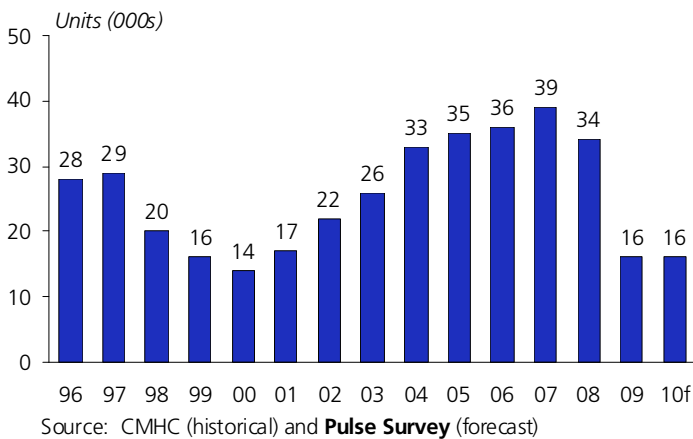


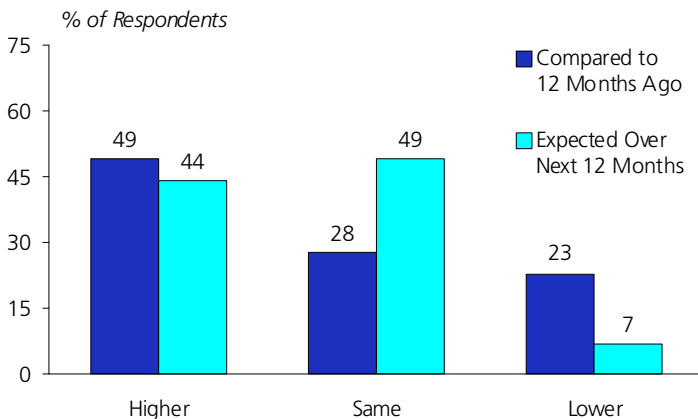


British Columbia Home Builders Forecast Continued Low Housing Starts and Stronger Renovation Activity

Total Housing Starts British Columbia

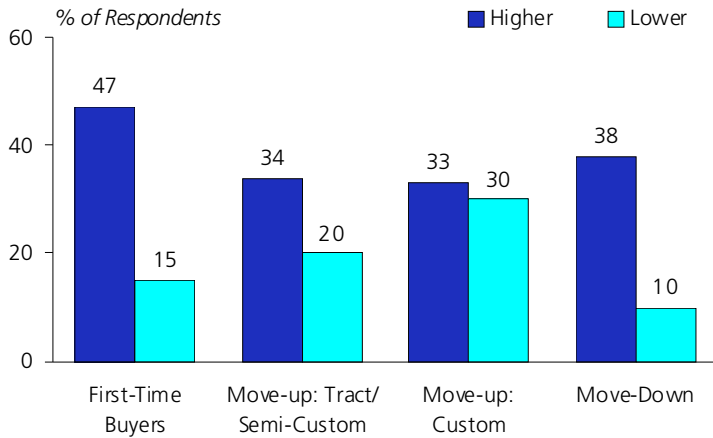


Change in Renovation Activity British Columbia

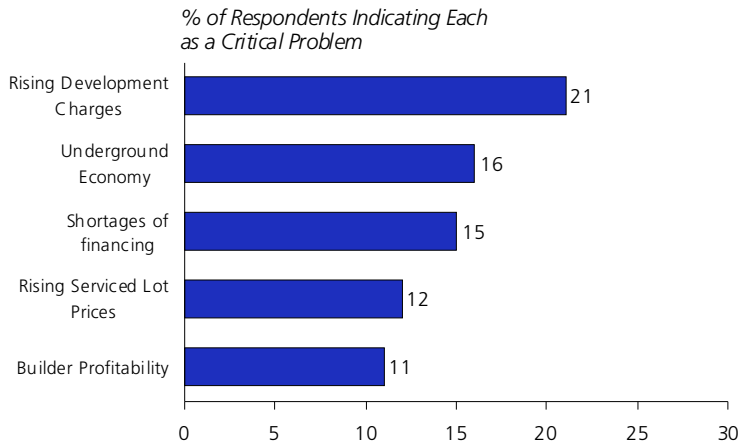


- New home builders in British Columbia expect total housing starts to be about 16,000 units in 2010, similar to the 16,077 units started in 2009, according to the latest **Pulse Survey** conducted in December 2009 and January 2010 by the Canadian Home Builders' Association (CHBA). The forecast is well below the prevailing levels of the 2002-2008 period.
- Canada-wide, new home builders are expecting about 143,000 starts in 2010, modestly lower than the 149,100 starts in 2009 and well below the levels of the 2002-2008 period.
- On average, British Columbia renovators responding to the **Pulse Survey** report increased activity. Nearly half of renovators in British Columbia report that their renovation activity is higher than 12 months ago, while less than 1 in 4 report lower activity.
- Renovators in British Columbia on average expect further increases in renovation activity over the next 12 months.
- The average project reported by renovators in B.C. is \$80,000 and takes 12 weeks to complete.

Changes in Traffic Compared to Last Year British Columbia



Top Problems for New Home Builders British Columbia



- New home builders and renovators in British Columbia report that, on average, employment in their companies is down relative to a year ago, but an increase is expected over the next year.
- British Columbia new home builders report higher traffic at new home sales sites across all market segments, in particular among first-time buyers and move-down buyers.
- On average, new home builders in British Columbia report that inventories of started-but-unsold single-detached units are lower this year compared to a year ago.
- New home builders in British Columbia are planning shifts in the upcoming year towards targeting the move-down market segments, away from other market segments.
- The most often cited critical problem for new home builders in British Columbia is rising development charges, followed by the underground economy, shortages of financing, rising serviced lot prices and builder profitability.
- About 4 out of 10 new home builders in British Columbia are expecting new single-detached house prices to increase over the next year, only about 1 in 10 expect some declines.

The **Pulse Survey** was conducted by the CHBA with assistance from Canada Mortgage and Housing Corporation and Natural Resources Canada. The survey was tabulated and analyzed by Altus Group Economic Consulting. Copies of the detailed results are available from the CHBA (chba@chba.ca).