May 2018

British Columbia's Monthly

NEW HOMES REGISTRY REPORT

BC HOUSING RESEARCH CENTRE

Leading Housing Market Indicator for BC

Registered new homes data are a leading indicator of housing and economic[1] 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.

General Highlights

- In the first five months of 2018, 18,546 new homes were registered[2] in BC, which included 5,494 single detached[3] and 13,052 multi-unit homes[4].
- So far in 2018, total home registrations were up 4.7% from the same period in 2017, driven by an increase in multi-unit homes (+6.0%)[4] and single detached homes (+1.9%)[3].
- This month 3,269 new homes were registered[2] in BC, a 31.3% decrease compared to May 2017.
- Using a 12-month moving average[5], there were 3,621 new registered homes[2] in May, trending at a 3.3% decrease from April for all registered new homes.
- Metro Vancouver accounted for 32.1% of all new homes registered[2] in BC in May. Kelowna (435), Vancouver (329), and Langford (269) were the top three cities in registered new homes this month.
- In May, the majority of homes registered in Whistler, Squamish, Langford, Sidney, Armstrong, Kelowna, Nanaimo, Coquitlam, Vernon, Kamloops, Duncan, Langley*, Courtenay, Victoria, Abbotsford, Ucluelet, Richmond, Cumberland, Maple Ridge, Vancouver and Surrey were multi-units.

*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.

Figure 1: Registered New Homes[2] by Building Type, 2002 – 2018 Year-to-Date

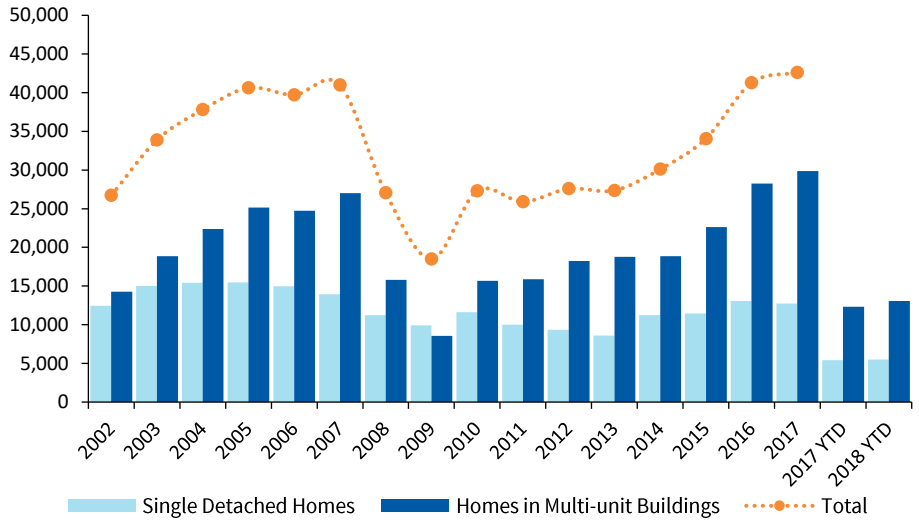


Figure 2: Registered New Homes[2] by Building Type and by Selected City[6], May 2018

