

NEW HOMES REGISTRY REPORT



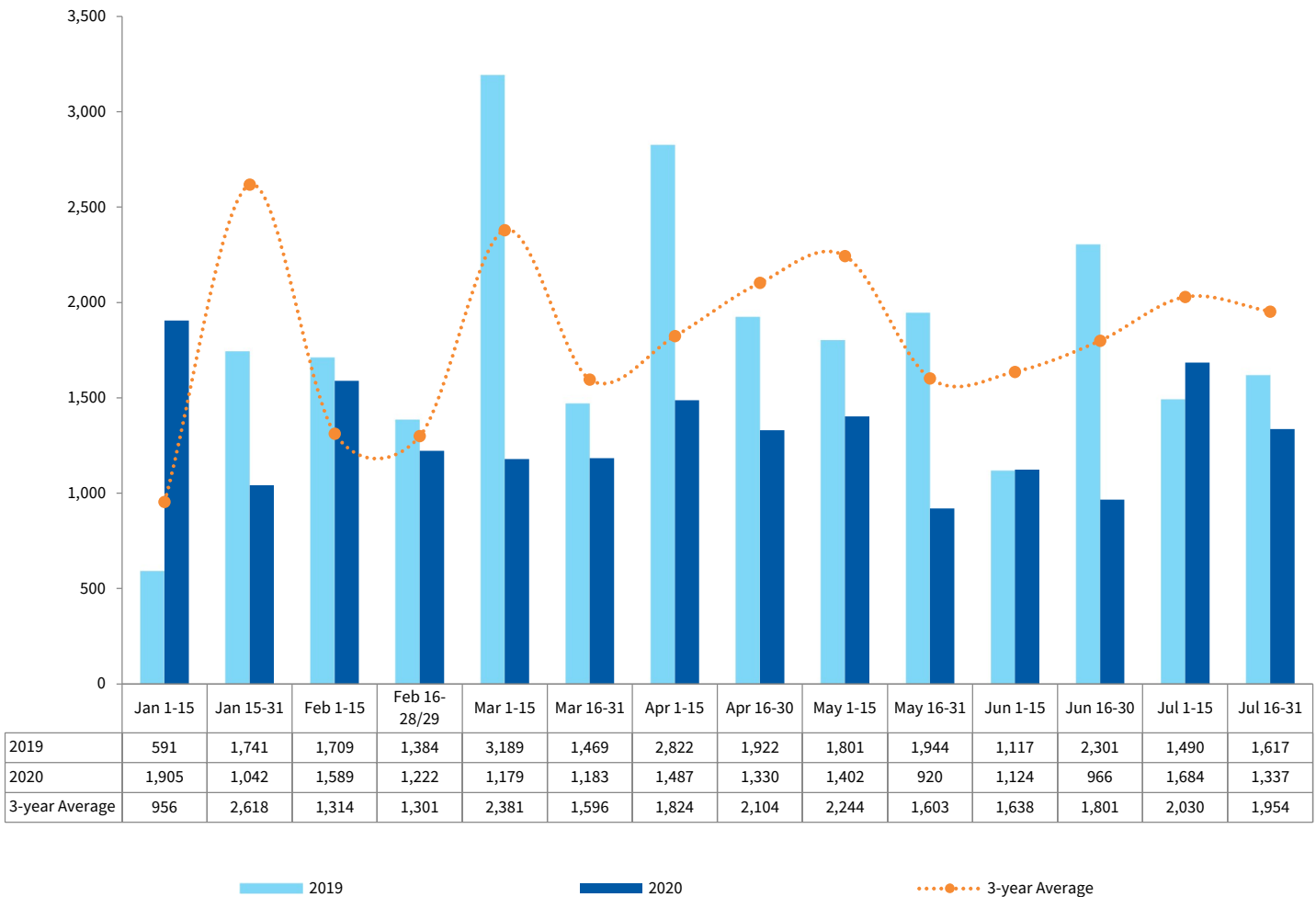
COVID 19 ADDENDUM

To provide the residential construction industry with more current information during the COVID 19 pandemic, this addendum focuses on new home registrations since the start of 2020.

New Home Registrations

- In the first seven months of 2020, 18,370 new homes were registered¹ in B.C., down 26.8% from 2019.
- So far in 2020, July had the highest number of new home registrations at 3,007. This monthly increase was driven by both improvements in multi-unit enrollments³ and purpose-built rental⁴ registrations.
- However, the decline in total registrations in 2020 to date continues to be primarily driven by lower multi-unit enrollments.

