

Exploring Entry-Level Ownership

An Analysis of the Potential Opportunities in the CRD Context

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EXECUTIVE SUMMARY

Homeownership is highly valued within Canadian society. For some, homeownership is a normative goal, almost part of coming-of-age, demonstrating economic self-sufficiency, foundational to financial stability and a precursor to family formation. With today's market conditions in urban Canada and associated incomes and savings rates, achieving this goal is difficult for many. Accordingly, housing policy analysts frequently evaluate how a modest amount of public resources could enable qualifying first-time buyers achieve homeownership. Drawing on seven demonstration projects, this Review outlines the key considerations in originating a successful affordable homeownership project.

The identified factors critical to the success of this project type are as follows:

- Access to land;
- Access to capital and financing;
- Municipal support;
- Partnerships and political support;
- The financial depth and capacity of the partners;
- Clarity in terms of the target population and level of need;
- Building public support for affordable ownership projects; and
- Replicability and scalability.

This Report analyzed current CRD housing market conditions for all CRD member communities. Using this data we ran numerous affordability calculations using current lending criteria, interest rates and other shelter expenses to derive ownership affordability thresholds for each CRD member community. We also did scenario testing to evaluate the unit purchase price needed to be affordable to purchasers with incomes of 80% and 120% of the Area Median Income (AMI). Taking into account the difference between the current market prices in the CRD and the price level affordable to a typical eligibility criteria of 80% to 120% of Area Median Income, we derived the amount of support to the project on a per unit basis. A summary of our scenario testing, analysis and findings is as follows:

- To achieve affordability for households with incomes between 80% and 120% of the region's median income (\$48,637 to \$72,955 per annum) units would have to be discounted to between 48% and 85% of market value and/or receive a per-unit subsidy of between \$63,784 and \$227,726 of the selling/asset price. Increasing the income threshold could reduce the amount of subsidy required, but would undermine the capacity for a program to address those households identified as in highest need.
- Approximately 8,700, or 16% of all renter households in the capital region could potentially be eligible for a program focused within the above income range. Most renter households make well below the affordability threshold.

- The subsidies noted above are calculated at the maximum limits of the lending criteria and it is likely that many purchasers would be reluctant to take on this level of debt.
- The current market would confine development options to strata units within multi-unit apartment projects, which would further reduce the total number of renter households that could be served and it is likely that the type of units would not be suitable for many renter households including many families.
- Land values, market dynamics and income demographics within the region would confine development opportunities to a very small number of municipalities/electoral areas – Esquimalt, Saanich, Colwood and Langford.
- Where conditions have allowed, there have been successful affordable home ownership projects developed in British Columbia, including a project at Dockside Green, currently administered by the CRD through a partnership between the CRD and BC Housing.
- This report evaluates the replicability and scalability of this project type. Factors involved program definition, marketing, tenure controls and administration together with securing adequate philanthropic or government subsidies all contribute to complex projects with numerous risks.
- There are examples of non-profits that have developed and are currently delivering affordable home ownership projects, but they operate in regions where market conditions and development opportunities and dynamics vary considerably from those in the lower mainland and capital region. A number of these non-profit entities have tried but have not yet been able to break into the housing markets in the lower mainland and capital region.

1.0 INTRODUCTION

This Report looks at the key factors influencing access to entry-level ownership within the capital region. The analysis includes consideration of the overall affordability profile for entry level ownership and the role that it plays in helping to ensure that the capital region remains affordable for the families and individuals who live there.

1.1 KEY DIMENSIONS OF HOUSING AFFORDABILITY

Housing affordability can be viewed as both an income problem and a supply problem. It is an income problem to the extent that housing affordability pressures are more likely to affect households falling at the low to moderate end of the housing and income continuum with housing affordability challenges affecting different households in different ways. In the case of entry-level ownership opportunities, one of the central challenges is for families and individuals to find suitable and appropriate housing in the market that they can afford with the resources that they have available as well as to save for a down payment that they need to successfully make the transition into the ownership market.

1.2 ADDRESSING AFFORDABILITY CHALLENGES IN THE CAPITAL REGION

For many people across the capital region, saving a down payment for a home or even finding suitable rental housing is becoming increasingly difficult. Data from the Victoria Real Estate Board (Victoria REB) showed that the benchmark price for a single family home in the capital region in July 2017 was \$700,800. This is almost 8 times the median census family income for the region.¹

Renting in the capital region is also becoming increasingly difficult with vacancy rates remaining extremely low and the new rental housing stock being less affordable and/or less secure. There are also an increasing number of rental units being created in the form of rented condominium apartment stock or short-term rentals. These units provide a lower level of security of tenure when compared to the purpose-built rental housing stock.

The available data also shows that many middle and lower income earners are unable to make the transition into the ownership market with the rising cost of ownership and the increasing competition for the units that are available making it more difficult.

Appendix 1 and 2 provides additional information on the overall market dynamics within the capital region context.

¹ Based on incomes reported by Statistics Canada through the *Canadian Income Survey (2015)*

2.0 EXAMPLE OF SUCCESSFUL AFFORDABLE HOME OWNERSHIP INITIATIVES

This section looks at a number of different affordable ownership demonstration projects which have been implemented in British Columbia as well as in other jurisdictions including Calgary and Toronto. The different examples reviewed in this section include:

- Park Place Kits (Vancouver)
- 66 West Cordova (Vancouver)
- Verdant (Simon Fraser University)
- Dockside Green (Victoria)
- Attainable Homes (Calgary)
- Options for Homes (City of Toronto)

2.1 PARK PLACE KITS (CITY OF VANCOUVER)

About the Development

Park Place Kits (City of Vancouver) originated in 1995 as an affordable ownership demonstration project. There were 4 affordable units created through this initiative out of a 15 unit development.

About the Target Population

The target population included single parent family households in core housing need. The qualifying income was approximately \$57,600 with a down payment of \$13,600. As well, the purchase price was discounted to below market rates (46% of market).

About the Partnership

Park Place Kits included a number of different partners including the developer/owner, the City of Vancouver, the Vancity Credit Union and Vancity Community Foundation. The project was developer driven while the City of Vancouver provided rezoning support and administrative oversight for the Agreement.

Administrative Controls

As a condition of the rezoning, the City's established the requirement that the four (4) affordable units should be provided to "single parent family households in core need".

The City also established clear provisions to ensure that the housing remained affordable in perpetuity. If the housing operator wished to discontinue using the units as affordable housing (i.e. if the units were to be sold at market value) the City would first have to amend the zoning.

Limitations or Constraints Noted

A review of the Park Place Kits project completed in 2015 by the City of Vancouver found that the project was broadly successful both in terms of the ability to reach the target population and in terms of the individual outcomes.

Purchasers contacted indicated stable and successful personal outcomes. However, one of the challenges noted was that there has been only limited turnover in terms of the units (i.e. one (1) unit over the life of the project). It can be expected that turnover will generally be lower given access to ownership can provide greater housing stability. However, it also limits the benefit of the program for other households with similar needs.

Through the review the City also learned that there was some resentment expressed by the other purchasers in the development with the concern being that the households who received the discounted units “were not fully deserving”.

2.2 66 WEST CORDOVA (CITY OF VANCOUVER)

About the Development

66 West Cordova Street is a mixed use development that was originated in 2011 to provide achievable home ownership in Vancouver’s Downtown Eastside neighbourhood and was based on the principle of inclusivity. The project created 108 condo units of which 12 had deep subsidies (averaging a 40% discount from the market price).

About the Target Population

The market units had an average price of \$289,900 while the affordable units had a discounted price of \$214,122 and were targeted to individuals with an annual income of \$46,000.

This 108 unit project was formulated to provide 12 deep-subsidy units for ownership while the remaining 96 units were set at a price marginally below market. There was also a provision established that the market units were to be held for a minimum period of one (1) year (i.e. no flipping).

The housing program for the controlled-units (PHS and Habitat for Humanity) was designed to provide the housing benefit by discounting the purchase price to a level that was affordable to the qualified purchaser and to provide financial literacy training and assistance in navigating the purchase process.

The income level of the eight PHS purchasers averaged approximately \$47,000 with an average initial purchase price of \$194,082, and a discount of 67.1% of market.

The project included a financing package through Vancity Credit Union including a Springboard Mortgage. As well, the down payment requirement was waived.

About the Partnership

The partnership involved the developer, Vancity, the PHS Society and Habitat for Humanity. Under the Agreement that was established, Habitat for Humanity was responsible for four (4) units and eight (8) units fell under the administration and management of the PHS Community Services Society. The City provided support through the rezoning process including provisions to allow for increased density on the site as well as a reduction in the parking requirements. This helped to improve the overall financial feasibility of the development.

Administrative Controls

This site uses the same legal mechanisms as Park Place Kits but there are some key differences that should be noted in terms of the role of the City and the conditions placed on the housing providers.

In particular, the City of Vancouver has a supervisory role while the different non-profit partners are responsible for administering the agreements. In the case of a sale of a unit, the City will receive a report on the new owner, the household income and family size.

Limitations or Constraints Noted

A review of the project completed in 2015 by the City of Vancouver found that the combination of three (3) distinct housing programs at 66 West Cordova created some confusion about the objectives of the project.

Habitat for Humanity (one of the community based partners) found that the development was not a good fit for their specific client group and found it difficult to market the units. In particular, Habitat for Humanity clients were typically families who were more comfortable in suburban areas and less comfortable living in Vancouver's Downtown Eastside neighbourhood.

Access to the Vancity Springboard Mortgage Program was also instrumental to the success of this initiative. The Vancity Springboard Mortgage Program was developed to help low-income individuals qualify for a mortgage and is targeted to individuals living in non-profit housing. Under the Springboard Mortgage Program, a qualified purchaser can get a loan for 20% of the down payment plus a mortgage for the balance of the purchase price, subject to specific conditions.

2.3 VERDANT at SFU UniverCity

About the Development

Verdant was a SFU staff and faculty housing development that sold at 20% below market value. The development was designed to provide affordable ownership as well as to promote sustainability through the design of the units.

About the Target Population

The development was targeted to both staff and students and was designed to sell at 20% below market value.

About the Partnership

The partnership was between Simon Fraser University which made land available at 50% of the market value. SFU also provided free space for the sales centre, while Vancity Enterprises (the development arm of Vancity) provided development expertise at below market rates (i.e. lower cost development management fees) and reduced their overall profit margin on the development.

Administrative Controls

The Agreement is administered by the SFU community trust and is registered on title.

2.4 DOCKSIDE GREEN (VICTORIA)

About the Development

Dockside Green was a phased development that included 9 below market units in Phase 1 and 16 below market units in Phase 2.

About the Target Population

Households living in Dockside Green are income tested with the partners contributing \$800,000 to buy-down the purchase price to below market rates.

About the Partnership

Dockside Green was created through a partnership that included the City of Victoria, the Capital Region, as well as Vancity Enterprises.

Administrative Controls

Dockside Green is administered through a re-sale control agreement that is registered on title. This agreement is administered by the Capital Regional District.

Challenges and Limitations

The complexity of the legal agreements was one of the challenges noted. In some cases buyers do not necessarily understand the agreement and therefore may be reluctant to purchase a unit (reducing the potential pool of eligible households). As well, some purchasers may also want to challenge the validity or enforceability of the agreement. There can also be issues if there is more than one party registered on title (i.e. CMHC has changed its standard clause in the event of default).

2.5 ATTAINABLE HOMES (CALGARY)

About the Initiative

Attainable Homes Calgary is a non-profit organization that was created and owned by the City of Calgary to facilitate and support affordable home ownership. The program has been in place for a number of years with more than 750 households being assisted to date.

About the Target Population

The target population for households receiving assistance through *Attainable Homes* Calgary includes households with an annual income of between 80% and 120% of the area median income. Under the *Attainable Homes* program, the City helps to provide down payment assistance to help remove financial barriers to home ownership. Under this program a home owner provides a down payment of \$2,000 and the City provides the balance required to achieve a 5% payment with this amount being recovered when the unit is sold. The City also works with clients to provide financial literacy training and support to ensure that they are able to successfully manage their mortgage.

About the Partnership

The City also works closely with lenders and developers to facilitate access to affordable housing. This includes providing the necessary regulatory incentives as well as administrative and zoning support.

2.6 OPTIONS FOR HOMES

About the Initiative

Options for Homes (OFH) is a non-profit organization that operates in the City of Toronto and the Greater Toronto area to facilitate access to affordable housing. The model is based on offering purchasers a loan that is recognized by banks as equity. The loan is the difference between the cost to build and the market price (usually 10% to 15% of a unit). No payment of interest or principle is required on the Options Contribution until the client decides to sell.

About the Target Population

Clients are expected to have a 5% down payment and to be eligible for a mortgage. The target population typically falls in the middle income range and typically includes renter households or families who would otherwise be unable to access to ownership market.

About the Partnership

Options for Homes is a social purpose real estate developer that has a longstanding operating history and track record both in the housing development sector and in the affordable ownership market and has already created approximately 2,500 units with an additional 2,000 units under development. Options for Homes continues to build between 300 and 500 units per year.

Challenges and Limitations

One of the biggest challenges and limitations noted by Options for Homes is the availability of land. As noted in a recent program review by the Canadian Urban Institute (2017), the options model pays market value for the land but usually seeks to buy land from a vendor who is willing to defer payment until construction financing is secure or the building is occupied. Access to low cost construction financing can also be a barrier.

3.0 AFFORDABLE OWNERSHIP INITIATIVES

This report looks at some of the factors that need to be taken into consideration when looking at creating an affordability home ownership initiative. The discussion and analysis in this section, looks at the types of measures needed to make incremental improvements in the affordability profile (e.g. lowering the income level required to achieve ownership). It also looks at the types of resources and partnerships that are needed. These resources can be in the form of direct grants and/or low interest, or down payment assistance for the buyer or alternatively, they can go to the project (i.e. to lower the purchase price). Regardless of the approach, it is necessary to recognize that the types of resources needed to ensure the success of an entry-level ownership initiative is no different than the types of partnerships and resources needed for other housing programs. As well, it is important to recognize that in most communities there are only a limited number of resources that are available and that these resources are already in great demand by other housing programs many of which target a population with even greater needs.

3.1 CRITICAL SUCCESS FACTORS

The following reflects some the critical success factors to consider when designing and implementing an affordable ownership initiative:

- Access to land;
- Access to capital and financing;
- Municipal support;
- Partnerships and political support;
- The financial depth and capacity of the partners;
- Clarity in terms of the target population and level of need;
- Building public support for affordable ownership projects; and
- Replicability and scalability.

3.2 ACCESS TO LAND

The successful creation of affordable ownership frequently requires access to land at below market rates. These types of initiatives also include the typical issues of securing a site and frequently involve the need for rezoning in order to achieve the type of density needed to improve the overall affordability. Site selection can also become a critical consideration with the need to ensure that the housing that is created is well integrated into existing neighbourhoods with good access to transit and other services.

3.3 ACCESS TO CAPITAL AND FINANCING

Affordable ownership projects face the same types of underwriting and development risks as other projects. However, in some cases the complexity of the partnerships can make it more difficult. For example, requirements around rezoning and other measure can extend the time frame and risk profile on the project. As well, there is the need to determine the best way to “backstop” the deal and share the risk.

3.4 MUNICIPAL SUPPORT

The successful implementation of affordable ownership initiatives also requires municipal support in the form of both cash and non-cash contributions. Non-cash contributions might include access to land at below market rates, the relaxation of specific planning or regulatory requirements around lot size, parking requirements or density. It can also include measures to help to streamline the development approvals process, the adoption of inclusionary zoning policies as well as measures or provisions to waive or reduce development cost charges. Depending on the level and type of municipal contribution, the types of restrictions placed on a site are likely to be higher.

3.5 PARTNERSHIPS AND POLITICAL SUPPORT

Compared to the typical residential condo project, the complexity of an affordable home ownership project can be significantly higher including the requirements around the marketing of the affordable units, the need for philanthropic and community support, as well as the need to build public support around the perceived optics of providing a subsidy to middle income earners (e.g. Is this a good use of public funding? Is this funding helping the “right” group in the best way?) The experience of the partnership team to deliver on the project is also critical including municipal leadership and support. Many of the successful projects reviewed in this report have also relied on strong partnerships with the non-profit and philanthropic sectors as well as the private sector. In particular, it should be noted that a number of the successful projects were initially developer-driven.

3.6 THE FINANCIAL DEPTH AND CAPACITY OF THE PARTNERS

Because of the complexity of the project and the potential development risks it is critical to ensure that the project team members (developers and operators) bring a depth of capacity in terms of financial strength, expertise and credibility. Of particular importance is the role of the non-profit partner both in terms of helping to facilitate and support the approvals process and in terms of community discussions around need. Non-profit partners can also play a central role in helping to identify suitable clients and in marketing the units. The complexity of each project and the need for a rezoning process can also extend the timeframe and the potential risk profile on a project. Having local government support and staff who bring knowledge and expertise to the process are critical to the overall success. BC Housing over the past few years (June 2014) has expanded its *Community Partnership Initiative (CPI)* to include support for affordable home ownership projects. This support has typically been in the form of the provision of construction financing at low cost interest rates and somewhat relaxed lending criteria. The net benefit of these preferred terms has typically helped to reduce project costs by being in the range of 3% to 4%.