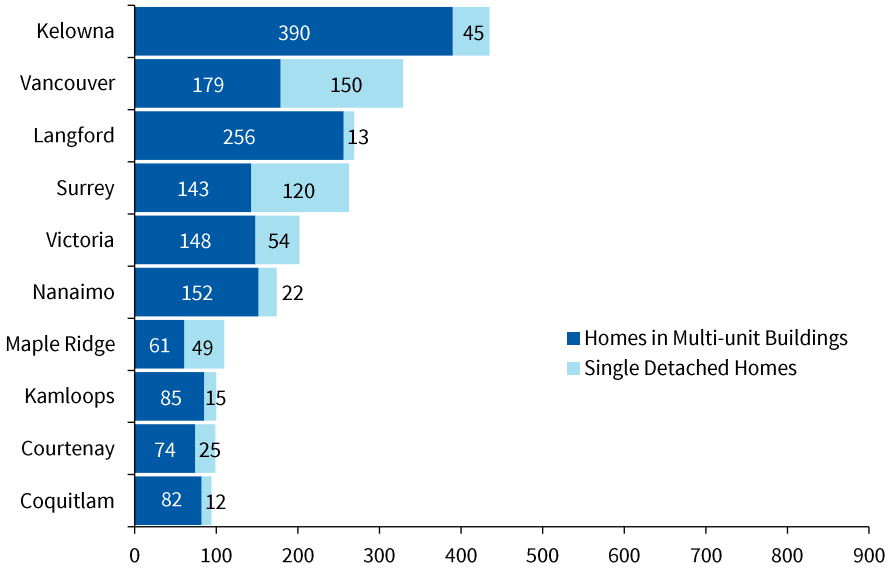
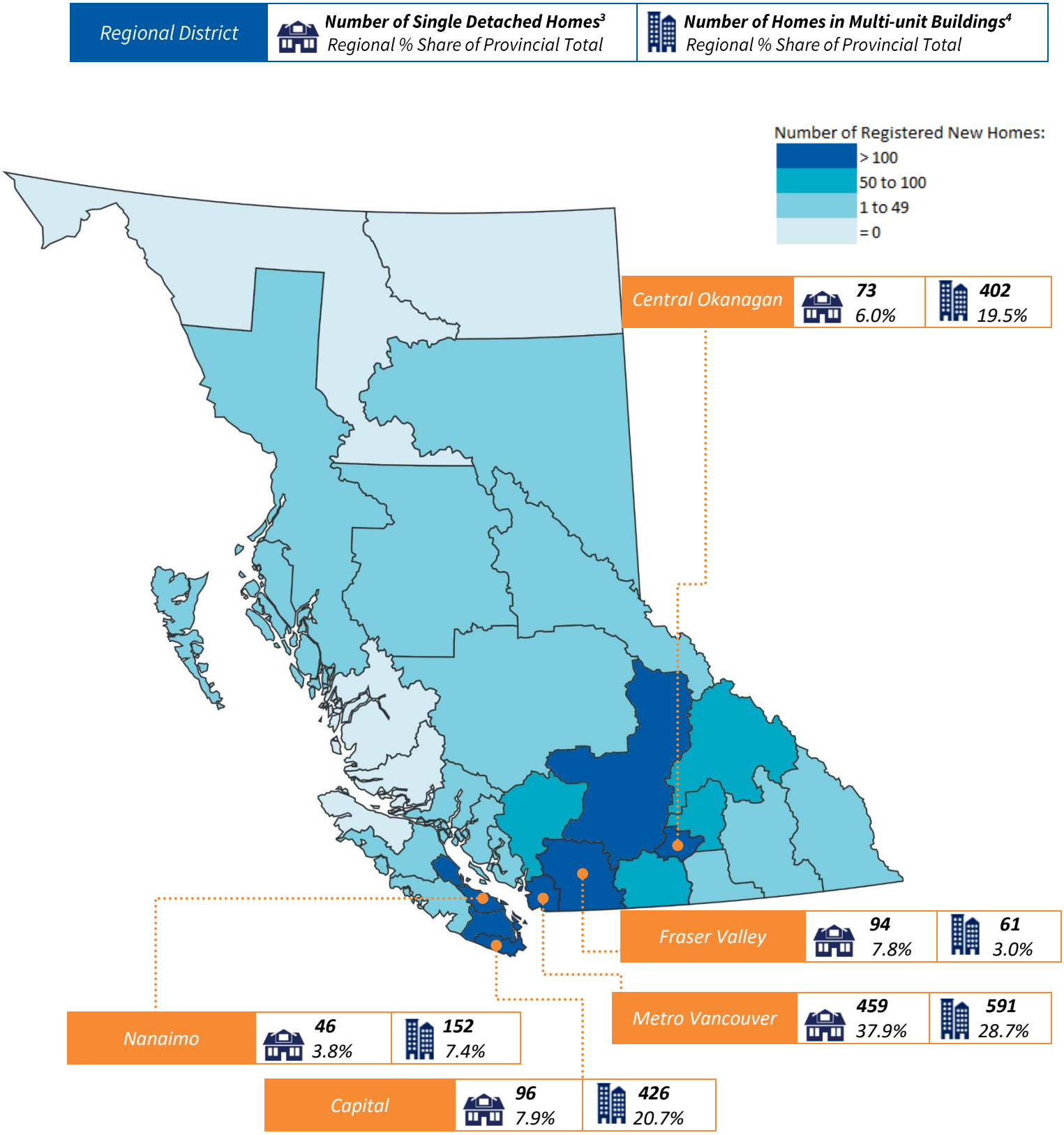


Figure 3: Registered New Homes[2] by Regional District[7], May 2018



Single Detached Highlights

- In the first five months of 2018, 5,494 new single detached homes were registered[3] in BC. Compared to the same period in 2017, single detached registrations increased 1.9%.
- This month 1,210 single detached homes were registered[3]. Compared to May 2017, the number of single detached registrations decreased 4.6%.
- Using a 12-month moving average[5], there were 1,070 new single detached registered homes[3] in May, trending at a 0.4% decrease from April.
- Using a 36-month moving average[5], there were 1,062 new single detached registered homes[3] in May, trending at a 0.6% increase from April.
- Vancouver (150), Surrey (120) and Victoria (54) had the largest number of single detached homes registered[3] in May.