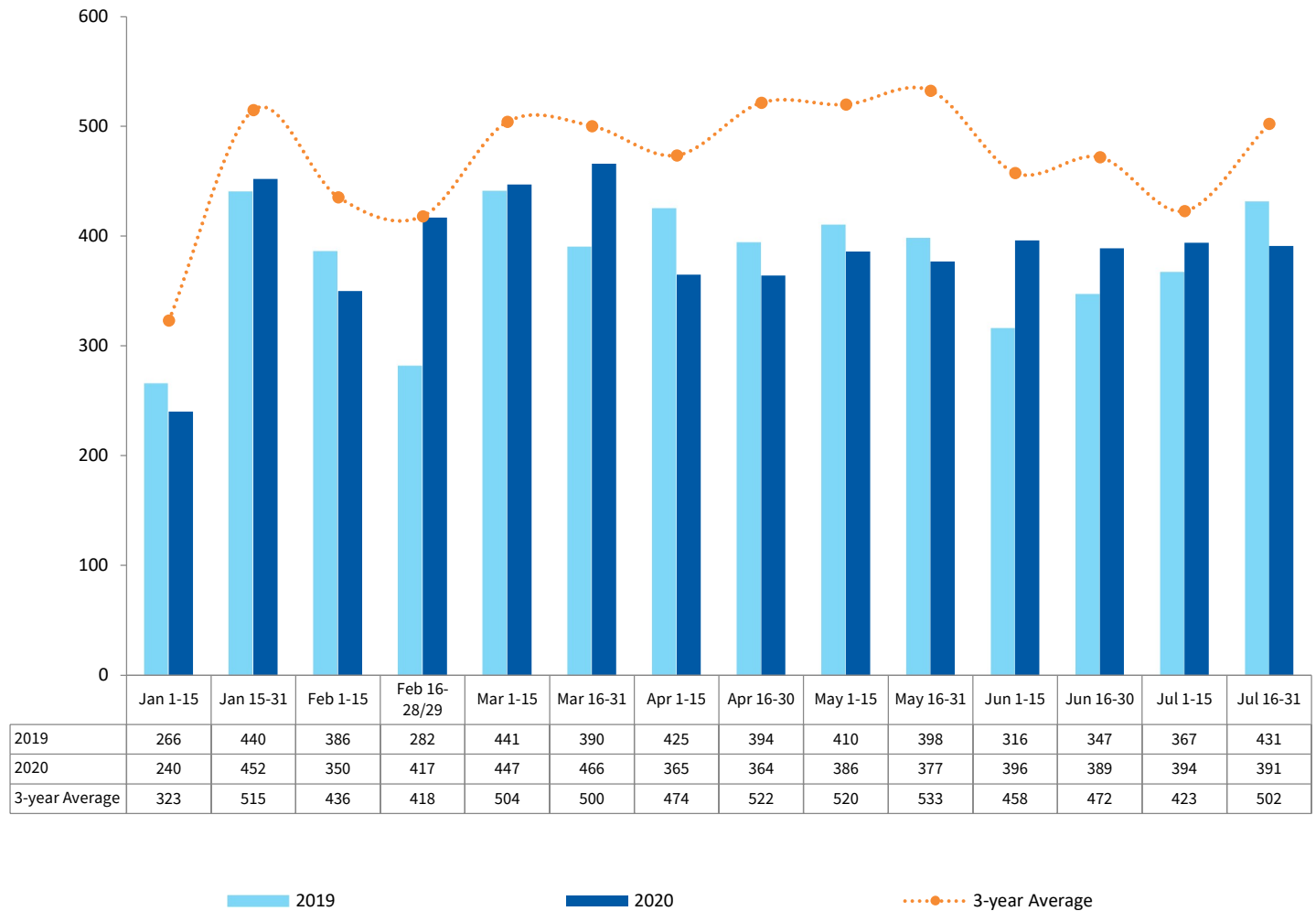
Figure 1: Registered New Homes, 2019-2020 Year-to-Date



Single Detached Highlights

- In the first seven months of 2020, 5,434 new single detached homes were registered² in B.C. Compared with the same period in 2019, single detached registrations have increased 2.7% in 2020.