3.7 THE FINANCIAL DEPTH AND CAPACITY OF THE PARTNERS

Providing affordable home ownership can be politically challenging. There are numerous competing priorities for funding as well as the potential concern that funding for affordable home ownership could be seen as providing a “subsidy” to households who do not need assistance. Any program that is developed would need to demonstrate the importance of the need and the public interest that is being served. There would also be the need to create a fair and transparent process in determining who could obtain a unit as well as deeper consultation and engagement around who should receive the support or who should provide that support.

3.8 BUILDING THE CASE FOR AFFORDABLE OWNERSHIP

A recent report published by the Canadian Urban Institute (June 2017) calls for the need to build the case for affordable home ownership including the need to demonstrate the benefits to society. There were similar concerns expressed through the Homes Now Initiative in Metro Vancouver which was launched in 2015. As noted in the Homes Now report, one of the challenges is that there has not been a meaningful public discussion or demonstrated results in terms of the public interest served through enabling middle or low income homeownership. In the United States there has been some success in looking at the potential benefits and opportunities of “workforce housing”.

The BC government has continued to recognize the challenges that households face in trying to make the transition into the ownership market and has responded through the introduction of BC Home Owner Mortgage and Equity Partnership (BC HOME) in January 2017. Under the BC Home Owners and Mortgage Equity Partnership, the province makes assistance available to eligible first-time homebuyers by providing repayable down payment assistance up to a maximum of 5% of the purchase price of the home. The BC HOME partnership loan is for an initial 25-year term, and is interest and payment free for the first five years of the loan with the loan being registered on title in the form of a second mortgage. Within the first four (4) months of the program, more than 1,200 British Columbians applied for assistance with 352 applicants entering into a contract and another 645 applicants receiving pre-approval. The BC HOME Partnership program providing matching funding in the form of down payment assistance to individuals who have already saved for their down payment and who are wishing to enter the ownership market with funding available through the BC HOME partnership program being equal to up to five per cent of the purchase price, to a maximum of \$37,500. The Province anticipates that there are approximately 42,000 British Columbian who would benefit from this program (approximately 8% of all renter households).

3.9 REPLICABILITY AND SCALABILITY

As discussed previously, the complexity of the projects and the partnerships can be challenging. This section looks at two of the demonstration projects discussed earlier in this report (Park Place Kits and 66 West Cordova) to determine the degree to which these projects can be replicated or scaled. This analysis looks at the different program elements from origination through to the development of the housing and the targeting of the units and assigns a general score in terms of the overall degree of complexity in terms of the specific partnership model and approach.

In general, the conceptual approach of using a “density bonus” as well as other regulatory measures and approaches such as reduced parking requirements or waiving and reducing processing fees is well established. What is unique about affordable ownership projects is the origination and delivery of mixed tenure programs within a market condo development as well as the targeting of the ownership units to individuals and households who may not otherwise be able to access the ownership market.

Tables 1 and 2 on pages 10 and 11 review the three different project phases and evaluate the degree of replicability for similar situations. The weighted average of these factors is calculated for each phase and summed to determine an overall “scalability score”.

The easier it is to replicate or scale a project, the lower the score. For comparative purposes a standard 50-100 unit condo project using a development permit approval process would rank a score of 110 points and a standard rezoning a score of 200. The evaluation tool rated Park Place Kits at 396 points and Cordova Street at 561.

These ratings are not on a linear scale, but they accurately reflect the increasing complexity of the project and the number of parties and partners that are needed to successfully deliver this type of housing.

The complexity of the individual project also suggests that it is often difficult to standardize the program in a way that provides a higher level of certainty for the different project partners involved. Furthermore, the ability to achieve the type of affordability profile that is needed without both financial and non-financial contributions from the different partners decreases significantly.

TABLE 1

Project Evaluation from a Scalability Perspective (the higher the score the more difficult to replicate)							
Phase	Park Place Kits			66 West Cordova			Comment
	Participant Role / Function	Importance Scale (1-5) 1 = limited	Scalable (1-10) 1 = easy	Participant Role / Function	Importance Scale (1-5) 5 = critical	Scalable (1-10) 10 = hard	
Originate	Developer (key driver)	5	5	Developer (key driver)	5	5	Low margin, high effort, high financial opportunity
	Mortgage Lender	4	6	Mortgage Lender	4	7	Buyer qualification & education intensive
	City Housing & Planning	5	4	City Housing & Planning	5	4	Aligned to city priorities
	Development team (donations)	3	7	Development team	3	7	PR motives (ok for infrequent show case projects)
	Mortgage concessions	3	4	Mortgage concessions/effort	4	4	VanCity Springboard Mortgage program
	Philanthropic Contribution	3	7	Philanthropic Role	4	8	Vancity vending land in cheaply
	Non-profit Operator	2	4	Non-profit Operator (key driver)	5	4	Tenant selection & neighbourhood credibility
	City Rezoning Bonusing	5	4	City Rezoning Bonusing	5	4	Resource intensive relative to unit production
	City Parking Concession	0	0	City Parking Concession	5	6	Suitable on transit oriented sites
			151			212	
Development Risk & Delivery	Team Recruitment	4	4	Team Recruitment	5	4	High degree of Co-ordination needed
	Financial Expertise & capacity	4	7	Financial Expertise & capacity	4	7	Customized deal; complex
	Approvals Expertise	4	7	Approvals Expertise	5	7	Rezoning & Housing program
	Community & Public Engagemen	4	7	Community & Public Engagemen	5	7	Profile & linkages important
	Condo construction	4	6	Condo construction	4	6	Track record for market units & access to equity
	Marketing of Non-program unit	4	6	Marketing of Non-program units	4	6	Community linkage & experience
			148			166	
Housing program	Target group depth of need	4	8	Target group depth of need	5	8	Higher need = higher subsidy and increased contro
	Target group public recognition	3	5	Target public recognition of nee	5	8	Contributes to achieving Approvals & Clarity key,
	Marketing & Housing Literacy	4	3	Marketing & Housing Literacy	4	7	Extensive due to lower incomes, no DP & controls
	Amount of incentive fsr & dens	4	7	Inputs: land discount, fsr & parki	5	9	Makes origination & securing benefit more challen
	Ease of admin. (ongoing afford:	5	2	Ensuring ongoing affordability	5	6	Cordova uses CPI, Kits appraisal based
			97			183	
	Project rating		396	Project rating		561	

TABLE 2:

Project Evaluation from a Scalability Perspective (Index is the Importance times the Scalability. The higher the score the more difficult to replicate)							
Phase	Standard Project - DP			Standard Project Rezoning			Comment
	Participant Role / Function	Importance Scale (1-5) 1 = limited	Scalable (1-10) 1 = easy	Participant Role / Function	Importance Scale (1-5) 5 = critical	Scalable (1-10) 10 = hard	
Originate	Developer (key driver)	5	5	Developer (key driver)	5	6	Significant number of competitors
	Mortgage Lender	5	5	Mortgage Lender	4	6	Numerous providers (competiton)
	City Housing & Planning	2	5	City Housing & Planning	4	6	Planning Only
	Development team (donations)	0	0	Development team	1	2	n/a
	Mortgage concessions	0	0	Mortgage concessions/effort	0	0	n/a
	Philanthropic Contribution	0	0	Philanthropic Role	0	0	n/a
	Non-profit Operator	0	0	Non-profit Operator (key driver)	0	0	n/a
	City Rezoning Bonusing	0	0	City Rezoning Bonusing	0	0	n/a
	City Parking Concession	0	0	City Parking Concession	0	0	n/a
		average	60		average	80	
Development Risk & Delivery	Team Recruitment	4	2	Team Recruitment	5	6	Standard development scale & skills
	Financial Expertise & capacity	3	5	Financial Expertise & capacity	4	7	Market for capital well developed
	Approvals Expertise	3	5	Approvals Expertise	5	7	Rezoningis higher risk & needs more skill
	Community & Public Engagement	0	0	Community & Public Engagement	3	5	Rezoning - requires public engagement
	Condo construction	3	4	Condo construction	3	4	Track record for m'keting & access to equity
	Marketing of Non-program units	0	0	Marketing of Non-program units	0	0	n/a
			50			120	
Housing program	Target group depth of need	0	0	Target group depth of need	0	0	n/a
	Public recognition of need	0	0	Target public recognition of need	0	0	n/a
	Marketing & Housing Literacy	0	0	Marketing & Housing Literacy	0	0	n/a
	Subsidy depth	0	0	Subsidy depth	0	0	n/a
	Ease of admin. (ongoing affordabl	0	0	Ensuring ongoing affordability	0	0	n/a
			0			0	
	Project rating	110	Project rating	200			

4.0 ADMINISTRATION OF THE AGREEMENTS AND TENURE CONTROLS

From a technical perspective the affordable ownership model requires tenure control documents to ensure on-going affordability. Within the affordable ownership sphere, municipalities can become more directly involved in the provision of affordable homeownership by administering, or being party to the creation of legal agreements affecting the terms of sale and the price of the housing. These provisions are set out in Section 905 of the Local Government Act. Typically these agreements are registered on title.

In order for a housing agreement to be functional it also requires a covenant on the land the housing occupies. The authority for a municipality within British Columbia to enter into a covenant is described in Section 219 of the Land Title Act. The provisions of Section 219 of the Land Titles Act provide the authority for municipalities to put into place specific controls over various aspects of the tenure and use of the property.

Section 219 also allows municipalities to register a covenant on title even if the land is not owned by the municipality. This covenant is central to the enforcement of an affordable housing agreement, and stipulates the conditions under which an owner can sell including the price and the prescribed re-sale process.

Whichever tenure control is adopted, the monitoring and enforcement of any breach in the tenure agreement can be difficult and costly. Poorly formulated projects can put the sponsor and municipal partner and purchaser into a difficult situation with adverse public opinion and financial stress.

Table 3 on the following page provides a review of the different mechanisms that are included in the different tenure control and re-sale agreements that are registered on title in BC.

TABLE 3: Comparison Table of Five Agreements

	Park Place	60 West Cordova	Dockside Green	Verdant	Whistler
Housing Provider &/or Administrator	Vancity Community Foundation & City of Vancouver	Habitat for Humanity & City of Vancouver	Provincial Rental Housing Corporation	Simon Fraser University Foundation	Whistler Housing Authority
Management Body	Vancity Community Foundation	Habitat for Humanity	Capital Region Housing Corporation	SFU Community Trust	Whistler Housing Authority
Term	"Runs with the land"	80 years	99 years	99 years	Unspecified; potentially in individual property agreements
Option to Purchase	Yes	Yes	Yes	Yes	No
Right of First Refusal	Yes	Yes	No	No	Sometimes; case-by-case
Resale Price Benchmark	Fixed % below market	Change in consumer price index	15% below market	20% below market	Change in housing price index
Eligibility Criteria	Single parent; income; residency in Vancouver	Income	1st time buyer; residency; income. Priority: workers at Dockside Green & car-free	Priority: Faculty and staff & households with dependents	Local employees, self-employed and retirees
Renting allowed?	No	No	No	Only on sabbatical	Yes
Remedies for Breach	Exercise option	Exercise option	Exercise option	Exercise option	Accumulating fines
Provider Assistance with Resale	None mentioned	Yes	None mentioned	Qualified buyers waiting list	Buyer and renter wait list
Appraisal Validity Term	6 months	N/A	6 months	6 months	N/A
Who Pays for Appraisal	Owner	N/A	Owner	Owner	N/A
Fee to Provider	Reimburse expenses	3% of sales price	0.5% of sales price	None mentioned	None mentioned

4.1 THE USE OF A SECOND MORTGAGE

Rather than using re-sale control agreements registered on title, some programs use a second mortgage (Options for Homes Toronto). Under a second mortgage, the affordability of the unit is preserved by the non-profit agency or program administrator providing support toward the purchase of the home in the form of a zero interest second mortgage that is registered on the title with no payments to be made until the time of sale.

Through the use of a second mortgage, the purchaser is required to finance only a portion of the total cost of the unit through a conventional mortgage while the second mortgage is registered on title and must be re-paid at the time of the sale of the unit when sufficient funds become available through the proceeds of the sale. One of the limitations of using a second mortgage is that it does not help to protect the on-going affordability of a unit.

The second mortgage approach is most often used where the amount or proportion of the housing benefit is modest relative to the purchase price. One such scenario would be a \$10,000 discount off the purchase price, where the project mandate envisions the forgiveness of the discount over a period of 5 to 10 years. By registering the second mortgage on title, the owner is prevented from flipping the property and realizing the subsidy and the lender is content to have the support “absorbed” rather than trying to administer an onerous re-sale control agreement where the cost of administering the agreement would outweigh the value.

While it is more costly to establish and administer a re-sale control agreement, this approach is more robust when compared to a second mortgage. In particular, having a Section 219 covenant registered on title helps to both protect the investment as well as ensure on-going affordability of the unit. Through registering the covenant on title, the Section 219 approach provides controls around the conditions and sale of the asset as well as giving notice to the administrator of the housing program in the event of a sale. Therefore, while more labour intensive and more complex to administer, having a re-sale control agreement registered on title provides greater protection from non-compliant owners who may wish to circumvent the process.

5.0 HELPING RENTERS TO BECOME OWNERS: WHO GETS HELPED AND BY HOW MUCH?

This section looks at the income and affordability gap for an affordable home ownership program using conventional eligibility criteria (i.e. a target income range of between 80% and a 120% of the Area Median Income). The analysis looks at the income and down payment needed for a renter to achieve ownership based on a “benchmark” condo apartment unit. Table 4 provides a comparative analysis of the income and affordability gap for the capital region (as an average) as well as the City of Victoria and Esquimalt. It also looks at the number of CRD renters who have incomes which fall within the range of between 80% and 120% of the Area Median Income as well as the amount of the discount in price that would be needed to allow renter households across the capital region to achieve the goal of ownership. We also note that benchmark data is based on the MLS data reported by the Victoria Real Estate Board and that this price is typically based on re-sale units (not new construction). Consequently the amount of the purchase price discount/support reported in the table below is likely to be understated.

In looking at the information set out in Table 4, it is necessary to take into consideration the following assumptions:

- The examples in Table 4 were used to illustrate the income and affordability gap for an entry-level ownership program for renter households in the capital region and that additional information for all communities has been included in the Appendices;
- Table 4 includes an estimate of the amount of discount (subsidy) that would be needed to bring the price for an benchmark condo apartment unit down to the price that would be affordable to a renter household in the target income range of \$48,637 to \$72,955 (80% to 120% of the Area Median Income);
- The number of renter households in the capital region and across the target communities who have incomes in this range and who are likely to benefit from this type of program;
- The renter households receiving assistance through the program have a down payment equal to 20% of the purchase price of the unit including assistance through the Province’s BC HOMES program which provides matching down payment assistance up to 5% of the value of home;
- The monthly payments are estimated using CMHC’s Mortgage Affordability Calculator and include provisions for an interest rate of 2.9% based on a fixed five year mortgage and a 25 year amortization period
- Provisions for property taxes, utilities, condo fees and mortgage insurance payments are also included in the calculation.

- Table 4 below selects three examples from the materials in the Appendices which reports on all of the CRD entities. Victoria was chosen because of its size and because market conditions in Victoria are relatively close to the median for CRD, while market levels in Esquimalt are on the more affordable than those within the region, thus these examples provides an illustrative range of values and income scenarios.

Based on these assumptions, the scenario that is modeled in Table 4 below includes the estimated income and affordability gap for the capital region (as an average) as well as the City of Victoria and the District of Esquimalt.