Figure 4: Registered Single Detached Homes[3], May 2018

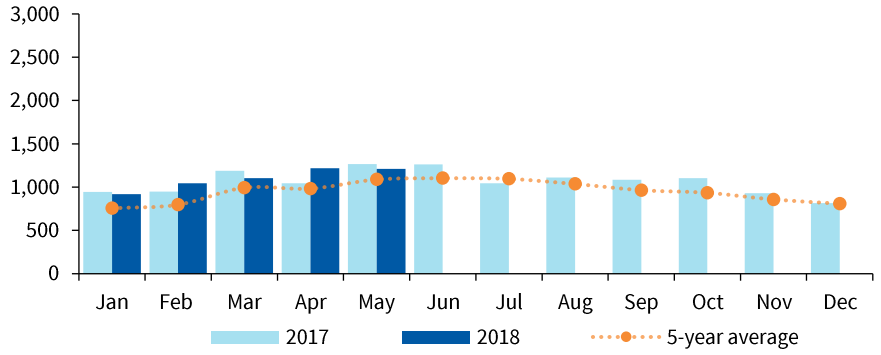


Figure 5: Registered Owner-built Homes[8], 2002 – 2018 YTD

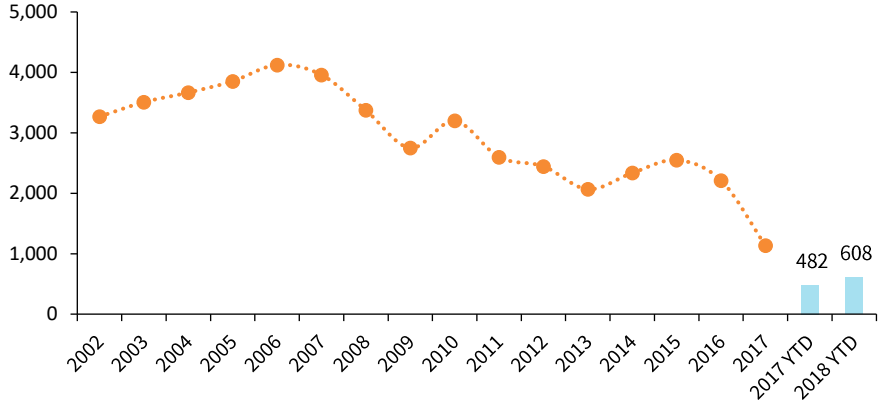


Figure 6: Registered Single Detached Homes[3] by Selected City[9] in Metro Vancouver, 2017-2018 YTD

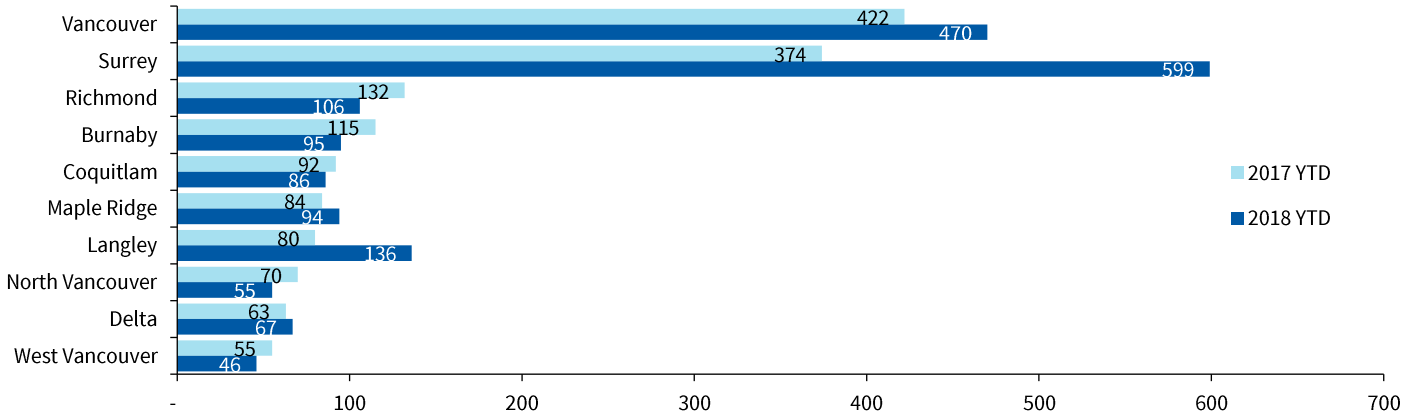
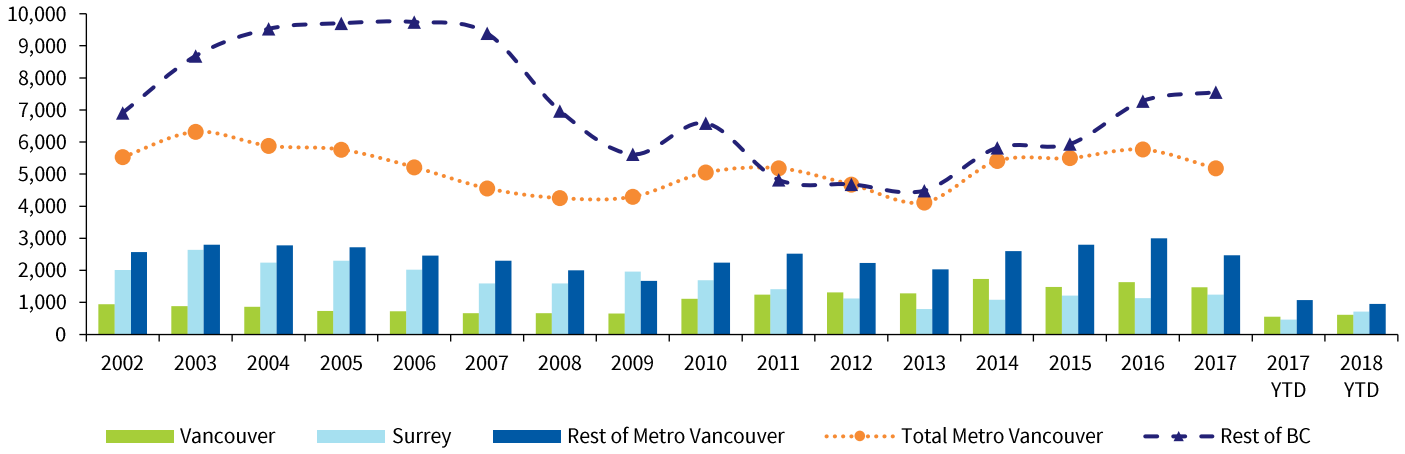


