices are on track to climb by a jaw-dropping 28.3 per cent.

Home builders have responded to the feverish activity in the resale market by boosting construction of new condominiums. Starts had also been trending upward since the mid-1990s, but they really took off near the beginning of this decade. Specifically, starts increased by an annual average rate of 23.5 per cent from 2001 to 2005. As a result, condominium starts reached a record 4,300 units in 2005. Despite the big jump in condominium construction, short-term supply has remained fairly stable, suggesting that supply is not getting out of control. In fact, short-term supply has remained below its estimated equilibrium of three months since 2001.

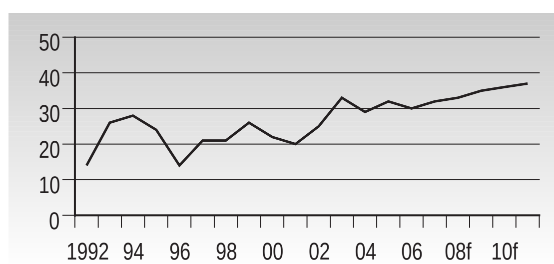
Demand for condominiums in Edmonton is expected to remain strong over the medium term, not only because of healthy population growth but also because of shifts in the age structure of the population. Edmonton's population is forecast to increase by an annual average rate of 1.5 per cent from 2007 to 2011. At the same time, the city's population is aging, the result of the dominance of the baby-boomer cohort. In fact, the share of the 55–74 age cohort is projected to rise from 12 per cent of the population in 1987 to 18 per cent in 2011. As baby boomers enter their retirement years, they are expected to turn to condominiums to take advantage of maintenance-free living and enhanced security, as well as to be closer to amenities.

Chart 1—Share of Population by Age Cohort



Sources: The Conference Board of Canada; Statistics Canada.

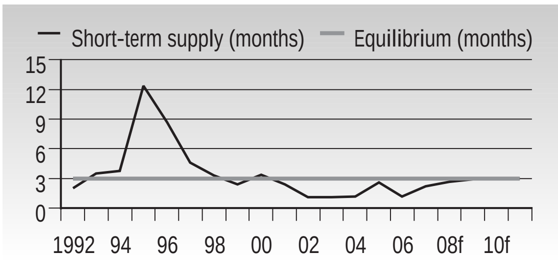
Chart 2—Share of Condo Starts to Total Starts



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

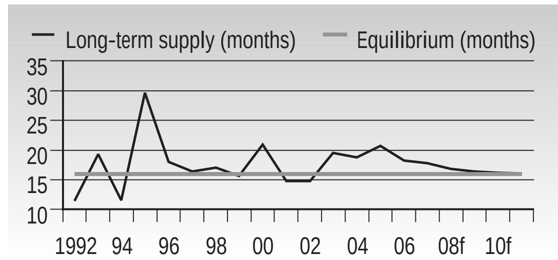
The relative affordability of condominiums will also keep demand for them healthy over the forecast horizon. Currently, the average resale price of all homes listed on the Edmonton MLS is about 35 per cent higher than the average price of a condominium. The condominium market is expected to maintain this relative price advantage over the rest of the forecast period. Accordingly, the share of condominium starts to total starts is forecast to increase throughout the forecast period, climbing from just 14 per cent in 1992 to 37 per cent by 2011. Indeed, condominium starts are projected to average about 3,800 units per year from 2007 to 2011, well above the annual average of 1,100 units recorded in the 1990s.

Chart 3—Short-Term Supply and Its Equilibrium



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

Chart 4—Long-Term Supply and Its Equilibrium



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

Table 1—Condo Indicators

	2004	2005	2006	2007f	2008f	2009f	2010f	2011f
Starts	3,317	4,256	4,539	4,091	3,927	3,796	3,719	3,682
	–20.7	*28.3*	*6.6*	*–9.9*	*–4.0*	*–3.3*	*–2.1*	*–1.0*
Under construction	4,773	4,766	5,745	5,008	4,524	4,323	4,205	4,135
	28.4	*–0.2*	*20.6*	*–12.8*	*–9.7*	*–4.4*	*–2.7*	*–1.7*
Completions	3,631	3,069	4,040	4,117	3,966	3,881	3,816	3,780
	45.4	*–15.5*	*31.6*	*1.9*	*–3.7*	*–2.1*	*–1.7*	*–0.9*
Complete and not absorbed	326	679	405	699	859	920	938	941
	49.9	*108.4*	*–40.3*	*72.6*	*22.8*	*7.2*	*1.9*	*0.3*
Absorptions	3,248	3,159	4,048	3,843	3,854	3,841	3,807	3,780
	33.9	*–2.7*	*28.1*	*–5.1*	*0.3*	*–0.3*	*–0.9*	*–0.7*
Short-term supply (months)	1.2	2.6	1.2	2.2	2.7	2.9	3.0	3.0
Long-term supply (months)	18.8	20.7	18.2	17.8	16.8	16.4	16.2	16.1
Average resale condo price ($)	134,068	140,532	180,367	213,352	222,354	231,430	240,875	250,706
	7.8	*4.8*	*28.3*	*18.3*	*4.2*	*4.1*	*4.1*	*4.1*

Italics indicate percentage change.
Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation; Canadian Real Estate Association.