TABLE 4: Estimated Income and Affordability Gap For the Capital Region, Victoria and Esquimalt

	CRD	Victoria	Esquimalt
CURRENT MARKET			
Benchmark price (condo apartment)	\$433,200	\$422,100	\$323,300
Income Required - Current Interest and Expenses assuming 20% down payment	\$64,880	\$63,240	\$48,440
RENTER CAPACITY (INCOME AND DOWN PAYMENT REQUIREMENT)			
Total down payment at 20%	\$86,640	\$84,420	\$64,660
BC HOMES contribution	\$21,660	\$21,105	\$16,165
Down payment purchaser	\$64,980	\$63,315	\$48,495
Median Renter Income	\$38,583	\$35,647	\$42,057
PROGRAM ELIGIBILITY			
Income at 80% of the AMI	\$48,637	\$48,637	\$48,637
Income at 120% of the AMI	\$72,955	\$72,955	\$72,955
AFFORDABILITY CALCULATION			
Affordable Price at 80% of AMI	\$205,924	\$205,924	\$205,924
Affordable Gap at 80% of AMI	(\$227,276)	(\$216,176)	(\$117,376)
Affordable Gap at 80% of AMI as % of Market Value	48%	49%	64%
Affordable Price at 120% of AMI	\$369,416	\$369,416	\$369,416
Affordable Gap at 120% of AMI	(\$63,784)	(\$53,684)	\$46,116
Affordable Gap at 120% of AMI as % of Market Value	85%	88	114%
POTENTIAL POOL OF ELIGIBLE HOUSEHOLDS			
Estimated # of Eligible Renter Households	8,725	3,634	790
% Renter Households	16.0%	14.3%	19.4%

Key Findings and Outcomes

The analysis in Table 4 illustrates the amount of assistance or subsidy that a renter household in the capital region would need to move into an entry-level condo apartment unit assuming that they have the necessary down payment saved. As shown in Table 4:

- To achieve the affordability profile envisioned (i.e. a unit that is affordable to a household with an income of between 80% and 120% of the Area Median Income) the units would have to be discounted to between 48% and 85% of the market value and/or receive a subsidy of between \$63,784 and \$227,276 of the selling/asset price.
- In the City of Victoria to achieve the affordability profile envisioned (i.e. a unit that is affordable to a household with an income of between 80% and 120% of the Area Median Income) the units would have to be discounted to between 49% and 88% of the market value and/or receive a subsidy of between \$53,684 and \$216,176 of the selling or asset price.
- In communities such as Esquimalt where the affordability profile is somewhat better, the amount of the price discount at the lower end of the income range (80% of the Area Median Income) is still \$117,376.

These are relatively high subsidies given the affordability profile that is achieved and the range of housing needs across the region. Moreover, these subsidies are calculated at the maximum limits of the lending criteria and it is very likely that many purchasers would be reluctant to take on this amount of debt. Similarly, it may be the case that lending institutions may be reluctant to loan this amount of money especially in cases where consumer debt-levels or other circumstances of the purchaser may not be optimal.

6.0 CONCLUSIONS

Communities across the capital region are experiencing significant housing stress. This report looks at the current ownership market both in terms of the cost of housing and the income and down-payment needed for a renter household to move into entry-level ownership. The report also examined some of the affordable home ownership initiatives and demonstration projects that have been implemented within BC and other jurisdictions.

The report examines the types of partnerships that are needed to ensure the overall success of these initiatives including:

- **Financing and lending institutions** that are willing to help to identify and qualify eligible households;
- **Non-profit partners** that are able to help with the marketing of the units, identify eligible households as well as help to build community and public support for these types of initiatives;
- **A developer or private sector partner** that brings the necessary depth and financial capacity to deal with the complexity of the different types of partnerships and legal and financial arrangements that are needed.

Municipal and political support is also critical both from a planning and regulatory perspective as well as in terms of the financial and non-financial incentives needed to achieve the affordability profile envisioned. The analysis set out in the report makes it clear that incremental improvements in the affordability profile for housing in the capital region will require a significant investment of resources if the desired affordability profile is to be achieved. For the capital region as a whole, this is estimated to be a discount equal to between 48% and 85% of the market value or a subsidy of between \$63,000 and \$227,000 per unit. The report also estimates that there are approximately 8,725 renter households who could potentially benefit from this type of program assuming that they had the necessary down payment saved and that they could secure a mortgage.

The report concludes that while there have been some good demonstration projects implemented over the past 15 to 20 years, these projects are often “one-off” and are difficult to fully replicate or scale. Furthermore, the report notes that there is the need to ensure that public investments and that the benefit created through these types of initiatives are well aligned and responsive to the needs in the community. In some communities, affordable ownership may be the best choice while in other communities limited housing resource might be better directed toward creating more affordable rental housing or non-market housing solutions. Regardless of the approach taken, it is necessary to recognize that the types of partnerships and resources needed to ensure the success of an entry-level ownership initiative are no different than the types of partnerships and resources needed for other housing programs. As well, it is important to recognize that in most communities there are only a limited number of resources that are available and that these resources are already in great demand by other housing programs many of which target a population with even greater needs.

We have modelled the most common type of condo product, (two-bedroom units), and note that in some Affordable Housing programs one-bed room units or even studios have been tested. Although smaller units will tend to lower the income threshold, and reduce the pool of qualifying potential renters to singles or couples; e.g. the one-bedroom format isn't suitable for most families with children. Notwithstanding the general challenges of originating, marketing, targeting, administering and resourcing Affordable Homeownership programs, there are individual projects that are viable and can be successfully completed by a particularly strong proponent (developer or non-profit). For a successful affordable homeownership project, market conditions need to be suitable and the origination must carefully consider the marketing, financial and administrative risks.

Appendix A

Market Data

Housing-Related Measures and Indicators in the Capital Region

This section provides an overview of some of the key housing-related measures and indicators that need to be considered when looking at the question of designing an entry-level ownership initiative. This includes both demand-side and supply-side measures related to the current housing market in the capital region.

- Population Growth in the Capital Region
- Household Growth in the Capital Region
- The Diversity of the Housing Stock
- Distribution of Households by Household Size
- Patterns of Tenure (Ownership and Rental)
- The Availability of Condo Apartment Units
- Average Payments (Owner Households)
- The Number of Owners with a Mortgage
- Average Monthly Housing Costs for Owners with a Mortgage
- The Distribution of Renter Households
- Average Monthly Housing Costs across Renters
- Median Household Income (Renter Household)
- The Down Payment and Qualifying Income Needed to Purchase a Single Detached Home
- The Down Payment and Qualifying Income Needed to Purchase a Townhouse Unit
- The Down Payment and Qualifying Income Needed to Purchase a Condo Apartment Unit

Population Growth in the Capital Region

As the population continues to increase across communities the demand for housing will continue to grow, both for rental and ownership. Table A.1 shows the growth in the population between 2011 and 2016 across the different communities as well as the overall rate of growth for the period.

Table A.1: Population Growth in the Capital Region

	2001	2006	2011	2016	Change 2011 - 2016	% Change 2011 - 2016
British Columbia	3,907,738	4,113,487	4,400,057	4,648,055	247,998	6%
Capital Regional District	325,754	345,164	359,991	383,360	23,369	6%
Esquimalt	16,127	16,840	16,209	17,655	1,446	9%
Oak Bay	17,798	17,908	18,015	18,094	79	0%
Saanich	103,654	108,265	109,752	114,148	4,396	4%
Victoria	74,125	78,057	80,017	85,792	5,775	7%
View Royal	7,271	8,768	9,381	10,408	1,027	11%
Central Saanich	15,348	15,745	15,936	16,814	878	6%
North Saanich	10,436	10,823	11,089	11,249	160	1%
Sidney	10,929	11,315	11,178	11,672	494	4%
Colwood	13,745	14,687	16,093	16,859	766	5%
Highlands	1,674	1,903	2,120	2,225	105	5%
Juan de Fuca (Part 1 & 2)	3,962	4,484	4,466	4,860	394	9%
Langford	18,840	22,459	29,228	35,342	6,114	21%
Metchosin	4,857	4,795	4,803	4,708	(95)	-2%
Sooke	8,735	9,704	11,435	13,001	1,566	14%
Salt Spring Island EA	9,279	9,640	10,234	10,557	323	3%
Southern Gulf Islands	4,307	5,101	4,868	4,732	(136)	-3%

Source: Statistics Canada 2006 Census, 2011 Census and 2016 Census

Household Growth in the Capital Region

Table A.2 show the increase in the number of households living in the capital region between 2011 and 2016 as well as across the different communities. As shown in Table A.2, the capital region grew by 9,522 households between 2011 and 2016. This translates directly into housing demand.

Table A.2: Household Growth in the Capital Region

	Total Households 2006	Total Households 2011	Total Households 2016	Change 2011 - 2016	% Change 2011 - 2016
British Columbia	1,643,150	1,764,630	1,881,969	117,339	7%
Capital Regional District	152,535	160,635	170,157	9,522	6%
Esquimalt	7,995	8,040	8,493	453	6%
Oak Bay	7,900	7,760	7,737	(23)	0%
Saanich	44,575	45,390	46,652	1,262	3%
Victoria	41,705	42,955	45,762	2,807	7%
View Royal	3,340	3,945	4,154	209	5%
Central Saanich	6,245	6,595	6,893	298	5%
North Saanich	4,275	4,505	4,626	121	3%
Sidney	5,195	5,325	5,603	278	5%
Colwood	5,500	6,100	6,588	488	8%
Highlands	705	780	831	51	7%
Juan de Fuca (Part 1 & 2)	1,845	1,825	2,081	256	14%
Langford	8,680	11,680	14,178	2,498	21%
Metchosin	1,730	1,785	1,818	33	2%
Sooke	3,855	4,505	5,253	748	17%
Salt Spring Island EA	4,320	4,660	4,842	182	4%
Southern Gulf Islands	2,640	2,530	2,479	(51)	-2%

Source: Statistics Canada 2006 Census, 2011 Census and 2016 Census

The Diversity of the Housing Stock

Table A.3 shows the profile of the housing stock across the capital region including the number of single detached, semi-detached as well as townhouse and row house units. It also shows the total number of apartment units (low rise and high rise) within the capital region as well as the distribution of apartment duplex units including accessory units (garden and basement suites). It also shows the general distribution of manufactured homes across the region. The information reflected in Table A.3 shows an increasing diversity within the housing stock across the capital region including an increasing number of multi-unit residential developments.

Table A.3: The Diversity of the Housing Stock

	Total Housing Stock	Single Detached	Townhouse, Row house Other	Apartment Duplex	Apartment (Low Rise & High Rise)	Mobile Homes
British Columbia	1,881,970	830,660	208,980	230,075	562,970	49,290
Capital Regional District	170,160	70,630	16,920	25,835	54,775	1,990
Esquimalt	8,490	1,995	1,110	910	4,470	-
Oak Bay	7,740	4,900	230	575	2,035	-
Saanich	46,650	22,145	4,755	10,350	9,395	10
Victoria	45,765	6,545	3,485	4,490	31,230	10
View Royal	4,150	1,655	890	900	710	5
Central Saanich	6,890	3,750	920	1,410	795	15
North Saanich	4,630	3,745	265	520	85	5
Sidney	5,605	1,995	1,050	800	1,760	5
Colwood	6,585	3,360	1,210	1,295	720	5
Highlands	830	790	5	25	10	5
Juan de Fuca (Part 1 & 2)	2,085	1,800	40	125	10	100
Langford	14,180	5,655	1,610	3,405	2,975	535
Metchosin	1,820	1,420	75	260	40	30
Sooke	5,255	3,440	660	490	370	290
Salt Spring Island EA	4,840	3,920	370	240	80	230
Southern Gulf Islands	2,475	2,375	20	15	5	60

Source: Statistics Canada 2016 Census

Distribution of Households by Household Size (2016)

Table A.4 shows the general distribution of households across the capital region based on household size. As shown in Table A.4 there is a mix of both smaller households (1 person and 2 person households) as well as larger household sizes.

Table A.4: Distribution of Households by Household Size (2016)

	Total Households	1 person	2 person	3 person	4 person	5 or more persons
British Columbia	1,881,970	541,910	663,770	277,690	243,125	155,470
Capital Regional District	170,155	56,720	64,200	22,550	17,830	8,860
Esquimalt	8,495	3,415	3,065	1,055	695	265
Oak Bay	7,735	2,385	2,980	950	975	445
Saanich	46,650	12,645	17,285	7,310	6,100	3,310
Victoria	45,760	22,170	16,060	4,180	2,380	980
View Royal	4,155	1,070	1,645	615	560	265
Central Saanich	6,895	1,755	2,700	1,055	965	415
North Saanich	4,630	815	2,340	625	575	275
Sidney	5,605	2,135	2,335	525	395	220
Colwood	6,585	1,365	2,510	1,160	1,105	445
Highlands	830	145	335	125	150	75
Juan de Fuca (Part 1 & 2)	2,085	495	960	275	230	125
Langford	14,180	3,480	5,120	2,550	2,040	990
Metchosin	1,815	370	800	270	245	135
Sooke	5,250	1,295	1,995	840	705	410
Salt Spring Island EA	4,845	1,610	2,010	570	425	225
Southern Gulf Islands	2,475	865	1,275	180	105	50

Source: Statistics Canada 2016 Census

Distribution of Owners in the Capital Region

Table A.5 shows the distribution of owners across the capital region including the changes over time. As shown in Table A.5, owners accounted for approximately two-thirds of all households across the capital region in 2006 and 2011. It should also be noted that the 2016 data on household tenure will be available in late October at which time we will update the information captured in this table.

Table A.5: Distribution of Owners in the Capital Region

	Total Owners 2006	Total Owners 2011	Total Owners 2016 ¹	Increase in Owners 2006 - 2011	% Change in Owners 2006 - 2011
British Columbia	1,145,045	1,234,710	**	89,665	8%
Capital Regional District	99,980	106,035	**	6,055	6%
Esquimalt	4,015	3,975	**	(40)	-1%
Oak Bay	5,810	5,880	**	70	1%
Saanich	32,540	33,245	**	705	2%
Victoria	16,880	17,485	**	605	4%
View Royal	2,510	2,845	**	335	13%
Central Saanich	5,130	5,315	**	185	4%
North Saanich	3,835	4,025	**	190	5%
Sidney	4,015	4,280	**	265	7%
Colwood	4,180	4,775	**	595	14%
Highlands	660	745	**	85	13%
Juan de Fuca (Part 1 & 2)	1,480	1,555	**	75	5%
Langford	6,885	8,855	**	1,970	29%
Metchosin	1,485	1,485	**	-	0%
Sooke	3,140	3,675	**	535	17%
Salt Spring Island EA	3,530	3,845	**	315	9%
Southern Gulf Islands	2,240	2,235	**	(5)	0%

Source: Statistics Canada 2006 and 2011 Census

¹Note: updated 2016 housing-related data is expected to be released by Statistics Canada on October 25, 2017.

Households Living in Apartment Condo Units

Apartment condominium units represent one of the more affordable sources of ownership housing across the province. Table A.6 shows the general distribution of households living in strata tenure housing including the changes that have taken place over time. As shown in Table A.6 the number of households living in strata tenure condo apartment units continues to increase with 1 in 3 owners across British Columbia reporting that they live in this form of housing. Across the capital region approximately 27% of all owners reported that they live in strata tenure housing (up from 20% in 2006).

Table A.6: Households Living in Apartment Condo Units

	Total Owners 2006	Part of a Condo 2006	% Condo Ownership 2006	Total Owners 2011	Part of a Condo 2011	% Condo Ownership 2011
British Columbia	1,145,045	239,380	21%	1,234,710	397,105	32%
Capital Regional District	99,980	19,720	20%	106,035	28,520	27%
Esquimalt	4,015	1,195	30%	3,975	1,495	38%
Oak Bay	5,810	725	12%	5,880	840	14%
Saanich	32,540	5,645	17%	33,245	7,260	22%
Victoria	16,880	7,670	45%	17,485	11,600	66%
View Royal	2,510	565	23%	2,845	810	28%
Central Saanich	5,130	755	15%	5,315	920	17%
North Saanich	3,835	100	3%	4,025	190	5%
Sidney	4,015	1,635	41%	4,280	1,895	44%
Colwood	4,180	330	8%	4,775	795	17%
Highlands	660	10	2%	745	-	0%
Juan de Fuca (Part 1 & 2)	1,480	60	4%	1,555	-	0%
Langford	6,885	695	10%	8,855	2,075	23%
Metchosin	1,485	10	1%	1,485	20	1%
Sooke	3,140	160	5%	3,675	385	10%
Salt Spring Island EA	3,530	145	4%	3,845	190	5%
Southern Gulf Islands	2,240	25	1%	2,235	-	0%

Source: Statistics Canada 2006 Census and 2011 Census

¹Note: updated 2016 housing-related data is expected to be released by Statistics Canada on October 25, 2017.

Average Payments (Owners)

Table A.7 shows the average monthly payments reported across owners in 2006 and 2011. As shown in Table A.7, the average monthly payment reported across owners in the capital region was \$1,245 per month in 2011. This is approximately 17% higher than the average monthly payment reported across owners in 2006. Table A.8 on the following page shows the difference in the average monthly payment reported across owners with a mortgage compared to owners without a mortgage with more than half of all owners (55%) across the capital region reporting that they had a mortgage¹.