Figure 7: Registered Single Detached Homes[3] in Metro Vancouver, 2002–2018 YTD



Enrolled Multi-unit Highlights

- In the first five months of 2018, 10,127 new multi-unit homes were enrolled[10] in BC. Compared to the same period in 2017, multi-unit enrollments increased 23.4%.
- This month 1,255 multi-unit homes were enrolled[10]. Compared to May 2017, the number of multi-unit enrollments decreased 49.4%.
- Using a 12-month moving average[5], there were 1,913 new multi-unit enrolled homes[10] in May, trending at a 5.1% decrease from April.
- Using a 36-month moving average[5], there were 1,796 new multi-unit enrolled homes[10] in May, trending at a 0.5% decrease from April.
- There were 178 new multi-unit buildings enrolled[10] in May. Most of these buildings were duplexes (39.9%) and buildings of 5 to 50 dwelling units (32.6%) and. The largest building of 105 dwelling units was proposed to be built in Kelowna.
- In May, Kelowna (225), Victoria (148) and Surrey (143) had the largest number of multi-unit enrolled homes[10] in BC.

Figure 8: Enrolled Homes in Multi-unit[10] Buildings, May 2018

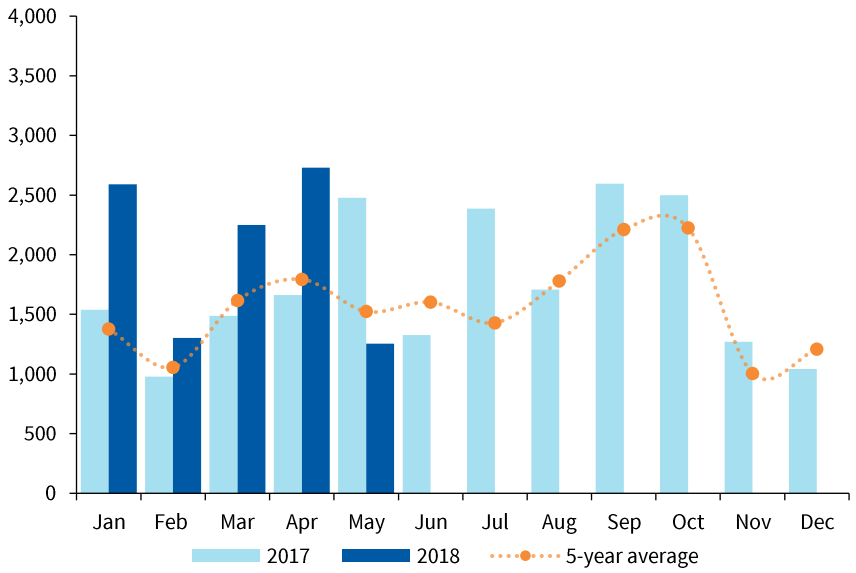


Figure 9: Enrolled Multi-unit Buildings by Building Size[11], May 2018

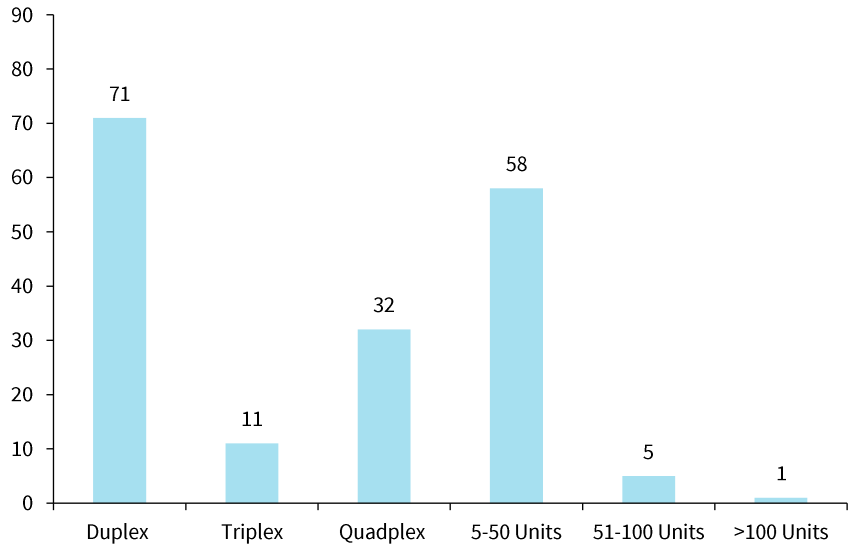
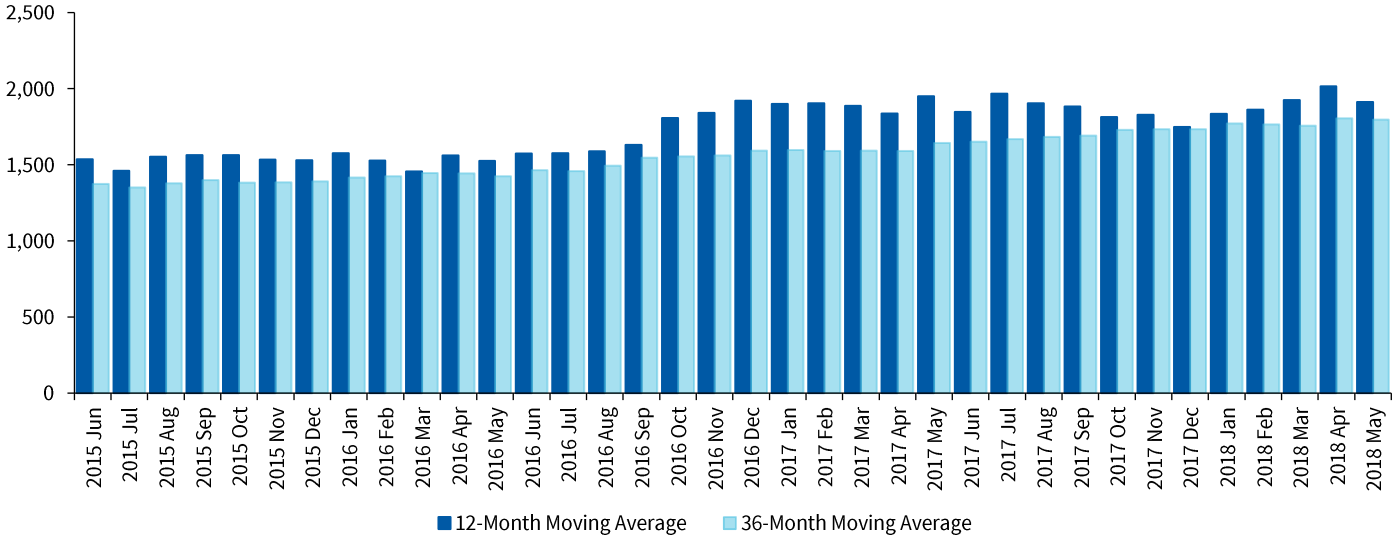


Figure 10: Enrolled Homes in Multi-unit Buildings by 12-Month and 36-Month Moving Averages[5], May 2018



Rentals Exempted

- In the first five months of 2018, 2,925 homes in multi-unit rental buildings[12] were registered in BC. Compared to the same period in 2017, the number of registered rental units decreased 29.9%.
- The decline between 2017 and 2018 to date largely reflects the record high number of rental registrations in January 2017.
- Rental units[12] represented 22.4% of all multi-unit registrations so far in 2018.
- This month 804 rental units were registered[12]. Compared to May 2017, the number of rental units registered decreased 20.3%.
- Using a 12-month moving average[5], there were 638 rental units registered[12] in May, trending at a 2.6% decrease from April.
- Using a 36-month moving average[5], there were 537 rental units registered[12] in May, trending at a 1.2% increase from April.
- There were 17 rental buildings[12] registered in May. Most of these buildings were buildings of 5 to 50 dwelling units (35.3%) and 51 to 100 units (29.4%). The largest building of 166 dwelling units was proposed to be built in Langford.
- In May, Langford (256), Kelowna (165) and Kamloops (77) had the largest number of rental units registered[12] in BC.