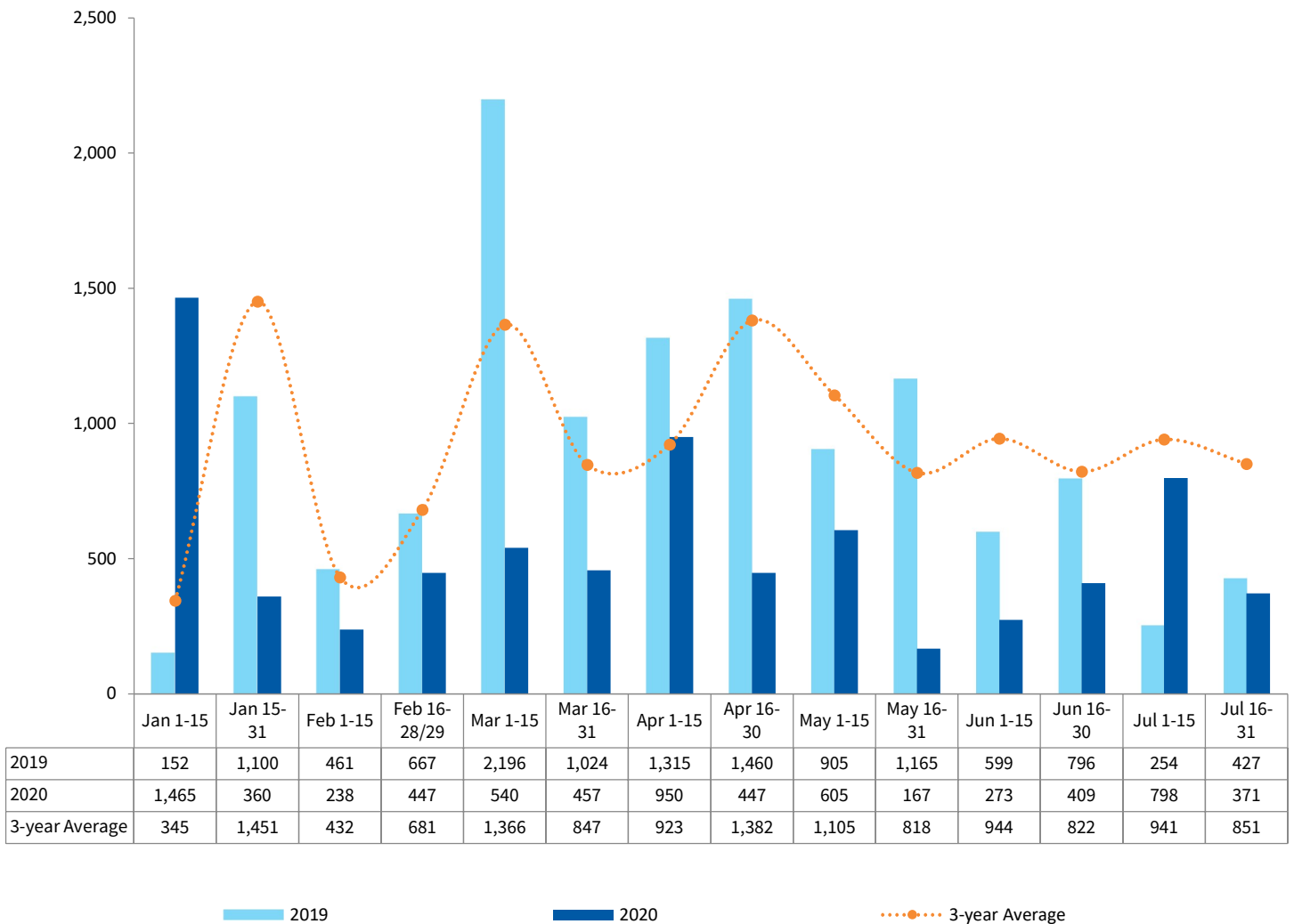
Figure 2: Registered Single Detached Homes, 2019-2020 Year-to-Date



Enrolled Multi-unit Highlights

- In first seven months of 2020, 7,527 new multi-unit homes were enrolled³ in B.C. Compared with the same period in 2019, multi-unit enrollments declined 39.9%.
- While multi-unit enrollments are historically variable from month to month, July represented a 71.4% increase compared to June and was the highest since April (1,397) at 1,169 units.
- When comparing against previous years, 2020 has had the lowest number of multi-unit enrollments between January and July since 2009 (2,262) but is most comparable with 2011 (7,566).