Table A.7: Average Owners' Payments

	Average Owners' Payments 2006	Average Owners' Payment 2011	Average Owners' Payment 2016 ²	Change in Owners' Payments 2006 - 2011	% Change in Owners' Payments 2006 - 2011
British Columbia	\$1,059	\$1,228	**	\$169	16%
Capital Regional District	\$1,063	\$1,245	**	\$182	17%
Esquimalt	\$980	\$1,212	**	\$232	24%
Oak Bay	\$1,148	\$1,331	**	\$183	16%
Saanich	\$1,066	\$1,247	**	\$181	17%
Victoria	\$1,038	\$1,204	**	\$166	16%
View Royal	\$1,206	\$1,339	**	\$133	11%
Central Saanich	\$1,102	\$1,276	**	\$174	16%
North Saanich	\$1,139	\$1,169	**	\$30	3%
Sidney	\$845	\$1,005	**	\$160	19%
Colwood	\$1,153	\$1,381	**	\$228	20%
Highlands	\$1,196	\$1,564	**	\$368	31%
Juan de Fuca (Part 1 & 2)	\$1,076	\$1,225	**	\$149	14%
Langford	\$1,223	\$1,475	**	\$252	21%
Metchosin	\$1,111	\$1,230	**	\$119	11%
Sooke	\$1,090	\$1,315	**	\$225	21%
Salt Spring Island EA	\$891	\$1,019	**	\$128	14%
Southern Gulf Islands	\$618	\$724	**	\$106	17%

Source: Statistics Canada 2006 Census and 2011 Census

Note:

¹As noted in Table A.9, the average monthly housing cost reported in 2011 by a household in the capital region that had a mortgage was \$1,462 per month compared to \$508 per month across those without a mortgage.

²Note: Updated 2016 housing-related data is expected to be released by Statistics Canada on October 25, 2017.

Owners with a Mortgage

Table A.8 shows the total number of owners across the capital region with a mortgage including the change in the number of owners with a mortgage between 2006 and 2011. As shown in Table A.8, the proportion of owners with a mortgage can vary significantly across the region with Oak Bay, North Saanich and the Gulf Islands reporting a larger proportion of households without a mortgage. Conversely, communities like Esquimalt, View Royal, Colwood, Highlands, Juan de Fuca, and Langford have a large proportion of households reporting that they have a mortgage.

Table A.8: Owners with a Mortgage

	Total Owners 2006	Owners With a Mortgage 2006	% of Owners With a Mortgage 2006	Total Owners 2011	Owners With a Mortgage 2011	% of Owners With a Mortgage 2011
British Columbia	1,145,045	644,555	57.6%	1,234,710	707,489	57.3%
Capital Regional District	99,980	53,715	54.9%	106,035	58,319	55.0%
Esquimalt	4,015	2,360	58.9%	3,975	2,468	62.1%
Oak Bay	5,810	2,315	39.9%	5,880	2,352	40.0%
Saanich	32,540	16,740	51.7%	33,245	17,254	51.9%
Victoria	16,880	9,750	57.8%	17,485	9,897	56.6%
View Royal	2,510	1,705	67.9%	2,845	1,784	62.7%
Central Saanich	5,130	2,775	55.3%	5,315	2,711	51.0%
North Saanich	3,835	1,775	46.5%	4,025	1,735	43.1%
Sidney	4,015	1,805	45.0%	4,280	2,106	49.2%
Colwood	4,180	2,835	68.0%	4,775	3,204	67.1%
Highlands	660	370	56.5%	745	478	64.2%
Juan de Fuca (Part 1 & 2)	1,480	920	63.4%	1,555	972	62.5%
Langford	6,885	5,015	72.9%	8,855	6,588	74.4%
Metchosin	1,485	770	53.5%	1,485	777	52.3%
Sooke	3,140	2,165	69.6%	3,675	2,565	69.8%
Salt Spring Island EA	3,530	1,600	46.8%	3,845	1,626	42.3%
Southern Gulf Islands	2,240	790	35.7%	2,235	776	34.7%

Source: Statistics Canada 2006 Census and 2011 Census

¹Note: Updated 2016 housing-related data is expected to be released by Statistics Canada on October 25, 2017.

Average Monthly Housing Costs for Owners with a Mortgage

Table A.9 shows that the average monthly housing costs for owners with a mortgage in the capital region is 3 to 4 times higher than the average monthly housing costs for owners without a mortgage. As shown in Table A.9, the average monthly housing costs for owners with a mortgage was equal to \$1,462 in 2011 compared to \$508 per month for owners without a mortgage.

Table A.9: Average Monthly Housing Costs for Owners with a Mortgage

	Average Monthly Payments (All Owners)	Average Monthly Payments (Owners with Mortgage)	Average Monthly Payments (Owners without Mortgage)	Ratio of Payments With Mortgage compared to Without Mortgage
British Columbia	\$1,228	\$1,472	\$485	3.0
Capital Regional District	\$1,245	\$1,462	\$508	2.9
Esquimalt	\$1,212	\$1,349	\$466	2.9
Oak Bay	\$1,331	\$1,605	\$676	2.4
Saanich	\$1,247	\$1,524	\$530	2.9
Victoria	\$1,204	\$1,272	\$546	2.3
View Royal	\$1,339	\$1,618	\$437	3.7
Central Saanich	\$1,276	\$1,582	\$530	3.0
North Saanich	\$1,169	\$1,586	\$525	3.0
Sidney	\$1,005	\$1,059	\$478	2.2
Colwood	\$1,381	\$1,700	\$423	4.0
Highlands	\$1,564	\$1,919	\$492	3.9
Juan de Fuca (Part 1 & 2)	\$1,225	\$1,409	\$418	3.4
Langford	\$1,475	\$1,678	\$352	4.8
Metchosin	\$1,230	\$1,568	\$408	3.8
Sooke	\$1,315	\$1,539	\$372	4.1
Salt Spring Island EA	\$1,019	\$1,175	\$422	2.8
Southern Gulf Islands	\$724	\$756	\$362	2.1

Source: Statistics Canada 2006 Census and 2011 Census

¹Note: Updated 2016 housing-related data is expected to be released by Statistics Canada on October 25, 2017.

Distribution of Renters in the Capital Region

Table A.10 shows the distribution of renter households across the capital region including the increase in the number of renter households between 2006 and 2011. This represents approximately 1 in 3 households in the capital region.

Table A.10: Distribution of Renters in the Capital Region

	Total Renters 2006	Total Renters 2011	Total Renters 2016 ¹	Change in Renter Households 2006 - 2011	% Change in Renter Households 2006 - 2011
British Columbia	493,995	524,995	**	31,000	6%
Capital Regional District	52,365	54,470	**	2,105	4%
Esquimalt	3,975	4,065	**	90	2%
Oak Bay	2,090	1,885	**	-205	-10%
Saanich	12,035	12,140	**	105	1%
Victoria	2,4825	25,475	**	650	3%
View Royal	830	1,100	**	270	33%
Central Saanich	1,110	1,285	**	175	16%
North Saanich	440	480	**	40	9%
Sidney	1,180	1,045	**	-135	-11%
Colwood	1,325	1,320	**	-5	0%
Highlands	40	35	**	-5	-13%
Juan de Fuca (Part 1 & 2)	255	270	**	15	6%
Langford	1,800	2,825	**	1,025	57%
Metchosin	250	300	**	50	20%
Sooke	715	835	**	120	17%
Salt Spring Island EA	790	815	**	25	3%
Southern Gulf Islands	400	295	**	-105	-26%

Source: Statistics Canada 2006 Census and 2011 Census

¹Note: Updated 2016 housing-related data is expected to be released by Statistics Canada on October 25, 2017.

Average Monthly Housing Costs (Renters)

Table A.11 shows the average monthly housing costs across renter households living in the capital region including the change in the average market rents between 2006 and 2011. As shown in Table A.11, the average monthly rent across the capital region was approximately \$985 per month. To be affordable, a household would need an annual household income of \$39,400 to carry the cost of this rent. It is also important to note that the average monthly housing costs reported by renter households living in the capital region increased by approximately 20% between 2006 and 2011 with some parts of the region reporting a significantly higher increase in the average reported rents.

Table A.11: Average Monthly Housing Costs (Renters)

	Average Monthly Payments Renters 2006	Average Monthly Payment Renters 2011	Average Monthly Payment Renters 2016 ¹	Change in Average Monthly Payments 2006 - 2011	% Change in Average Monthly Rents 2006 - 2011
British Columbia	\$828	\$989	**	\$161	19.4%
Capital Regional District	\$820	\$985	**	\$165	20.1%
Esquimalt	\$743	\$943	**	\$200	26.9%
Oak Bay	\$997	\$1,104	**	\$107	10.7%
Saanich	\$893	\$1,025	**	\$132	14.8%
Victoria	\$767	\$930	**	\$163	21.3%
View Royal	\$958	\$1,111	**	\$153	16.0%
Central Saanich	\$805	\$1,049	**	\$244	30.3%
North Saanich	\$867	\$949	**	\$82	9.5%
Sidney	\$926	\$1,142	**	\$216	23.3%
Colwood	\$948	\$994	**	\$46	4.9%
Highlands	\$1,005	\$1,020	**	\$15	1.5%
Juan de Fuca (Part 1 & 2)	\$752	\$1,252	**	\$500	66.5%
Langford	\$856	\$1,162	**	\$306	35.7%
Metchosin	\$864	\$946	**	\$82	9.5%
Sooke	\$801	\$968	**	\$167	20.8%
Salt Spring Island EA	\$814	\$908	**	\$94	11.5%
Southern Gulf Islands	\$563	\$925	**	\$362	64.3%

Source: Statistics Canada 2006 Census and 2011 Census

¹Note: Updated 2016 housing-related data is expected to be released by Statistics Canada on October 25, 2017.

Median Household Income (Renters)

Table A.12 shows the median household income for renter households in the capital region including the change between 2006 and 2011. Information for 2016 is not yet available, however in looking at the information reported in Table A.12, the findings suggest that renter households typically have average incomes that are significantly below the incomes reported across owners.

Table A.12: Median Household Income (Renters) – 2006 and 2011

	Median Household Income Renters 2006	Median Household Income Renters 2011	Median Household Income Renters 2016 ¹	Change Average Monthly Renter Income 2006 - 2011	% Change in the Median Income for Renter Households 2006 – 2011
British Columbia	\$33,722	\$38,920	**	\$234	15.4%
Capital Regional District	\$33,123	\$38,583	**	\$230	16.5%
Esquimalt	\$32,742	\$42,057	**	\$227	28.4%
Oak Bay	\$37,951	\$37,773	**	\$264	-0.5%
Saanich	\$34,947	\$41,019	**	\$243	17.4%
Victoria	\$30,436	\$35,647	**	\$211	17.1%
View Royal	\$45,046	\$48,961	**	\$313	8.7%
Central Saanich	\$36,992	\$42,152	**	\$257	13.9%
North Saanich	\$35,371	\$39,276	**	\$246	11.0%
Sidney	\$36,574	\$43,352	**	\$254	18.5%
Colwood	\$52,805	\$62,108	**	\$367	17.6%
Highlands	\$52,038	\$50,618	**	\$361	-2.7%
Juan de Fuca (Part 1 & 2)	\$33,602	\$53,563	**	\$233	59.4%
Langford	\$41,147	\$43,955	**	\$286	6.8%
Metchosin	\$59,123	\$52,975	**	\$411	-10.4%
Sooke	\$30,298	\$32,394	**	\$210	6.9%
Salt Spring Island EA	\$29,847	\$26,866	**	\$207	-10.0%
Southern Gulf Islands	\$24,280	\$26,233	**	\$169	8.0%

Source: Statistics Canada 2006 Census and 2011 Census

¹Note: Updated 2016 housing-related data is expected to be released by Statistics Canada on October 25, 2017.

Median Household Income (Renters and Owners Compared)

Table A.13 shows the median household income for renter households in the capital region including the change between 2006 and 2011. Information for 2016 is not yet available, however in looking at the information reported in Table A.13 the findings suggest that renter households in the capital region had a median household income that was equal to approximately 48% of the median household income for owners.

Table A.13: Average and Median Household Income (Renters and Owners Compared)

	Median Renter Income (2011)	Average Renter Income (2011)	Median Owner Income \$	Median Average Owner Income \$
British Columbia	\$33,722	\$42,656	\$72,048	\$89,114
Capital Regional District	\$33,123	\$41,018	\$69,329	\$77,207
Esquimalt	\$32,742	\$40,186	\$100,674	\$127,815
Oak Bay	\$37,951	\$47,010	\$81,160	\$95,688
Saanich	\$34,947	\$42,701	\$69,099	\$81,791
Victoria	\$30,436	\$38,051	\$85,349	\$94,715
View Royal	\$45,046	\$51,637	\$85,975	\$102,514
Central Saanich	\$36,992	\$46,736	\$93,485	\$121,112
North Saanich	\$35,371	\$44,672	\$60,166	\$73,526
Sidney	\$36,574	\$44,250	\$90,309	\$94,711
Colwood	\$52,805	\$54,650	\$101,419	\$117,178
Highlands	\$52,038	\$52,495	\$69,918	\$76,490
Juan de Fuca (Part 1 & 2)	\$33,602	\$41,030	\$79,398	\$87,560
Langford	\$41,147	\$46,311	\$88,215	\$104,940
Metchosin	\$59,123	\$73,553	\$72,808	\$80,204
Sooke	\$30,298	\$37,267	\$58,463	\$69,992
Salt Spring Island EA	\$29,847	\$33,036	\$53,782	\$63,093
Southern Gulf Islands	\$24,280	\$32,239	\$76,711	\$91,237

Source: 2011 Census (custom data purchase) based on 2010 rent levels by household size

Down Payment, Qualifying Income and Monthly Housing Costs (Single Detached Home)

Table A.14 shows the down payment requirements, qualifying income and average monthly housing costs to purchase single detached housing across the communities in the capital region based on the July 2017 benchmark price reported by the Victoria Real Estate Board.

Table A.14: Down Payment, Qualifying Income & Monthly Housing Costs (Single Detached)

	Benchmark Price	Down Payment 20%	Qualifying Income	Monthly Housing Costs
Capital region (VREB)	\$700,800	\$140,160	\$115,296	\$2,625
Esquimalt	\$595,600	\$119,120	\$100,524	\$2,231
Oak Bay	\$1,219,800	\$243,960	-	\$4,568
Saanich (East)	\$875,800	\$175,160	\$139,872	\$3,280
Saanich (West)	\$706,300	\$141,260	\$116,064	\$2,645
Victoria	\$805,300	\$161,060	\$129,972	\$3,016
Victoria West	\$598,100	\$119,620	\$100,872	\$2,240
View Royal	\$687,400	\$137,480	\$113,412	\$2,574
Central Saanich	\$721,200	\$144,240	\$118,164	\$2,701
North Saanich	\$899,000	\$179,800	\$143,124	\$3,367
Sidney	\$629,700	\$125,940	\$105,312	\$2,358
Colwood	\$660,400	\$132,080	\$109,620	\$2,473
Highlands	\$842,600	\$168,520	\$135,204	\$3,156
Juan de Fuca (Part 1 & 2)	-	-	-	-
Langford	\$592,300	\$118,460	\$100,056	\$2,218
Metchosin	\$865,800	\$173,160	\$138,648	\$3,242
Sooke	\$479,100	\$95,820	\$84,156	\$1,794
Gulf Islands	\$440,700	\$88,140	\$78,768	\$1,734

The information in Table B.1 was calculated using the MLS benchmark data for the capital region published by the Victoria Real Estate Board and CMHC's *Mortgage Affordability Calculator*. It assumes a down payment of 20%, a five year fixed term interest rate of 2.9% and a 25-year amortization period and makes provisions for heating, property taxes, and condo fees.

Down Payment, Qualifying Income and Monthly Housing Costs (Townhouse)

Table A.15 shows the down payment requirements, qualifying income and average monthly housing costs to purchase a townhouse unit across the communities in the capital region based on the July 2017 benchmark price reported by the Victoria Real Estate Board.

Table A.15: Down Payment, Qualifying Income and Monthly Housing Costs (Townhouse)

	Benchmark Price	Down Payment 20%	Qualifying Income	Monthly Payment
Capital region (VREB)	\$542,200	\$108,440	\$93,024	\$2,031
Esquimalt	\$474,800	\$94,960	\$83,556	\$1,778
Oak Bay	-	-	-	-
Saanich (East)	\$678,900	\$135,780	\$112,224	\$2,543
Saanich (West)	\$531,400	\$106,280	\$91,500	\$1,990
Victoria	\$582,300	\$116,460	\$98,652	\$2,181
Victoria West	\$550,200	\$110,040	\$94,140	\$2,061
View Royal	\$571,000	\$114,200	\$97,068	\$2,138
Central Saanich	\$478,800	\$95,760	\$84,120	\$1,793
North Saanich	\$706,600	\$141,320	\$116,112	\$2,646
Sidney	\$541,800	\$108,360	\$92,964	\$2,029
Colwood	\$553,600	\$110,720	\$94,620	\$2,073
Highlands	-	-	-	-
Juan de Fuca (Part 1 & 2)	-	-	-	-
Langford	\$439,600	\$87,920	\$78,612	\$1,646
Metchosin	-	-	-	-
Sooke	\$460,700	\$92,140	\$81,648	\$1,725
Gulf Islands	\$458,500	\$91,700	\$81,264	\$1,824

The information in Table B.2 was calculated using the MLS benchmark data for the capital region published by the Victoria Real Estate Board and CMHC's *Mortgage Affordability Calculator*. It assumes a down payment of 20%, a five year fixed term interest rate of 2.9% and a 25-year amortization period and makes provisions for heating, property taxes, and condo fees.