Figure 11: Registered Homes in Multi-unit Rental Building[12], May 2018

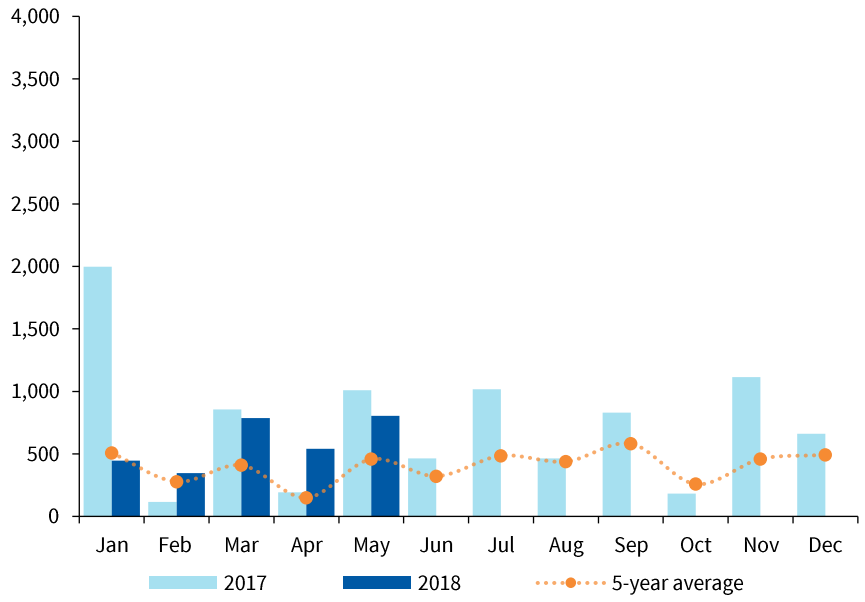


Figure 12: Registered Homes in Multi-unit Rental Buildings[12] by Building Size[11], May 2018

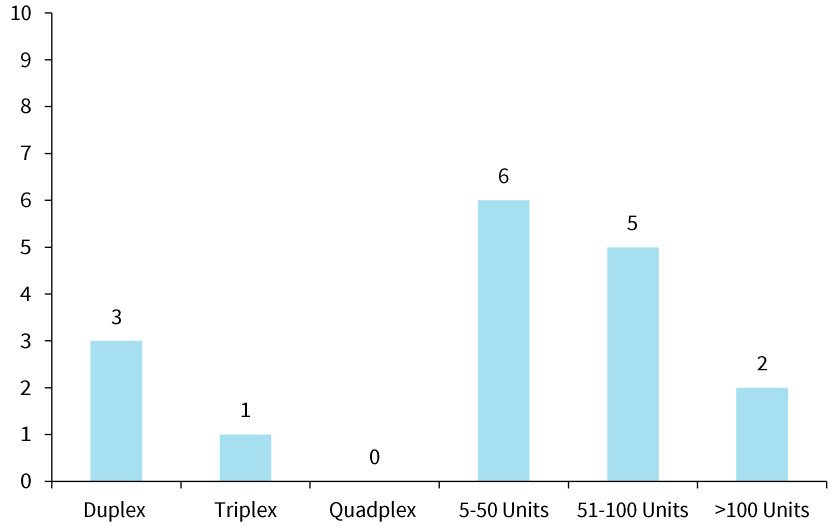
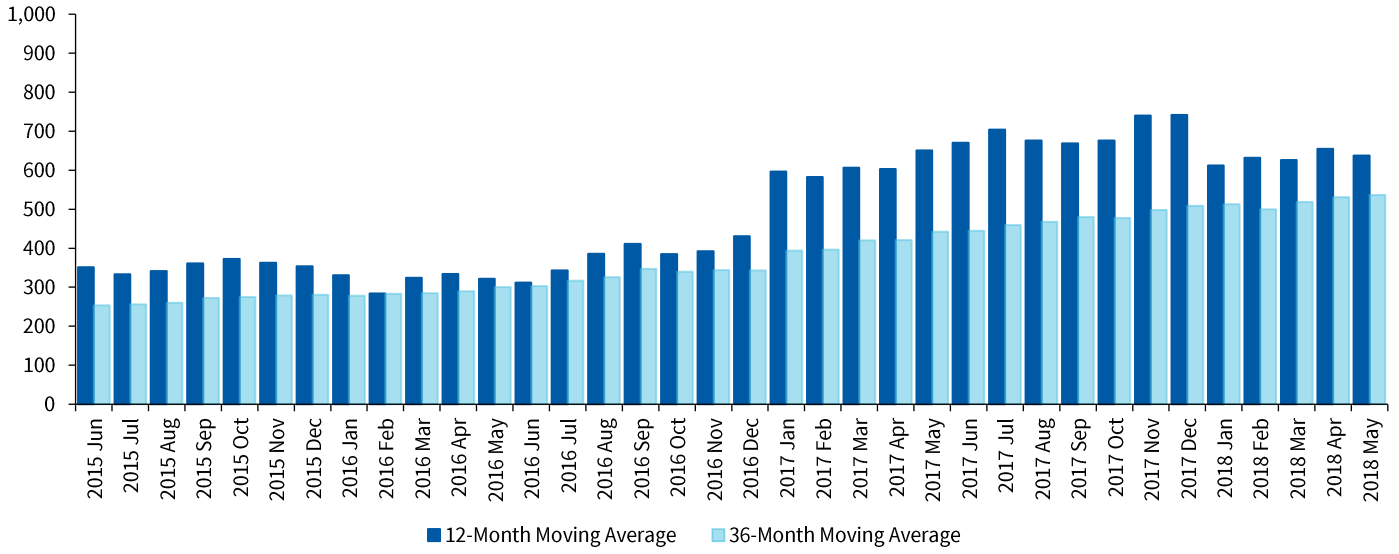