Vancouver

Condominium starts are expected to decline in Vancouver in 2006 and again in 2007, but the medium-term outlook for the condominium market remains healthy. Between 2008 and 2011, starts are forecast to rise by an average of 2 per cent annually, while price growth is expected to reach 4.4 per cent per year.

Vancouver's condominium market took off in 2001 and has not looked back since. In fact, resale apartment sales surged by over 125 per cent that year, hitting a record 13,200 units. Sales climbed an additional 34.4 per cent to a new record of 17,800 units in 2002, and the annual level has stayed above 10,000 units since. In contrast, apartment sales averaged only 7,000 units per year from 1993 to 2000.

What accounts for this boom? Pent-up demand was built up during the early 1990s when the housing market struggled, mortgage rates have been very low, employment and wages have made steady gains, and consumer confidence has been strong. Condominiums are also cheaper than other types of housing. This is a big plus in Vancouver, since it is the least affordable city in Canada in which to own a home, given the limited supply of developable land.

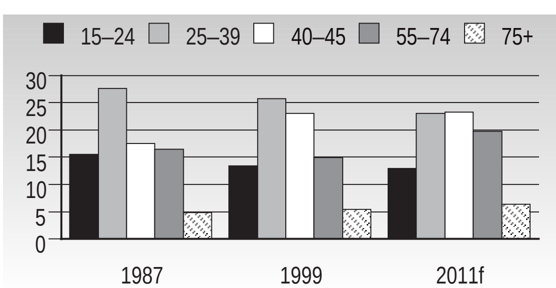
The supply of condominiums has been unable to keep up with demand. While existing apartment sales have grown by a whopping 24.5 per cent per year from 2001 to 2005, active listings have actually fallen by a rate of 5.3 per cent annually. As a result, the sales-to-listings ratio increased from 33 per cent in 2000 to 129 per cent in 2005. The tightening market, along with increased development and construction costs, has put strong upward pressure on prices. Resale apartment prices grew on average by 13.5 per cent per year from 2002 to 2005.

Although activity in the resale apartment market has eased this year, it is still well above historical averages. Through the first three quarters of 2006, existing sales were down by 10.4 per cent year-to-date, while active listings were off by 1.1 per cent. This has allowed the sales-to-listings ratio to fall to 103 per cent. But given that supply-demand fundamentals remain tight, prices are still on track to climb by a further 17.1 per cent in 2006. The price gains have been so steep that affordability is becoming an issue, even for the relatively less expensive condominium market. This is one reason why existing apartment sales are trending down.

Builders responded to the strong demand in the resale market by ratcheting up construction of new condominiums. In fact, starts increased by an annual average rate of 23.3 per cent per year from 2002 to 2005, reaching a record of 13,100 units in 2005. But as in the resale market, activity in the new market has eased in 2006. For the year as a whole, starts are expected to fall by 5.1 per cent to 12,400 units. Condominium starts are forecast to fall by a further 4.9 per cent to 11,800 units in 2007. However, the drop in new condominium building is not necessarily a reflection of weakening demand. Competition for skilled construction workers is fierce in Vancouver, and the shortage of workers has constrained new home building.

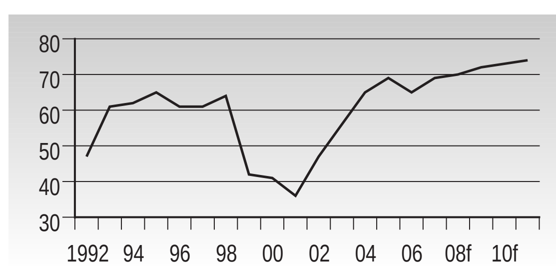
Demand for condominiums is expected to stay solid over the forecast horizon, thanks to a healthy economic outlook, in part due to the

Chart 1—Share of Population by Age Cohort



Sources: The Conference Board of Canada; Statistics Canada.