Down Payment, Qualifying Income and Monthly Housing Costs (Condo) at 20% Down

Table A.16 shows the down payment requirements, qualifying income and average monthly housing costs to purchase a condo apartment unit across the communities in the capital region based on the July 2017 benchmark price reported by the Victoria Real Estate Board.

Table A.16: Down Payment, Qualifying Income and Monthly Housing Costs (Condo)

	Benchmark Price	Down Payment 20%	Qualifying Income	Monthly Payment
Capital region (VREB)	\$433,200	\$86,640	\$77,724	\$1,663
Esquimalt	\$323,300	\$64,660	\$62,280	\$1,211
Oak Bay	\$476,500	\$95,300	\$83,796	\$1,785
Saanich (East)	\$380,100	\$76,020	\$70,260	\$1,424
Saanich (West)	\$375,000	\$75,000	\$69,552	\$1,405
Victoria	\$422,100	\$84,420	\$76,164	\$1,600
Victoria West	\$721,900	\$144,380	\$118,260	\$2,704
View Royal	\$427,100	\$85,420	\$76,860	\$1,600
Central Saanich	\$418,000	\$83,600	\$75,588	\$1,566
North Saanich	-			
Sidney	\$419,000	\$83,800	\$75,720	\$1,569
Colwood	\$366,400	\$73,280	\$68,340	\$1,372
Highlands	-			
Juan de Fuca (Part 1 & 2)	-			
Langford	\$345,900	\$69,180	\$65,460	\$1,296
Metchosin	-	-	-	-
Sooke	-	-	-	-
Gulf Islands	-	-	-	-

The information in Table B.3 was calculated using the MLS benchmark data for the capital region published by the Victoria Real Estate Board and CMHC's *Mortgage Affordability Calculator*. It assumes a down payment of 20%, a five year fixed term interest rate of 2.9% and a 25-year amortization period and makes provisions for heating, property taxes, and condo fees.

Down Payment, Qualifying Income and Monthly Housing Costs (Condo) at 10% Down

Table A.17 shows the down payment requirements, qualifying income and average monthly housing costs to purchase a condo apartment unit across the communities in the capital region based on the July 2017 benchmark price reported by the Victoria Real Estate Board.

Table A.17: Down Payment, Qualifying Income and Monthly Housing Costs (Condo)

	Benchmark Price	Down Payment 10%	Qualifying Income	Monthly Payment
Capital region (VREB)	\$433,200	\$43,320	\$85,320	\$1,825
Esquimalt	\$323,300	\$32,330	\$67,956	\$1,362
Oak Bay	\$476,500	\$47,650	\$92,160	\$2,008
Saanich (East)	\$380,100	\$38,010	\$76,932	\$1,602
Saanich (West)	\$375,000	\$37,500	\$76,128	\$1,580
Victoria	\$422,100	\$42,210	\$83,568	\$1,778
Victoria West	\$721,900	\$72,190	\$130,932	\$3,042
View Royal	\$427,100	\$42,710	\$84,360	\$1,800
Central Saanich	\$418,000	\$41,800	\$82,920	\$1,761
North Saanich	-	-	-	-
Sidney	\$419,000	\$41,900	\$83,076	\$1,765
Colwood	\$366,400	\$36,640	\$74,772	\$1,544
Highlands	-	-	-	-
Juan de Fuca (Part 1 & 2)	-	-	-	-
Langford	\$345,900	\$34,590	\$71,532	\$1,458
Metchosin	-	-	-	-
Sooke	-	-	-	-
Gulf Islands	-	-	-	-

The information in Table B.3 was calculated using the MLS benchmark data for the capital region published by the Victoria Real Estate Board and CMHC's *Mortgage Affordability Calculator*. It assumes a down payment of 20%, a five year fixed term interest rate of 2.9% and a 25-year amortization period and makes provisions for heating, property taxes, and condo fees.

Average Market Rents

Table A.18 includes information on the average market rent for a 2-bedroom and 3-bedroom unit in the capital region based on information from CMHC's *Rental Market Report* (October 2016) and the 2011 Census. This information is used to provide a baseline for looking at the threshold between renting and owning (assuming that the household has the income and down payment required to make the transition).

Table A.18 Average Monthly Housing Costs (CMHC Market Data and 2011 Census)

	Average Monthly Housing Costs 2-person household 2011 ^A	Average Monthly Housing Costs 3-person household 2011 ^A	CMHC Average Market Rent (2-bedroom unit) October 2016	CMHC Average Market Rent (3-bedroom unit) October 2016
Capital Regional District	\$1,055	\$1,181	\$1,188	\$1,485
Esquimalt	\$992	\$1,065	\$1,021	\$1,263
Oak Bay	\$1,035	\$1,245	\$1,323	\$1,810
Saanich ¹	\$1,098	\$1,550	\$1,183	\$1,443
Victoria	\$1,034	\$1,088	\$1,224	\$1,620
View Royal ²	\$1,359	\$1,213	\$1,164	\$1,371
Central Saanich ¹	\$1,042	\$1,282	\$1,183	\$1,443
North Saanich ³	\$1,119	\$1,130	--	--
Sidney	\$1,299	\$1,335	\$1,041	--
Colwood ²	\$1,086	\$1,190	\$1,164	\$1,371
Highlands ³	-	-	-	-
Juan de Fuca (Part 1 & 2) ³	\$1,292	\$1,259	-	-
Langford ²	\$1,153	\$1,262	\$1,164	\$1,371
Metchosin ³	\$1,013	\$1,302	--	--
Sooke ²	\$890	\$1,109	\$1,164	\$1,371
Salt Spring Island EA ³	\$1,084	\$1,040	--	--
Southern Gulf Islands ³	\$1,109	\$1,192	--	--

Source: 2011 Census (Custom Data) and CMHC Rental Market Data (2016)

^ANote: Updated 2016 housing-related data is expected to be released by Statistics Canada on October 25, 2017.

¹CMHC Rental Market Data combines Saanich and Central Saanich market data

²CMHC Rental Market Data combines Langford, Sooke, Colwood, and View Royal market data

³CMHC Rental Market Data is not available for North Saanich, Highlands, Metchosin, and the Gulf Islands

Affordability Threshold Based on 30% of Income

Table A.19 calculates the income that a household would need to carry the cost of an average 2-bedroom and 3-bedroom unit (based on information from the 2011 Census) without spending more than 30% of their income on their monthly housing cost. This information is used to determine a basic affordability threshold between renting and owning and will be updated as the 2016 income and census housing data becomes available.

Table A.19: Average Monthly Housing Costs (2-person and 3-person Renter Households)

	Median Renter Income (2011)	Average Renter Income (2011)	Affordability Threshold 30% 2-bed	Affordability Threshold 30% 3-bed
British Columbia	\$33,722	\$42,656	\$41,440	\$45,240
Capital Regional District	\$33,123	\$41,018	\$42,200	\$47,240
Esquimalt	\$32,742	\$40,186	\$39,680	\$42,600
Oak Bay	\$37,951	\$47,010	\$41,400	\$49,800
Saanich	\$34,947	\$42,701	\$43,920	\$62,000
Victoria	\$30,436	\$38,051	\$41,360	\$43,520
View Royal	\$45,046	\$51,637	\$54,360	\$48,520
Central Saanich	\$36,992	\$46,736	\$41,680	\$51,280
North Saanich	\$35,371	\$44,672	\$44,760	\$45,200
Sidney	\$36,574	\$44,250	\$51,960	\$53,400
Colwood	\$52,805	\$54,650	\$43,440	\$47,600
Highlands	\$52,038	\$52,495	-	-
Juan de Fuca (Part 1 & 2)	\$33,602	\$41,030	\$51,680	\$50,360
Langford	\$41,147	\$46,311	\$46,120	\$50,480
Metchosin	\$59,123	\$73,553	\$40,520	\$52,080
Sooke	\$30,298	\$37,267	\$35,600	\$44,360
Salt Spring Island EA	\$29,847	\$33,036	\$43,360	\$41,600
Southern Gulf Islands	\$24,280	\$32,239	\$44,360	\$47,680

Source: 2011 Census (custom data purchase) based on 2010 rent levels by household size

Median Household Income for Renter Households (Different Household Types)

Table A.20 calculates the income that a household would need to carry the cost of an average 2-bedroom and 3-bedroom unit (based on information from the 2011 Census) without spending more than 30% of their income on their monthly housing cost. This information is used to determine a basic affordability threshold between renting and owning and will be updated as the 2016 income and census housing data becomes available.

Table A.20 Average Monthly Housing Costs (2-person and 3-person Renter Households)

	Households Led by Someone 25 and Younger	Median Household Income Renter Households Led by Someone 25 and Younger (2011)	Census Family Households Who Are Renting	Median Census Family Income for Households Who Are Renting (2011)
British Columbia	41,615	\$26,804	253,345	\$52,175
Capital Regional District	5,740	\$27,645	22,305	\$54,552
Esquimalt	375	\$43,759	1,635	\$55,128
Oak Bay	115	\$16,239	705	\$67,101
Saanich	1,495	\$27,381	5,790	\$54,235
Victoria	2,980	\$24,224	8,295	\$51,829
View Royal	30	\$48,239	600	\$62,178
Central Saanich	100	\$30,153	530	\$66,072
North Saanich	35	\$34,907	255	\$48,279
Sidney	15	\$16,716	520	\$57,249
Colwood	120	\$60,762	840	\$74,910
Highlands	-	-	20	\$56,520
Juan de Fuca (Part 1 & 2)	-	-	165	\$70,343
Langford	325	\$43,720	1,655	\$53,186
Metchosin	-	--	160	\$78,028
Sooke	50	\$28,433	435	\$50,653
Salt Spring Island EA	-	-	385	\$31,465
Southern Gulf Islands	-	-	155	\$43,102

Source: 2011 Census (custom data purchase) based on 2010 rent levels by household size

Appendix B

Setting an Affordability Threshold for Entry-Level Ownership Units

This section looks at the income and affordability gap for the capital region based on the use of a conventional standard of 80% and 120% of the Area Median Income.

There are different measures that can be used to determine an appropriate income and price for affordable home ownership initiatives. This section uses the standard measure of between 80% and 120% of the AMI (area median income) as the general affordability threshold to be tested in this section. This standard is consistent with the approach used in Calgary and other jurisdictions. It is also consistent with the BC Housing income limits for households with “low to moderate incomes.”

Using 80% to 120% of the Area Median Income (AMI)

Using 80% to 120% of the Area Median Income is a standard approach for setting the income range and affordability threshold for affordable home ownership initiatives. The median household income (2010) for the capital region was \$60,796. Therefore at between 80% and 120% of the area median income the affordability threshold would fall between \$48,637 (80% of the Area Median Income) and \$72,955 (120% of the Area Median Income).

BC Housing Income Limits

The income ranges for BC Housing would fall between \$69,360 and \$99,910 and would be based on unit sizes. For example, units of two bedrooms or smaller would have an affordability threshold of \$69,360 while larger units three bedrooms or more would have an affordability threshold of \$99,910.

Ontario-Based Measures

A recent report prepared by the Canadian Urban Institute (June 2017) which looked at a number of different entry-level ownership initiatives in Toronto identified middle income renter households with an annual income of between \$43,000 and \$100,000 as a possible target population.

Establishing an Appropriate Affordability Threshold (One Approach)

Table B.1 includes information on the median household income for household in the capital region in 2010 as well as uses the median income for the CRD to determine an appropriate entry-level threshold based on the standard of 80% to 120% of the area median income.

Table B.1 Entry-Level Threshold (80% to 120% of the Median Income)

	Median Household Income (2010)	80% of the Area Median Income (CRD)	120% of the Area Median Income (CRD)
Capital Regional District	\$60,796	\$48,637	\$72,955
Esquimalt	\$52,956	\$48,637	\$72,955
Oak Bay	\$80,388	\$48,637	\$72,955
Saanich	\$68,393	\$48,637	\$72,955
Victoria	\$45,827	\$48,637	\$72,955
View Royal	\$74,519	\$48,637	\$72,955
Central Saanich	\$77,324	\$48,637	\$72,955
North Saanich	\$89,835	\$48,637	\$72,955
Sidney	\$55,687	\$48,637	\$72,955
Colwood	\$82,703	\$48,637	\$72,955
Highlands	\$96,805	\$48,637	\$72,955
Juan de Fuca (Part 1 & 2)	\$67,985	\$48,637	\$72,955
Langford	\$69,820	\$48,637	\$72,955
Metchosin	\$80,834	\$48,637	\$72,955
Sooke	\$64,867	\$48,637	\$72,955
Salt Spring Island EA	\$53,523	\$48,637	\$72,955
Southern Gulf Islands	\$52,025	\$48,637	\$72,955

Source: 2011 Census (custom data purchase) based on 2010 rent levels by household size.

Calculating the Income Gap at 80% of the Area Median Income

Table B.2 calculates the gap between the lower level income threshold set at 80% of the Area Median Income and the median income of renter households living in the capital region. As shown in Table B.2 in most communities the median income for renter households in the capital region is significantly below the entry-level threshold at 80% of the area median income (\$48,637) which means that a significant number of renter households would need help to move in the ownership market. This report describes this as the income gap.

Table B.2: Income Gap Based on 80% of the Area Median Income

	Median Renter Income (2011)	Income Threshold 80% of the AMI	Income Gap at 80% of the AMI	80% of the AMI as a % of Median Renter Income
Capital Regional District	\$33,123	\$48,637	(\$15,514)	68.1%
Esquimalt	\$32,742	\$48,637	(\$15,895)	67.3%
Oak Bay	\$37,951	\$48,637	(\$10,686)	78.0%
Saanich	\$34,947	\$48,637	(\$13,690)	71.9%
Victoria	\$30,436	\$48,637	(\$18,201)	62.6%
View Royal	\$45,046	\$48,637	(\$3,591)	92.6%
Central Saanich	\$36,992	\$48,637	(\$11,645)	76.1%
North Saanich	\$35,371	\$48,637	(\$13,266)	72.7%
Sidney	\$36,574	\$48,637	(\$12,063)	75.2%
Colwood	\$52,805	\$48,637	\$4,168	108.6%
Highlands	\$52,038	\$48,637	\$3,401	107.0%
Juan de Fuca (Part 1 & 2)	\$33,602	\$48,637	(\$15,035)	69.1%
Langford	\$41,147	\$48,637	(\$7,490)	84.6%
Metchosin	\$59,123	\$48,637	\$10,486	121.6%
Sooke	\$30,298	\$48,637	(\$18,339)	62.3%
Salt Spring Island EA	\$29,847	\$48,637	(\$18,790)	61.4%
Southern Gulf Islands	\$24,280	\$48,637	(\$24,357)	49.9%

Source: 2011 Census (custom data purchase) based on 2010 rent levels by household size.

Calculating the Income Gap at 120% of the Area Median Income

At the upper end of the affordability threshold (120% of the Area Median Income) the income gap is even greater.

Table B.3: Income Gap Based on 120% of the Area Median Income

	Median Renter Income (2011)	Income Threshold at 120% of the AMI	Income Gap at 1200% of the AMI	120% of the AMI as a % of Median Renter Income
Capital Regional District	\$33,123	\$72,955	(\$39,832)	45.4%
Esquimalt	\$32,742	\$72,955	(\$40,213)	44.9%
Oak Bay	\$37,951	\$72,955	(\$35,004)	52.0%
Saanich	\$34,947	\$72,955	(\$38,008)	47.9%
Victoria	\$30,436	\$72,955	(\$42,519)	41.7%
View Royal	\$45,046	\$72,955	(\$27,909)	61.7%
Central Saanich	\$36,992	\$72,955	(\$35,963)	50.7%
North Saanich	\$35,371	\$72,955	(\$37,584)	48.5%
Sidney	\$36,574	\$72,955	(\$36,381)	50.1%
Colwood	\$52,805	\$72,955	(\$20,150)	72.4%
Highlands	\$52,038	\$72,955	(\$20,917)	71.3%
Juan de Fuca (Part 1 & 2)	\$33,602	\$72,955	(\$39,353)	46.1%
Langford	\$41,147	\$72,955	(\$31,808)	56.4%
Metchosin	\$59,123	\$72,955	(\$13,832)	81.0%
Sooke	\$30,298	\$72,955	(\$42,657)	41.5%
Salt Spring Island EA	\$29,847	\$72,955	(\$43,108)	40.9%
Southern Gulf Islands	\$24,280	\$72,955	(\$48,675)	33.3%

Source: 2011 Census (custom data purchase) based on 2010 rent levels by household size.