Figure 13: Registered Homes in Multi-unit Rental Buildings[12] by 12-Month and 36-Month Moving Averages[5], May 2018



Data Tables

Table 1: Registered New Homes[2], 2002 to 2018 Year-to-date				
Calendar Year	Registered New Single Detached Homes[3]		Registered New Homes in Multi-unit Buildings[4]	
	Single Detached Homes Enrolled with Home Warranty Insurance	Owner Builder Authorizations[8]	Homes in Multi-unit Buildings Enrolled with Home Warranty Insurance[10]	Rentals Exempted[12]
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	7,853	3,373	15,017	799
2009	7,166	2,749	6,787	1,783
2010	8,439	3,199	13,957	1,712
2011	7,413	2,596	14,504	1,371
2012	6,915	2,445	16,279	1,948
2013	6,537	2,067	15,804	2,951
2014	8,901	2,335	15,937	2,921
2015	8,891	2,549	18,372	4,246
2016	10,840	2,212	23,061	5,169
2017	11,605	1,136	20,977	8,901
2017 YTD	4,910	482	8,146	4,170
2018 YTD	4,886	608	10,127	2,925

Table 2: Registered New Homes[2], 2017to 2018 and 5-year Average, Monthly						
Month	Registered New Single Detached Homes[3]			Registered New Homes in Multi-unit Buildings[4]		
	2018	2017	5-year Average[13]	2018	2017	5-year Average[13]
Jan	918	944	756	3,035	3,537	1,884
Feb	1,043	948	797	1,650	1,095	1,333
Mar	1,105	1,187	993	3,035	2,342	2,027
Apr	1,218	1,045	982	3,273	1,855	1,944
May	1,210	1,268	1,088	2,059	3,487	1,982
Jun		1,261	1,102		1,792	1,925
Jul		1,045	1,095		3,405	1,914
Aug		1,111	1,036		2,172	2,218
Sep		1,084	965		3,424	2,793
Oct		1,102	934		2,681	2,484
Nov		931	857		2,384	1,464
Dec		815	809		1,704	1,700

Table 3: Registered New Homes in Multi-unit Buildings[4], 2017 to 2018, Monthly						
Month	Enrolled New Homes in Multi-unit Buildings[10]		Rentals Exempted[12]		Registered New Homes in Multi-Unit Buildings[4]	
	2018	2017	2018	2017	2018	2017
Jan	2,589	1,540	446	1,997	3,035	3,537
Feb	1,303	978	347	117	1,650	1,095
Mar	2,249	1,487	786	855	3,035	2,342
Apr	2,731	1,663	542	192	3,273	1,855
May	1,255	2,478	804	1,009	2,059	3,487
Jun		1,327		465		1,792
Jul		2,387		1,018		3,405
Aug		1,709		463		2,172
Sep		2,595		829		3,424
Oct		2,499		182		2,681
Nov		1,271		1,113		2,384
Dec		1,043		661		1,704