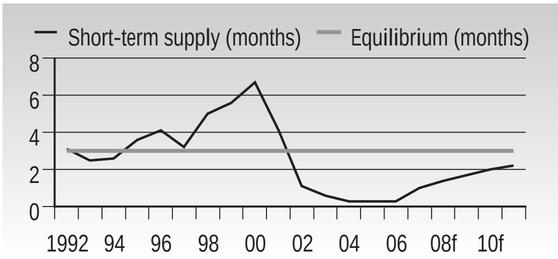
Chart 2—Share of Condo Starts to Total Starts



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

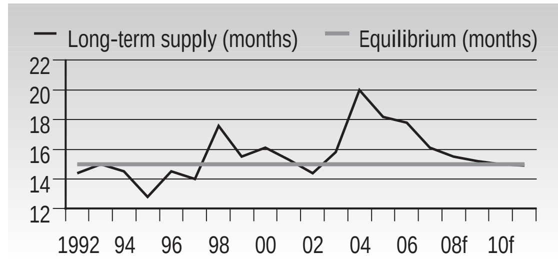
upcoming Winter Olympics. The condominium market will also be boosted by an aging population, as older people generally favour condominiums over other housing types. Condominiums will also remain more affordable, although condominiums have become relatively less affordable over the last few years in Vancouver. All in all, condominium starts are forecast to grow by 2 per cent per year from 2008 to 2011. Resale apartment price growth will also remain solid, averaging 4.4 per cent annually over the same period.

Chart 3—Short-Term Supply and Its Equilibrium



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

Chart 4—Long-Term Supply and Its Equilibrium



Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation.

Table 1—Condo Indicators

	2004	2005	2006	2007f	2008f	2009f	2010f	2011f
Starts	12,647	13,084	12,419	11,813	11,939	12,102	12,401	12,779
	41.7	*3.5*	*–5.1*	*–4.9*	*1.1*	*1.4*	*2.5*	*3.0*
Under construction	12,475	15,508	16,885	14,597	14,040	13,578	13,358	13,339
	55.9	*24.3*	*8.9*	*–13.6*	*–3.8*	*–3.3*	*–1.6*	*–0.1*
Completions	7,647	10,377	12,019	12,129	12,290	12,416	12,584	12,831
	24.9	*35.7*	*15.8*	*0.9*	*1.3*	*1.0*	*1.4*	*2.0*
Complete and not absorbed	200	270	307	966	1,387	1,727	2,022	2,290
	–38.4	*34.9*	*14.1*	*214.3*	*43.6*	*24.4*	*17.1*	*13.3*
Absorptions	7,604	10,419	11,599	11,630	11,916	12,098	12,300	12,572
	20.4	*37.0*	*11.3*	*0.3*	*2.5*	*1.5*	*1.7*	*2.2*
Short-term supply (months)	0.3	0.3	0.3	1.0	1.4	1.7	2.0	2.2
Long-term supply (months)	20.0	18.2	17.8	16.1	15.5	15.2	15.0	14.9
Average resale condo apartment price ($)	214,031	247,192	289,344	307,305	320,744	334,770	349,409	364,689
	16.5	*15.5*	*17.1*	*6.2*	*4.4*	*4.4*	*4.4*	*4.4*

Italics indicate percentage change.
Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation; Canadian Real Estate Association.

Definitions and Concepts	
Housing starts	Refers to the beginning of construction work on a building, usually when the concrete has been poured for the entire footing around the structure, or at an equivalent stage where a basement will not be part of the structure.
Under construction	Units started but not completed.
Completions	Refers to units where all the proposed construction work has been performed or, in some cases, where 90 per cent of construction work has been completed and the structure is fit for occupancy.
Complete and not absorbed	Refers to newly completed units that remain unoccupied.
Absorptions	Newly completed units sold or rented. Units pre-sold or pre-leased are not included until the completion stage.
Short-term supply	The number of months needed to absorb unoccupied units. It is defined as the ratio between unoccupied units and absorbed units (on average for the last 12 months).
Long-term supply	The number of months needed to absorb units under construction and those completed and unoccupied (total supply). It is defined as the ratio between total supply and absorbed units (on average for the last 12 months).
Average resale price	The average resale price refers to the average resale condo apartment price for Vancouver, Toronto, Ottawa and Montréal, and the average resale price of all condo market types for Calgary and Edmonton.
Apartment Sales	The number of existing condo apartments sold on the multiple listing service (MLS).
Active Listings	The number of condo apartments for sale on the MLS.
Sales-to-listings ratio	The number of condo apartments sold divided by the number of active condo apartment listings.

Sources: The Conference Board of Canada; Canada Mortgage and Housing Corporation; Canadian Real Estate Association.