Estimated Number of Eligible Renter Households

Table B.4 shows the estimated number of renter households that have incomes that fall between approximately 80% and 120% of the Area Median Income – the target income range.¹

Table B.4: Estimated Number of Eligible Households

	Total Renters 2011	Median Renter Income (2011)	Estimated # of Eligible Renter Households with Incomes between 80% and 120% of the Area Median Income (\$48,637 to \$72,955)	% of Renter Households to Benefit
British Columbia	524,995	\$33,123	82,776	15.8%
Capital Regional District	54,470	\$32,742	8,725	16.0%
Esquimalt	4,065	\$37,951	790	19.4%
Oak Bay	1,885	\$34,947	343	18.2%
Saanich	12,140	\$30,436	2,205	18.2%
Victoria	25,475	\$45,046	3,634	14.3%
View Royal	1,100	\$36,992	219	19.9%
Central Saanich	1,285	\$35,371	177	13.8%
North Saanich	480	\$36,574	51	10.6%
Sidney	1,045	\$52,805	197	18.9%
Colwood	1,320	\$52,038	330	25.0%
Highlands	35	\$33,602	0	0.0%
Juan de Fuca (Part 1 & 2)	270	\$41,147	9	3.3%
Langford	2,825	\$59,123	426	15.1%
Metchosin	300	\$30,298	51	17.0%
Sooke	835	\$29,847	106	12.7%
Salt Spring Island EA	815	\$24,280	146	17.9%
Southern Gulf Islands	295	-	30	10.2%

Source: Statistics Canada 2006 Census and 2011 Census

¹Note: Updated 2016 housing-related data is expected to be released by Statistics Canada on October 25, 2017.

Appendix C

% of Market Value and Affordability Gap at 80% of the Area Median Income

Housing Cost Target for Single Detached Homes Affordable at 80% of the Area Median Income

This section looks at the standard affordability gap for households with annual incomes of \$48,637 (80%) of the Area Median Income and for whom an affordable price would be \$205,924 based on an interest rate of 2.9% over 25 years and a down payment of \$25,000. As shown in Table C.1 an entry-level unit at this price point is equal to between 23% and 47% of the benchmark price for a single detached unit based on the most recent MLS market data.²

Table C.1: Down Payment, Qualifying Income and Monthly Housing Costs (Single Detached)

	Market Price	Qualifying Income 80% of AMI	Entry-Level Threshold	% of Market Value
Capital region (VREB)	\$700,800	\$48,637	\$205,924	29%
Esquimalt	\$595,600	\$48,637	\$205,924	35%
Oak Bay	\$805,300	\$48,637	\$205,924	26%
Saanich (East)	\$875,800	\$48,637	\$205,924	24%
Saanich (West)	\$706,300	\$48,637	\$205,924	29%
Victoria	\$805,300	\$48,637	\$205,924	26%
Victoria West	\$721,900	\$48,637	\$205,924	29%
View Royal	\$687,400	\$48,637	\$205,924	30%
Central Saanich	\$721,200	\$48,637	\$205,924	29%
North Saanich	\$899,000	\$48,637	\$205,924	23%
Sidney	\$629,700	\$48,637	\$205,924	33%
Colwood	\$660,400	\$48,637	\$205,924	31%
Highlands	\$842,600	\$48,637	\$205,924	24%
Juan de Fuca (Part 1 & 2)	-	\$48,637	\$205,924	-
Langford	\$592,300	\$48,637	\$205,924	35%
Metchosin	\$865,800	\$48,637	\$205,924	24%
Sooke	\$479,100	\$48,637	\$205,924	43%
Gulf Islands	\$440,700	\$48,637	\$205,924	47%

Source: Calculated at 80% of the area median household income (2011 Census) compared to the July MLS benchmark data published by the Victoria Real Estate Board.

² Note: Re-sale units are considerably more affordable than new construction therefore a new development the affordability gap (the price between market and the affordable price could be even higher).

Affordability Gap for Single Detached Homes at 80% of the Area Median Income

Table C.2 shows the discount in the price that would be needed to bring the cost of the benchmark MLS single-detached price down to the price that is affordable to a household at 80% of the Area Median Income. Table C.2 shows that the price for the entry-level unit is significantly below the market value and could not be achieved without significant discount in price and incentives/subsidies to fill the affordability gap (financial and otherwise).

Table C.2: Affordability Gap, Single-Detached Based on Benchmark Price and 80% of the Area Median Income

	Market Price	Qualifying Income 80% of AMI	Entry-Level Threshold	Affordability Gap Single-Detached
Capital region (VREB)	\$700,800	\$48,637	\$205,924	(\$494,876)
Esquimalt	\$595,600	\$48,637	\$205,924	(\$389,676)
Oak Bay	\$805,300	\$48,637	\$205,924	(\$599,376)
Saanich (East)	\$875,800	\$48,637	\$205,924	(\$669,876)
Saanich (West)	\$706,300	\$48,637	\$205,924	(\$500,376)
Victoria	\$805,300	\$48,637	\$205,924	(\$599,376)
Victoria West	\$721,900	\$48,637	\$205,924	(\$515,976)
View Royal	\$687,400	\$48,637	\$205,924	(\$481,476)
Central Saanich	\$721,200	\$48,637	\$205,924	(\$515,276)
North Saanich	\$899,000	\$48,637	\$205,924	(\$693,076)
Sidney	\$629,700	\$48,637	\$205,924	(\$423,776)
Colwood	\$660,400	\$48,637	\$205,924	(\$454,476)
Highlands	\$842,600	\$48,637	\$205,924	(\$636,676)
Juan de Fuca (Part 1 & 2)	-	\$48,637	\$205,924	--
Langford	\$592,300	\$48,637	\$205,924	(\$386,376)
Metchosin	\$865,800	\$48,637	\$205,924	(\$659,876)
Sooke	\$479,100	\$48,637	\$205,924	(\$273,176)
Gulf Islands	\$440,700	\$48,637	\$205,924	(\$234,776)

Source: Calculated at 80% of the area median household income (2011 Census) compared to the July MLS benchmark data published by the Victoria Real Estate Board.

Housing Cost Target for Townhouse Units Affordable at 80% of the Area Median Income

This section looks at the standard affordability gap for households with annual incomes of \$48,637 (80%) of the Area Median Income and for whom an affordable price would be \$205,924 based on an interest rate of 2.9% over 25 years and a down payment of \$25,000. As shown in Table C.3 an entry-level unit at this price point is equal to between 30% and 47% of the benchmark price for a townhouse unit based on the most recent MLS market data.³

Table C.3: Down Payment, Qualifying Income and Monthly Housing Costs (Townhouse)

	Market Price	Qualifying Income 80% of AMI	Entry-Level Threshold	% of Market Value
Capital region (VREB)	\$542,200	\$48,637	\$205,924	38%
Esquimalt	\$474,800	\$48,637	\$205,924	43%
Oak Bay	-	\$48,637	\$205,924	-
Saanich (East)	\$678,900	\$48,637	\$205,924	30%
Saanich (West)	\$531,400	\$48,637	\$205,924	39%
Victoria	\$582,300	\$48,637	\$205,924	35%
Victoria West	\$550,200	\$48,637	\$205,924	37%
View Royal	\$571,000	\$48,637	\$205,924	36%
Central Saanich	\$478,800	\$48,637	\$205,924	43%
North Saanich	\$706,600	\$48,637	\$205,924	-
Sidney	\$541,800	\$48,637	\$205,924	38%
Colwood	\$553,600	\$48,637	\$205,924	37%
Highlands	-	\$48,637	\$205,924	-
Juan de Fuca (Part 1 & 2)	-	\$48,637	\$205,924	-
Langford	\$439,600	\$48,637	\$205,924	47%
Metchosin	-	\$48,637	\$205,924	-
Sooke	\$460,700	\$48,637	\$205,924	45%
Gulf Islands	\$458,500	\$48,637	\$205,924	45%

Source: Calculated at 80% of the area median household income (2011 Census) compared to the July MLS benchmark data published by the Victoria Real Estate Board.

³ Note: Re-sale units are considerably more affordable than new construction therefore a new development the affordability gap (the price between market and the affordable price could be even higher).

Affordability Gap for Townhouse Units at 80% of the Area Median Income

Table C.4 shows the discount in the price that would be needed to bring the cost of the benchmark MLS single-detached price down to the price that is affordable to a household at 80% of the Area Median Income. Table C.4 shows that the price for the entry-level unit is significantly below the market value and could not be achieved without a significant discount in price and incentives/subsidies to fill the affordability gap (financial and otherwise).

Table C.4: Affordability Gap, Townhouse Units Based on Benchmark Price and 80% of the Area Median Income

	Market Price	Qualifying Income 80% of AMI	Entry-Level Threshold	Affordability Gap Townhouse Units
Capital region (VREB)	\$542,200	\$48,637	\$205,924	(\$336,276)
Esquimalt	\$474,800	\$48,637	\$205,924	(\$268,876)
Oak Bay	-	\$48,637	\$205,924	-
Saanich (East)	\$678,900	\$48,637	\$205,924	(\$472,976)
Saanich (West)	\$531,400	\$48,637	\$205,924	(\$325,476)
Victoria	\$582,300	\$48,637	\$205,924	(\$376,376)
Victoria West	\$550,200	\$48,637	\$205,924	(\$344,276)
View Royal	\$571,000	\$48,637	\$205,924	(\$365,076)
Central Saanich	\$478,800	\$48,637	\$205,924	(\$272,876)
North Saanich	\$706,600	\$48,637	\$205,924	(\$500,676)
Sidney	\$541,800	\$48,637	\$205,924	(\$335,876)
Colwood	\$553,600	\$48,637	\$205,924	(\$347,676)
Highlands	-	\$48,637	\$205,924	-
Juan de Fuca (Part 1 & 2)	-	\$48,637	\$205,924	-
Langford	\$439,600	\$48,637	\$205,924	(\$233,676)
Metchosin	-	\$48,637	\$205,924	-
Sooke	\$460,700	\$48,637	\$205,924	(\$254,776)
Gulf Islands	\$458,500	\$48,637	\$205,924	(\$252,576)

Source: Calculated at 80% of the area median household income (2011 Census) compared to the July MLS benchmark data published by the Victoria Real Estate Board.

Housing Cost Target for Condo Apartment Unit Affordable at 80% of the Area Median Income

This section looks at the standard affordability gap for households with annual incomes of \$48,637 (80%) of the Area Median Income and for whom an affordable price would be \$205,924 based on an interest rate of 2.9% over 25 years and a down payment of \$25,000. As shown in Table C.5 an entry-level unit at this price point is equal to between 29% and 64% of the benchmark price for a condo apartment unit based on the most recent MLS market data.⁴

Table C.5: Down Payment, Qualifying Income and Monthly Housing Costs (Condo Apartment Unit)

	Market Price	Qualifying Income 80% of AMI	Entry-Level Threshold	% of Market Value
Capital region (VREB)	\$433,200	\$48,637	\$205,924	48%
Esquimalt	\$323,300	\$48,637	\$205,924	64%
Oak Bay	\$476,500	\$48,637	\$205,924	43%
Saanich (East)	\$380,100	\$48,637	\$205,924	54%
Saanich (West)	\$375,000	\$48,637	\$205,924	55%
Victoria	\$422,100	\$48,637	\$205,924	49%
Victoria West	\$721,900	\$48,637	\$205,924	29%
View Royal	\$427,100	\$48,637	\$205,924	48%
Central Saanich	\$418,000	\$48,637	\$205,924	49%
North Saanich	-	\$48,637	\$205,924	-
Sidney	\$419,000	\$48,637	\$205,924	49%
Colwood	\$366,400	\$48,637	\$205,924	56%
Highlands	-	\$48,637	\$205,924	-
Juan de Fuca (Part 1 & 2)	-	\$48,637	\$205,924	-
Langford	\$345,900	\$48,637	\$205,924	60%
Metchosin	-	\$48,637	\$205,924	-
Sooke	-	\$48,637	\$205,924	-
Gulf Islands	-	\$48,637	\$205,924	-

Source: Calculated at 80% of the area median household income (2011 Census) compared to the July MLS benchmark data published by the Victoria Real Estate Board.

⁴ Note: Re-sale units are considerably more affordable than new construction therefore a new development the affordability gap (the price between market and the affordable price could be even higher).

Affordability Gap for Apartment Condo Units at 80% of the Area Median Income

Table C.6 shows the discount in the price that would be needed to bring the cost of the benchmark MLS single-detached price down to the price that is affordable to a household at 80% of the Area Median Income. Table C.6 shows that the price for the entry-level unit is significantly below the market value and could not be achieved without significant discount in price and incentives/subsidies to fill the affordability gap (financial and otherwise).

Table C.6: Affordability Gap, Townhouse Units Based on Benchmark Price and 80% of the Area Median Income

	Market Price	Qualifying Income 80% of AMI	Entry-Level Threshold	Affordability Gap Apartment Condo Units
Capital region (VREB)	\$433,200	\$48,637	\$205,924	(\$227,276)
Esquimalt	\$323,300	\$48,637	\$205,924	(\$117,376)
Oak Bay	\$476,500	\$48,637	\$205,924	(\$270,576)
Saanich (East)	\$380,100	\$48,637	\$205,924	(\$174,176)
Saanich (West)	\$375,000	\$48,637	\$205,924	(\$169,076)
Victoria	\$422,100	\$48,637	\$205,924	(\$216,176)
Victoria West	\$721,900	\$48,637	\$205,924	(\$515,976)
View Royal	\$427,100	\$48,637	\$205,924	(\$221,176)
Central Saanich	\$418,000	\$48,637	\$205,924	(\$212,076)
North Saanich	-	\$48,637	\$205,924	-
Sidney	\$419,000	\$48,637	\$205,924	(\$213,076)
Colwood	\$366,400	\$48,637	\$205,924	(\$160,476)
Highlands	-	\$48,637	\$205,924	-
Juan de Fuca (Part 1 & 2)	-	\$48,637	\$205,924	-
Langford	\$345,900	\$48,637	\$205,924	(\$139,976)
Metchosin	-	\$48,637	\$205,924	-
Sooke	-	\$48,637	\$205,924	-
Gulf Islands	-	\$48,637	\$205,924	-

Source: Calculated at 80% of the area median household income (2011 Census) compared to the July MLS benchmark data published by the Victoria Real Estate Board.

Appendix D

% of Market Value and Affordability Gap at 120% of the Area Median Income

Housing Cost Target for Single Detached Homes Affordable at 120% of the Area Median Income

This section looks at the standard affordability gap for households with annual incomes of \$72,955 based on 120% of the Area Median Income and for whom an affordable price would be \$369,416 based on an interest rate of 2.9% over 25 years and a down payment of \$50,000. As shown in Table D.1 an entry-level unit at this price point is equal to between 41% and 84% of the benchmark price for a single detached unit based on the most recent MLS market data.⁵

Table D.1: Down Payment, Qualifying Income and Monthly Housing Costs (Single Detached)

	Market Price	Qualifying Income 120% of AMI	Entry-Level Threshold	% of Market Value
Capital region (VREB)	\$700,800	\$72,955	\$369,416	53%
Esquimalt	\$595,600	\$72,955	\$369,416	62%
Oak Bay	\$805,300	\$72,955	\$369,416	46%
Saanich (East)	\$875,800	\$72,955	\$369,416	42%
Saanich (West)	\$706,300	\$72,955	\$369,416	52%
Victoria	\$805,300	\$72,955	\$369,416	46%
Victoria West	\$721,900	\$72,955	\$369,416	51%
View Royal	\$687,400	\$72,955	\$369,416	54%
Central Saanich	\$721,200	\$72,955	\$369,416	51%
North Saanich	\$899,000	\$72,955	\$369,416	41%
Sidney	\$629,700	\$72,955	\$369,416	59%
Colwood	\$660,400	\$72,955	\$369,416	56%
Highlands	\$842,600	\$72,955	\$369,416	44%
Juan de Fuca (Part 1 & 2)	-	\$72,955	\$369,416	-
Langford	\$592,300	\$72,955	\$369,416	62%
Metchosin	\$865,800	\$72,955	\$369,416	43%
Sooke	\$479,100	\$72,955	\$369,416	77%
Gulf Islands	\$440,700	\$72,955	\$369,416	84%

Source: Calculated at 120% of the area median household income (2011 Census) compared to the July MLS benchmark data published by the Victoria Real Estate Board.

⁵ Note: Re-sale units are considerably more affordable than new construction, therefore for a new development the affordability gap (the price between market and the affordable price) could be even higher.