Table 4: Registered New Homes[2] by Regional District, May 2018						
Regional District	**Registered New Single Detached Homes[3]**		**Registered New Homes in Multi-unit Buildings[4]**		**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	12	1.0%	7	0.3%	19	0.6%
Bulkley-Nechako	8	0.7%	0	0.0%	8	0.2%
Capital	96	7.9%	426	20.7%	522	16.0%
Cariboo	24	2.0%	0	0.0%	24	0.7%
Central Coast	0	0.0%	0	0.0%	0	0.0%
Central Kootenay	16	1.3%	6	0.3%	22	0.7%
Central Okanagan	73	6.0%	402	19.5%	475	14.5%
Columbia-Shuswap	38	3.1%	16	0.8%	54	1.7%
Comox Valley	54	4.5%	87	4.2%	141	4.3%
Cowichan Valley	60	5.0%	75	3.6%	135	4.1%
East Kootenay	26	2.1%	0	0.0%	26	0.8%
Fraser Valley	94	7.8%	61	3.0%	155	4.7%
Fraser-Fort George	28	2.3%	0	0.0%	28	0.9%
Kitimat-Stikine	9	0.7%	0	0.0%	9	0.3%
Kootenay-Boundary	8	0.7%	2	0.1%	10	0.3%
Metro Vancouver	459	37.9%	591	28.7%	1,050	32.1%
Mount Waddington	0	0.0%	0	0.0%	0	0.0%
Nanaimo	46	3.8%	152	7.4%	198	6.1%
North Okanagan	18	1.5%	75	3.6%	93	2.8%
Northern Rockies	0	0.0%	0	0.0%	0	0.0%
Okanagan-Similkameen	50	4.1%	10	0.5%	60	1.8%
Peace River	11	0.9%	0	0.0%	11	0.3%
Powell River	5	0.4%	0	0.0%	5	0.2%
Skeena-Queen Charlotte	1	0.1%	0	0.0%	1	0.0%
Squamish-Lillooet	5	0.4%	64	3.1%	69	2.1%
Stikine	0	0.0%	0	0.0%	0	0.0%
Strathcona	18	1.5%	0	0.0%	18	0.6%
Sunshine Coast	17	1.4%	0	0.0%	17	0.5%
Thompson-Nicola	34	2.8%	85	4.1%	119	3.6%
Total	**1,210**	**100.0%**	**2,059**	**100.0%**	**3,269**	**100.0%**

Background and Methodology

BC Housing is responsible for the administration of the *Homeowner Protection Act*, with a mandate to help bring about improvements in the quality of residential construction and increase consumer protection for buyers of new homes in British Columbia (BC). Under the Act, all new homes in the province must be registered with BC Housing. The registration of new homes in the public registry must occur prior to the issuance of building permits and housing starts. The new homes 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 BC.

New home registration data is collected from Licensed Residential Builders and owner builders through the New Home Registration forms and Owner Builder Authorization applications. Over time, some minor adjustments may be made to the new home registration data as registrations are withdrawn or cancelled from home warranty insurance.

This report provides information on registered new homes by building type, building size, and building location. Figures for registered new homes include both multi-unit and single detached new homes enrolled with home warranty insurance, Owner Builder Authorizations, and, since the August 2016 report, new homes in multi-unit rental buildings that are exempt from home warranty insurance.

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 home.

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

Click here to view
Monthly New Home Registry Report

Research

In collaboration with BC Housing, the Bank of Canada conducted a study to assess whether or not new home registration data can be used as a leading indicator for economic activity in BC. Study findings reveal 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, providing stronger signals compared to housing starts and building permits over this forecast horizon. To view the report, go to the Staff Discussion Papers section on the Bank of Canada's website.

End Notes

[1] Bank of Canada, 2016. New Housing Registrations as a Leading Indicator of the BC Economy. Details are available here.

[2] As of August 2016, calculations of "registered new homes" include homes in rental buildings as well as homes enrolled in home warranty insurance or with Owner Builder Authorizations issued by the Registrar of Builder Licensing.

[3] "Registered new single detached homes" refers to new single detached homes enrolled with home warranty insurance or with Owner Builder Authorizations issued by the Registrar of Builder Licensing.

[4] As of August 2016, calculations of "registered new homes in multi-unit buildings" include new homes in multi-unit buildings (two or more dwelling units) enrolled with home warranty insurance, and new homes in multi-unit rental buildings which are exempt from home warranty insurance.

[5] The trend analysis with moving average is based on a twelve-month and 36-month moving average of the monthly new home registration data. Data are not seasonally adjusted.

[6] Selected cities are the 10 cities that had the highest numbers of registered new homes in the reference month.

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

[8] "Registered owner-built homes" refers to Owner Builder Authorizations issued by the Registrar of Builder Licensing. 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] Selected cities are the 10 cities that had the highest numbers of registered single detached homes in Metro Vancouver in 2017.

[10] "Enrolled new multi-unit homes" refers to new homes in multi-unit buildings (two or more dwelling units) enrolled with home warranty insurance.

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

[12] "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.

[13] In this report, the five year average is the average of the most recently completed five years.