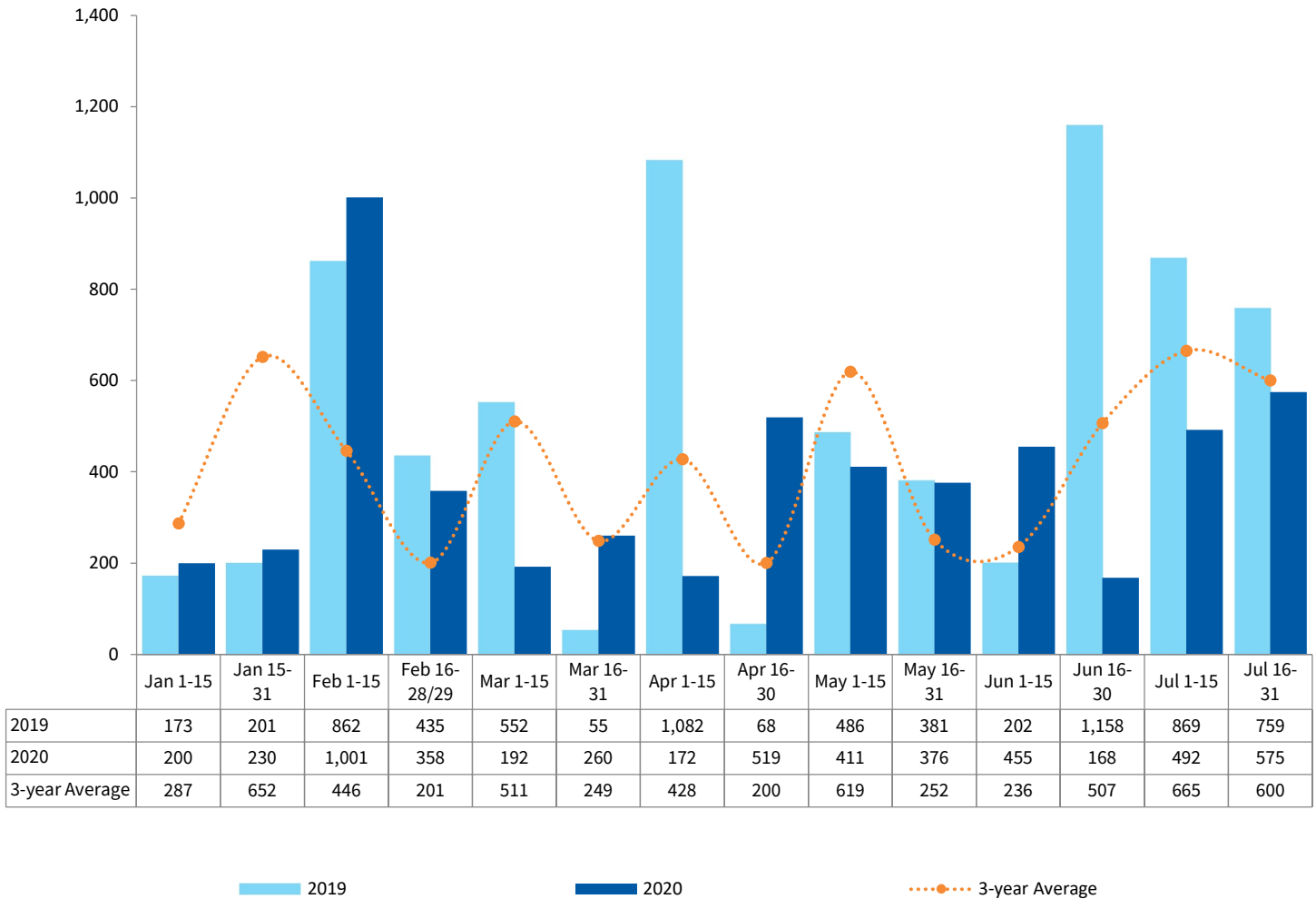
Figure 3: Enrolled Multi-unit Homes, 2019-2020 Year-to-Date



Purpose-built Rental Highlights

- In the first seven months of 2020, 5,409 purpose-built rental units⁴ were registered in B.C. Compared with the same period in 2019 the number of registered rental units in 2020 have decreased 25.7%, but still represent an increase of 14.9% compared to 2018.
- While rental unit registrations⁴ are historically variable from month to month, there were 1,067 rental units registered in July, making it the second highest month so far in 2020 and a 71.3% increase compared to June.

Figure 4: Purpose-built Rental Units, 2019-2020 Year-to-Date



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 (B.C.). 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 B.C.

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, purpose-built rental buildings that are exempt from home warranty insurance.

CSA-approved manufactured homes (modular 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 and are not reflected in the report.

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

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 B.C. 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

¹Registered new homes includes: single detached and multi-unit homes enrolled in home warranty insurance, single detached homes constructed by an owner builder not covered by home warranty insurance, and purpose-built rental units that are exempt from home warranty insurance. Before August 2016, calculations of registered new homes in this report excluded purpose-built rental units.

²Registered new single detached homes includes new single detached homes enrolled with home warranty insurance or with Owner Builder Authorizations issued by the Registrar.

³Enrolled new multi-unit homes refers to new homes in multi-unit buildings (two or more dwelling units) enrolled with home warranty insurance.

⁴Purpose-built rental refers to new rental 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. Rental homes with a covenant may however be captured under "enrolled new multi-unit homes" if the unit is voluntarily enrolled with home warranty insurance.