Affordability Gap for Single-Detached Units at 120% of the Area Median Income

Table D.2 shows the discount in the price that would be needed to bring the cost of the benchmark MLS single-detached price down to the price that is affordable to a household at 120% of the Area Median Income. Table D.2 shows that the price for the entry-level unit is significantly below the market value and could not be achieved without significant discount in price and incentives/subsidies to fill the affordability gap (financial and otherwise).

Table D.2: Affordability Gap, Single-Detached Units Based on Benchmark Price and 120% of the Area Median Income

	Market Price	Qualifying Income 120% of AMI	Entry-Level Threshold	Affordability Gap Single-Detached Units
Capital region (VREB)	\$700,800	\$72,955	\$369,416	(\$331,384)
Esquimalt	\$595,600	\$72,955	\$369,416	(\$226,184)
Oak Bay	\$805,300	\$72,955	\$369,416	(\$435,884)
Saanich (East)	\$875,800	\$72,955	\$369,416	(\$506,384)
Saanich (West)	\$706,300	\$72,955	\$369,416	(\$336,884)
Victoria	\$805,300	\$72,955	\$369,416	(\$435,884)
Victoria West	\$721,900	\$72,955	\$369,416	(\$352,484)
View Royal	\$687,400	\$72,955	\$369,416	(\$317,984)
Central Saanich	\$721,200	\$72,955	\$369,416	(\$351,784)
North Saanich	\$899,000	\$72,955	\$369,416	
Sidney	\$629,700	\$72,955	\$369,416	(\$260,284)
Colwood	\$660,400	\$72,955	\$369,416	(\$290,984)
Highlands	\$842,600	\$72,955	\$369,416	
Juan de Fuca (Part 1 & 2)	-	\$72,955	\$369,416	
Langford	\$592,300	\$72,955	\$369,416	(\$222,884)
Metchosin	\$865,800	\$72,955	\$369,416	
Sooke	\$479,100	\$72,955	\$369,416	
Gulf Islands	\$440,700	\$72,955	\$369,416	

Source: Calculated at 120% of the area median household income (2011 Census) compared to the July MLS benchmark data published by the Victoria Real Estate Board.

Housing Cost Target for Townhouse Unit Affordable at 120% of the Area Median Income

This section looks at the standard affordability gap for households with annual incomes of \$72,955 based on 120% of the Area Median Income and for whom an affordable price would be \$369,416 based on an interest rate of 2.9% over 25 years and a down payment of \$50,000. As shown in Table D.3 an entry-level unit at this price point is equal to between 52% and 84% of the benchmark price for a townhouse unit based on the most recent MLS market data.⁶

Table D.3: Down Payment, Qualifying Income and Monthly Housing Costs (Townhouse Unit)

	Market Price	Qualifying Income 120% of AMI	Entry-Level Threshold	% of Market Value
Capital region (VREB)	\$542,200	\$72,955	\$369,416	68%
Esquimalt	\$474,800	\$72,955	\$369,416	78%
Oak Bay	-	\$72,955	\$369,416	-
Saanich (East)	\$678,900	\$72,955	\$369,416	54%
Saanich (West)	\$531,400	\$72,955	\$369,416	70%
Victoria	\$582,300	\$72,955	\$369,416	63%
Victoria West	\$550,200	\$72,955	\$369,416	67%
View Royal	\$571,000	\$72,955	\$369,416	65%
Central Saanich	\$478,800	\$72,955	\$369,416	77%
North Saanich	\$706,600	\$72,955	\$369,416	52%
Sidney	\$541,800	\$72,955	\$369,416	68%
Colwood	\$553,600	\$72,955	\$369,416	67%
Highlands	-	\$72,955	\$369,416	-
Juan de Fuca (Part 1 & 2)	-	\$72,955	\$369,416	-
Langford	\$439,600	\$72,955	\$369,416	84%
Metchosin	-	\$72,955	\$369,416	-
Sooke	\$460,700	\$72,955	\$369,416	80%
Gulf Islands	\$458,500	\$72,955	\$369,416	81%

Source: Calculated at 120% of the area median household income (2011 Census) compared to the July MLS benchmark data published by the Victoria Real Estate Board.

⁶ Note: Re-sale units are considerably more affordable than new construction therefore a new development the affordability gap (the price between market and the affordable price could be even higher).

Affordability Gap for Townhouse Units at 120% of the Area Median Income

Table D.4 shows the discount in the price that would be needed to bring the cost of the benchmark MLS townhouse price down to the price that is affordable to a household at 1200% of the Area Median Income. Table D.4 shows that the price for the entry-level unit is significantly below the market value and could not be achieved without significant discount in price and incentives/subsidies to fill the affordability gap (financial and otherwise).

Table D.4: Affordability Gap, Townhouse Units Based on Benchmark Price and 120% of the Area Median Income

	Market Price	Qualifying Income 120% of AMI	Entry-Level Threshold	Affordability Gap Townhouse Units
Capital region (VREB)	\$542,200	\$72,955	\$369,416	(\$172,784)
Esquimalt	\$474,800	\$72,955	\$369,416	(\$105,384)
Oak Bay	-	\$72,955	\$369,416	-
Saanich (East)	\$678,900	\$72,955	\$369,416	(\$309,484)
Saanich (West)	\$531,400	\$72,955	\$369,416	(\$161,984)
Victoria	\$582,300	\$72,955	\$369,416	(\$212,884)
Victoria West	\$550,200	\$72,955	\$369,416	(\$180,784)
View Royal	\$571,000	\$72,955	\$369,416	(\$201,584)
Central Saanich	\$478,800	\$72,955	\$369,416	(\$109,384)
North Saanich	\$706,600	\$72,955	\$369,416	-
Sidney	\$541,800	\$72,955	\$369,416	(\$172,384)
Colwood	\$553,600	\$72,955	\$369,416	(\$184,184)
Highlands	-	\$72,955	\$369,416	-
Juan de Fuca (Part 1 & 2)	-	\$72,955	\$369,416	-
Langford	\$439,600	\$72,955	\$369,416	(\$70,184)
Metchosin	-	\$72,955	\$369,416	-
Sooke	\$460,700	\$72,955	\$369,416	(\$91,284)
Gulf Islands	\$458,500	\$72,955	\$369,416	(\$89,084)

Source: Calculated at 120% of the area median household income (2011 Census) compared to the July MLS benchmark data published by the Victoria Real Estate Board.

Housing Cost Target for Condo Apartment Unit Affordable at 120% of the Area Median Income

This section looks at the standard affordability gap for households with annual incomes of \$72,955 based on 120% of the Area Median Income and for whom an affordable price would be \$369,416 based on an interest rate of 2.9% over 25 years and a down payment of \$50,000. As shown in Table D.5 an entry-level unit at this price point is equal to between 51% and 114% of the benchmark price for a condo apartment unit based on the most recent MLS market data.⁷

Table D.5: Down Payment, Qualifying Income and Monthly Housing Costs (Condo Apartment Unit)

	Market Price	Qualifying Income 120% of AMI	Entry-Level Threshold	% of Market Value
Capital region (VREB)	\$433,200	\$72,955	\$369,416	85%
Esquimalt	\$323,300	\$72,955	\$369,416	114%
Oak Bay	\$476,500	\$72,955	\$369,416	78%
Saanich (East)	\$380,100	\$72,955	\$369,416	97%
Saanich (West)	\$375,000	\$72,955	\$369,416	99%
Victoria	\$422,100	\$72,955	\$369,416	88%
Victoria West	\$721,900	\$72,955	\$369,416	51%
View Royal	\$427,100	\$72,955	\$369,416	86%
Central Saanich	\$418,000	\$72,955	\$369,416	88%
North Saanich	-	\$72,955	\$369,416	-
Sidney	\$419,000	\$72,955	\$369,416	88%
Colwood	\$366,400	\$72,955	\$369,416	101%
Highlands	-	\$72,955	\$369,416	-
Juan de Fuca (Part 1 & 2)	-	\$72,955	\$369,416	-
Langford	\$345,900	\$72,955	\$369,416	107%
Metchosin	-	\$72,955	\$369,416	-
Sooke	-	\$72,955	\$369,416	-
Gulf Islands	-	\$72,955	\$369,416	-

Source: Calculated at 120% of the area median household income (2011 Census) compared to the July MLS benchmark data published by the Victoria Real Estate Board.

⁷ Note: Re-sale units are considerably more affordable than new construction therefore a new development the affordability gap (the price between market and the affordable price could be even higher).

Affordability Gap for Condo Apartment Units at 120% of the Area Median Income

Table D.6 shows the discount in the price that would be needed to bring the cost of the benchmark MLS Condo Apartment price down to the price that is affordable to a household at 120% of the Area Median Income. Table D.6 shows that the price for the entry-level unit is significantly below the market value and could not be achieved without significant discount in price and incentives/subsidies to fill the affordability gap (financial and otherwise).

Table D.6: Affordability Gap, Condo Apartment Units Based on Benchmark Price and 120% of the Area Median Income

	Market Price	Qualifying Income 120% of AMI	Entry-Level Threshold	Affordability Gap Condo Apartment Units
Capital region (VREB)	\$433,200	\$72,955	\$369,416	(\$63,784)
Esquimalt	\$323,300	\$72,955	\$369,416	\$46,116
Oak Bay	\$476,500	\$72,955	\$369,416	-
Saanich (East)	\$380,100	\$72,955	\$369,416	(\$10,684)
Saanich (West)	\$375,000	\$72,955	\$369,416	(\$5,584)
Victoria	\$422,100	\$72,955	\$369,416	(\$52,684)
Victoria West	\$721,900	\$72,955	\$369,416	(\$352,484)
View Royal	\$427,100	\$72,955	\$369,416	(\$57,684)
Central Saanich	\$418,000	\$72,955	\$369,416	(\$48,584)
North Saanich	-	\$72,955	\$369,416	-
Sidney	\$419,000	\$72,955	\$369,416	(\$49,584)
Colwood	\$366,400	\$72,955	\$369,416	\$3,016
Highlands	-	\$72,955	\$369,416	-
Juan de Fuca (Part 1 & 2)	-	\$72,955	\$369,416	-
Langford	\$345,900	\$72,955	\$369,416	\$23,516
Metchosin	-	\$72,955	\$369,416	-
Sooke	-	\$72,955	\$369,416	-
Gulf Islands	-	\$72,955	\$369,416	-

Source: Calculated at 120% of the area median household income (2011 Census) compared to the July MLS benchmark data published by the Victoria Real Estate Board.

Appendix E

MLS Market Data

Appendix E shows the price and income profile for the range of housing choices across the communities in the capital region and includes both rental and ownership units. It also includes information on the step between renting and owning based on the income and price profile at 120% of the Area Median Income assuming a 20% down payment, a 2.9 fixed 5 year interest rate and a 25 year amortization period.

THE CONTINUUM OF HOUSING CHOICES IN THE VICTORIA CMA (VICTORIA REAL ESTATE BOARD AREA)

The following shows the continuum of housing choices (ownership and rental) for entire Victoria CMA.

VICTORIA CMA HOUSING CONTINUUM						
TOTAL OWNERS—106,035						TOTAL RENTERS— 54,470
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	160,635					
\$150K +	14,765					
\$125K to \$149,900	9,695					
\$100K to 124,999	15,565	\$115,296				
\$80K to 99,999	18,125		\$93,024	\$77,724		
\$60K to 79,999	23,295				\$72,955	
\$50K to 59,999	13,530					
\$40K to 49,999	15,045					\$47,240
\$30K to 39,999	14,925					
\$20K to 29,999	13,970					
Under \$20K	21,715					
Total Housing Cost		\$700,800	\$542,200	\$433,200	\$369,416	\$14,172
Monthly Payment		\$2,625	\$2,031	\$1,663	\$1,556	\$1,181

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN ESQUIMALT

The following shows the continuum of housing choices (ownership and rental) for residents of Esquimalt.

ESQUIMALT HOUSING CONTINUUM						
TOTAL OWNERS—3,975						TOTAL RENTERS— 4,065
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry-Level Condo	Private Rental
Total	8,040					
\$150K +	315					
\$125K to \$149,900	285					
\$100K to 124,999	765	\$100,524				
\$80K to 99,999	815		\$83,556			
\$60K to 79,999	1,405			\$62,280	\$72,955	
\$50K to 59,999	720					
\$40K to 49,999	915					\$40,840
\$30K to 39,999	735					
\$20K to 29,999	870					
Under \$20K	1,210					
Total Housing Cost		\$595,600	\$474,800	\$323,300	\$369,416	\$12,252
Monthly Payment		\$2,231	\$1,778	\$1,211	\$1,556	\$1,021 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN OAK BAY

The following shows the continuum of housing choices (ownership and rental) for residents of Oak Bay.

OAK BAY HOUSING CONTINUUM						
TOTAL OWNERS—5,880						TOTAL RENTERS— 1,885
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry-Level Condo	Private Rental
Total	7,760					
\$150K +	1,650	\$182,720				
\$125K to \$149,900	630					
\$100K to 124,999	910					
\$80K to 99,999	700		--	\$83,796		
\$60K to 79,999	855				\$72,955	
\$50K to 59,999	545					\$52,920
\$40K to 49,999	485					
\$30K to 39,999	545					
\$20K to 29,999	645					
Under \$20K	805					
Total Housing Cost		\$1,219,800	--	\$476,500	\$369,416	\$15,876
Monthly Payment		\$4,568	--	\$1,785	\$1,556	\$1,323

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN SAANICH (EAST)

The following shows the continuum of housing choices (ownership and rental) for residents of Saanich (East).

SAANICH (EAST) HOUSING CONTINUUM						
TOTAL OWNERS* (SAANICH)—33,245						TOTAL RENTERS* (SAANICH)—12,140**
Income Distribution	Number of Households *	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	45,390					
\$150K +	5,385					
\$125K to \$149,900	3,290	\$139,872				
\$100K to 124,999	4,870		\$112,224			
\$80K to 99,999	5,415					
\$60K to 79,999	6,585			\$70,260	\$72,955	
\$50K to 59,999	3,640					
\$40K to 49,999	4,100					\$47,320
\$30K to 39,999	3,765					
\$20K to 29,999	3,330					
Under \$20K	5,010					
Total Housing Cost		\$875,800	\$678,900	\$380,100	\$369,416	\$14,196
Monthly Payment		\$3,280	\$2,543	\$1,424	\$1,556	\$1,183 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN SAANICH (WEST)

The following shows the continuum of housing choices (ownership and rental) for residents of Saanich (West).

SAANICH (WEST) HOUSING CONTINUUM						
TOTAL OWNERS* (SAANICH)—33,245						TOTAL RENTERS* (SAANICH)—12,140**
Income Distribution	Number of Households *	Single Detached	Townhouse	Condo	Entry-Level Condo	Private Rental
Total	45,390					
\$150K +	5,385					
\$125K to \$149,900	3,290					
\$100K to 124,999	4,870	\$116,064				
\$80K to 99,999	5,415		\$91,500			
\$60K to 79,999	6,585			\$69,552	\$72,955	
\$50K to 59,999	3,640					
\$40K to 49,999	4,100					\$47,320
\$30K to 39,999	3,765					
\$20K to 29,999	3,330					
Under \$20K	5,010					
Total Housing Cost		\$706,300	\$531,400	\$375,000	\$369,416	\$14,196
Monthly Payment		\$2,645	\$1,990	\$1,405	\$1,556	\$1,183 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN THE CITY OF VICTORIA

The following shows the continuum of housing choices (ownership and rental) for residents of Victoria.

VICTORIA HOUSING CONTINUUM						
TOTAL OWNERS—17,485						TOTAL RENTERS— 25,475
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	42,955					
\$150K +	1,965					
\$125K to \$149,900	1,540	\$129,972				
\$100K to 124,999	2,730					
\$80K to 99,999	3,895		\$98,652			
\$60K to 79,999	5,885			\$76,164	\$72,955	
\$50K to 59,999	3,530					
\$40K to 49,999	4,540					\$48,960
\$30K to 39,999	5,365					
\$20K to 29,999	4,825					
Under \$20K	8,685					
Total Housing Cost		\$805,300	\$582,300	\$422,100	\$369,416	\$14,688
Monthly Payment		\$3,016	\$2,181	\$1,600	\$1,556	\$1,224

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN VICTORIA (WEST)

The following shows the continuum of housing choices (ownership and rental) for residents of Victoria (West).

VICTORIA (WEST) HOUSING CONTINUUM						
TOTAL OWNERS (VICTORIA)*—17,485						TOTAL RENTERS* (VICTORIA)— 25,475**
Income Distribution	Number of Households *	Single Detached	Townhouse	Condo (Median)	Entry Level Condo	Private Rental
Total	42,955					
\$150K +	1,965					
\$125K to \$149,900	1,540					
\$100K to 124,999	2,730	\$100,872		\$118,260		
\$80K to 99,999	3,895		\$94,140			
\$60K to 79,999	5,885				\$72,955	
\$50K to 59,999	3,530					
\$40K to 49,999	4,540					\$48,960
\$30K to 39,999	5,365					
\$20K to 29,999	4,825					
Under \$20K	8,685					
Total Housing Cost		\$598,100	\$550,200	\$721,900	\$369,416	\$14,688
Monthly Payment		\$2,240	\$2,061	\$2,704	\$1,556	\$1,224

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN VIEW ROYAL

The following shows the continuum of housing choices (ownership and rental) for residents of View Royal.

VIEW ROYAL HOUSING CONTINUUM						
TOTAL OWNERS—2,845						TOTAL RENTERS— 1,100
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	3,945					
\$150K +	480					
\$125K to \$149,900	285					
\$100K to 124,999	515	\$113,412				
\$80K to 99,999	500		\$97,068			
\$60K to 79,999	585			\$76,860	\$72,955	
\$50K to 59,999	350					
\$40K to 49,999	310					\$46,560
\$30K to 39,999	290					
\$20K to 29,999	205					
Under \$20K	425					
Total Housing Cost		\$687,400	\$571,000	\$427,100	\$369,416	\$13,968
Monthly Payment		\$2,574	\$2,138	\$1,600	\$1,556	\$1,164 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN CENTRAL SAANICH

The following shows the continuum of housing choices (ownership and rental) for Central Saanich.

CENTRAL SAANICH HOUSING CONTINUUM						
TOTAL OWNERS—5,315						TOTAL RENTERS— 1,285
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	6,600					
\$150K +	925					
\$125K to \$149,900	495					
\$100K to 124,999	840	\$118,164				
\$80K to 99,999	860		\$84,120			
\$60K to 79,999	890			\$75,588	\$72,955	
\$50K to 59,999	500					
\$40K to 49,999	635					\$47,320
\$30K to 39,999	475					
\$20K to 29,999	465					
Under \$20K	495					
Total Housing Cost		\$721,200	\$478,800	\$418,000	\$369,416	\$14,196
Monthly Payment		\$2,701	\$1,793	\$1,566	\$1,556	\$1,183

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN NORTH SAANICH

The following shows the continuum of housing choices (ownership and rental) for North Saanich.

NORTH SAANICH HOUSING CONTINUUM						
TOTAL OWNERS—4,025						TOTAL RENTERS—480
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	4,505					
\$150K +	970					
\$125K to \$149,900	375	\$143,124				
\$100K to 124,999	515		\$116,112			
\$80K to 99,999	570					
\$60K to 79,999	575				\$72,955	
\$50K to 59,999	350					
\$40K to 49,999	265					\$45,200
\$30K to 39,999	340					
\$20K to 29,999	310					
Under \$20K	240					
Total Housing Cost		\$899,000	\$706,600	--	\$369,416	\$13,560
Monthly Payment		\$3,367	\$2,646	--	\$1,556	\$1,130

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN SIDNEY

The following shows the continuum of housing choices (ownership and rental) for Sidney.

SIDNEY HOUSING CONTINUUM						
TOTAL OWNERS—4,280						TOTAL RENTERS—1,045
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	5,325					
\$150K +	255					
\$125K to \$149,900	185					
\$100K to 124,999	440	\$105,312				
\$80K to 99,999	615		\$92,964			
\$60K to 79,999	985			\$75,720	\$72,955	
\$50K to 59,999	435					
\$40K to 49,999	550					\$41,640
\$30K to 39,999	620					
\$20K to 29,999	660					
Under \$20K	585					
Total Housing Cost		\$629,700	\$541,800	\$419,000	\$369,416	\$12,492
Monthly Payment		\$2,358	\$2,029	\$1,569	\$1,556	\$1,041

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN COLWOOD

The following shows the continuum of housing choices (ownership and rental) for Colwood.

COLWOOD HOUSING CONTINUUM						
TOTAL OWNERS—4,775						TOTAL RENTERS— 1,320
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry-Level Condo	Private Rental
Total	6,100					
\$150K +	615					
\$125K to \$149,900	590					
\$100K to 124,999	875	\$109,620				
\$80K to 99,999	1,090		\$94,620			
\$60K to 79,999	935			\$68,340	\$72,955	
\$50K to 59,999	470					
\$40K to 49,999	455					\$46,560
\$30K to 39,999	335					
\$20K to 29,999	220					
Under \$20K	510					
Total Housing Cost		\$660,400	\$553,600	\$366,400	\$369,416	\$13,968
Monthly Payment		\$2,473	\$2,073	\$1,372	\$1,556	\$1,164 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN THE HIGHLANDS

The following shows the continuum of housing choices (ownership and rental) for residents of the Highlands.

HIGHLANDS HOUSING CONTINUUM						
TOTAL OWNERS—745						TOTAL RENTERS—35
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	780					
\$150K +	175					
\$125K to \$149,900	60	\$135,204				
\$100K to 124,999	150		--	--		
\$80K to 99,999	145					
\$60K to 79,999	75				\$72,955	
\$50K to 59,999	45					--
\$40K to 49,999	45					
\$30K to 39,999	35					
\$20K to 29,999	0					
Under \$20K	0					
Total Housing Cost		\$842,600	--	--	\$369,416	--
Monthly Payment		\$3,156	--	--	\$1,556	--

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN LANGFORD

The following shows the continuum of housing choices (ownership and rental) for residents of Langford.

LANGFORD HOUSING CONTINUUM						
TOTAL OWNERS—8,855						TOTAL RENTERS— 2,825
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry-Level Condo	Private Rental
Total	11,680					
\$150K +	1,020					
\$125K to \$149,900	910					
\$100K to 124,999	1,365	\$100,056				
\$80K to 99,999	1,655					
\$60K to 79,999	1,765		\$78,612	\$65,460	\$72,955	
\$50K to 59,999	1,100					
\$40K to 49,999	1,105					\$46,560
\$30K to 39,999	815					
\$20K to 29,999	665					
Under \$20K	1,280					
Total Housing Cost		\$592,300	\$439,600	\$345,900	\$369,416	\$13,968
Monthly Payment		\$2,218	\$1,646	\$1,296	\$1,556	\$1,164 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN METCHOSIN

The following shows the continuum of housing choices (ownership and rental) for residents of Metchosin.

METCHOSIN HOUSING CONTINUUM						
TOTAL OWNERS—1,485						TOTAL RENTERS—300
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	1,785					
\$150K +	250					
\$125K to \$149,900	185	\$138,648				
\$100K to 124,999	215		--	--		
\$80K to 99,999	250					
\$60K to 79,999	320				\$72,955	
\$50K to 59,999	110					\$52,080
\$40K to 49,999	125					
\$30K to 39,999	85					
\$20K to 29,999	75					
Under \$20K	165					
Total Housing Cost		\$865,800	--	--	\$369,416	\$15,624
Monthly Payment		\$3,242	--	--	\$1,556	\$1,302

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN SOOKE

The following shows the continuum of housing choices (ownership and rental) for residents of Sooke.

SOOKE HOUSING CONTINUUM						
TOTAL OWNERS—3,675						TOTAL RENTERS—835
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	4,505					
\$150K +	310					
\$125K to \$149,900	350					
\$100K to 124,999	525					
\$80K to 99,999	485	\$84,156	\$81,648			
\$60K to 79,999	745				\$72,955	
\$50K to 59,999	390			--		
\$40K to 49,999	445					\$46,560
\$30K to 39,999	380					
\$20K to 29,999	360					
Under \$20K	520					
Total Housing Cost		\$479,100	\$460,700	--	\$369,416	\$13,968
Monthly Payment		\$1,794	\$1,725	--	\$1,556	\$1,164 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN GULF ISLANDS

The following shows the continuum of housing choices (ownership and rental) for residents of Salt Spring Island and the Southern Gulf Islands.

GULF ISLANDS HOUSING CONTINUUM (Includes Salt Spring and the Southern Gulf Islands)						
TOTAL OWNERS Salt Spring Island (3,845) Southern Gulf Islands (2,235)						TOTAL RENTERS Salt Spring Island 815 Southern GI -295
Income Distribution	Number of Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	7,190					
\$150K +	300					
\$125K to \$149,900	385					
\$100K to 124,999	495					
\$80K to 99,999	755		\$81,264			
\$60K to 79,999	1,000	\$78,768		--	\$72,955	
\$50K to 59,999	855					
\$40K to 49,999	665					\$44,640
\$30K to 39,999	705					
\$20K to 29,999	850					
Under \$20K	1,175					
Total Housing Cost		\$440,700	\$458,500	--	\$369,416	\$13,392
Monthly Payment		\$1,734	\$1,824	--	\$1,556	\$1,116

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

Appendix F

Renter Households

Appendix F shows the income profile of renter households across the capital region including the number of renter households who have the resources needed to be able to make the transition from renting to owning based on the different price and income thresholds for different unit sizes and types.

(THE CONTINUUM OF HOUSING CHOICES IN THE VICTORIA CMA (VICTORIA REAL ESTATE BOARD AREA))

The following shows the continuum of housing choices (ownership and rental) for entire Victoria CMA.

VICTORIA CMA HOUSING CONTINUUM						
TOTAL OWNERS—106,035						TOTAL RENTERS— 54,470
Income Distribution	Number of Renter Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	54,470					
\$100K+	4,395	\$115,296				
\$80K to 99,999	3,705		\$93,024	\$77,724		
\$60K to 79,999	6,935				\$72,955	
\$50K to 59,999	11,300					
\$40K to 49,999						\$47,240
\$30K to 39,999	7,075					
\$20K to 29,999	7,185					
Under \$20K	13,885					
Total Housing Cost		\$700,800	\$542,200	\$433,200	\$369,416	\$14,172
Monthly Payment		\$2,625	\$2,031	\$1,663	\$1,556	\$1,181

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN ESQUIMALT

The following shows the continuum of housing choices (ownership and rental) for residents of Esquimalt.

ESQUIMALT HOUSING CONTINUUM						
TOTAL OWNERS—3,975						TOTAL RENTERS— 4,065
Income Distribution	Number of Renter Households	Single Detached	Townhouse	Condo	Entry-Level Condo	Private Rental
Total	4,065					
\$100+	310	\$100,524				
\$80K to 99,999	225		\$83,556			
\$60K to 79,999	665			\$62,280	\$72,955	
\$50K to 59,999	940					
\$40K to 49,999						\$40,840
\$30K to 39,999	455					
\$20K to 29,999	525					
Under \$20K	940					
Total Housing Cost		\$595,600	\$474,800	\$323,300	\$369,416	\$12,252
Monthly Payment		\$2,231	\$1,778	\$1,211	\$1,556	\$1,021 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN OAK BAY

The following shows the continuum of housing choices (ownership and rental) for residents of Oak Bay.

OAK BAY HOUSING CONTINUUM						
TOTAL OWNERS—5,880						TOTAL RENTERS— 1,885
Income Distribution	Number of Renters Households	Single Detached	Townhouse	Condo	Entry-Level Condo	Private Rental
Total	1,885					
		\$182,720				
\$100K +	230					
\$80K to 99,999	130		--	\$83,796		
\$60K to 79,999	195				\$72,955	
\$50K to 59,999	310					\$52,920
\$40K to 49,999						
\$30K to 39,999	230					
\$20K to 29,999	275					
Under \$20K	505					
Total Housing Cost		\$1,219,800	--	\$476,500	\$369,416	\$15,876
Monthly Payment		\$4,568	--	\$1,785	\$1,556	\$1,323

Assumptions: Calculation using MLS market Data (July 2017) and based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for single-detached and townhouse units set at 20%. Down payment for condo units and entry-level threshold set at 10%.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN SAANICH (EAST)

The following shows the continuum of housing choices (ownership and rental) for residents of Saanich (East).

SAANICH (EAST) HOUSING CONTINUUM						
TOTAL OWNERS* (SAANICH)—33,245						TOTAL RENTERS* (SAANICH)—12,140**
Income Distribution	Number of Renter Households *	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	12,140					
		\$139,872				
\$100+	1,210		\$112,224			
\$80K to 99,999	865					
\$60K to 79,999	1,545			\$70,260	\$72,955	
\$50K to 59,999	2,675					
\$40K to 49,999						\$47,320
\$30K to 39,999	1,330					
\$20K to 29,999	1,455					
Under \$20K	3,055					
Total Housing Cost		\$875,800	\$678,900	\$380,100	\$369,416	\$14,196
Monthly Payment		\$3,280	\$2,543	\$1,424	\$1,556	\$1,183 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN SAANICH (WEST)

The following shows the continuum of housing choices (ownership and rental) for residents of Saanich (West).

SAANICH (WEST) HOUSING CONTINUUM						
TOTAL OWNERS* (SAANICH)—33,245						TOTAL RENTERS* (SAANICH)—12,140**
Income Distribution	Number of Renter Households *	Single Detached	Townhouse	Condo	Entry-Level Condo	Private Rental
Total	12,140					
\$100K+	1,210	\$116,064				
\$80K to 99,999	865		\$91,500			
\$60K to 79,999	1,545			\$69,552	\$72,955	
\$50K to 59,999	2,675					
\$40K to 49,999						\$47,320
\$30K to 39,999	1,330					
\$20K to 29,999	1,455					
Under \$20K	3,055					
Total Housing Cost		\$706,300	\$531,400	\$375,000	\$369,416	\$14,196
Monthly Payment		\$2,645	\$1,990	\$1,405	\$1,556	\$1,183 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN THE CITY OF VICTORIA

The following shows the continuum of housing choices (ownership and rental) for residents of Victoria.

CITY OF VICTORIA HOUSING CONTINUUM						
TOTAL OWNERS—17,485						TOTAL RENTERS— 25,475
Income Distribution	Number of Rental Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	25,475					
\$150K +						
\$125K to \$149,900						
\$100K to 124,999	1,395	\$129,972				
\$80K to 99,999	1,600		\$98,652			
\$60K to 79,999	2,925			\$76,164	\$72,955	
\$50K to 59,999	5,075					
\$40K to 49,999						\$48,960
\$30K to 39,999	3,730					
\$20K to 29,999	3,550					
Under \$20K	7,100					
Total Housing Cost		\$805,300	\$582,300	\$422,100	\$369,416	\$14,688
Monthly Payment		\$3,016	\$2,181	\$1,778	\$1,556	\$1,224

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN VICTORIA (WEST)

The following shows the continuum of housing choices (ownership and rental) for residents of Victoria (West).

VICTORIA (WEST) HOUSING CONTINUUM						
TOTAL OWNERS (VICTORIA)*—17,485						TOTAL RENTERS* (VICTORIA)— 25,475**
Income Distribution	Number of Rental Households *	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	25,475					
\$150K +						
\$125K to \$149,900						
\$100K to 124,999	1,395	\$100,872		\$118,260		
\$80K to 99,999	1,600		\$94,140			
\$60K to 79,999	2,925				\$72,955	
\$50K to 59,999	5,075					
\$40K to 49,999						\$48,960
\$30K to 39,999	3,730					
\$20K to 29,999	3,550					
Under \$20K	7,100					
Total Housing Cost		\$598,100	\$550,200	\$721,900	\$369,416	\$14,688
Monthly Payment		\$2,240	\$2,061	\$2,704	\$1,556	\$1,224

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN VIEW ROYAL

The following shows the continuum of housing choices (ownership and rental) for residents of View Royal.

VIEW ROYAL HOUSING CONTINUUM						
TOTAL OWNERS—2,845						TOTAL RENTERS—1,100
Income Distribution	Number of Renter Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	1,100					
\$100K+	150	\$113,412				
\$80K to 99,999	120		\$97,068			
\$60K to 79,999	160			\$76,860	\$72,955	
\$50K to 59,999	265					
\$40K to 49,999						\$46,560
\$30K to 39,999	105					
\$20K to 29,999	130					
Under \$20K	160					
Total Housing Cost		\$687,400	\$571,000	\$427,100	\$369,416	\$13,968
Monthly Payment		\$2,574	\$2,138	\$1,600	\$1,556	\$1,164 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN CENTRAL SAANICH

The following shows the continuum of housing choices (ownership and rental) for Central Saanich.

CENTRAL SAANICH HOUSING CONTINUUM						
TOTAL OWNERS—5,315						TOTAL RENTERS—1,285
Income Distribution	Number of Renter Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	1,280					
\$150K +						
\$125K to \$149,900						
\$100K to 124,999	155	\$118,164				
\$80K to 99,999	95		\$84,120			
\$60K to 79,999	150			\$75,588	\$72,955	
\$50K to 59,999	290					
\$40K to 49,999						\$47,320
\$30K to 39,999	170					
\$20K to 29,999	170					
Under \$20K	250					
Total Housing Cost		\$721,200	\$478,800	\$418,000	\$369,416	\$14,196
Monthly Payment		\$2,701	\$1,793	\$1,566	\$1,556	\$1,183

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN NORTH SAANICH

The following shows the continuum of housing choices (ownership and rental) for North Saanich.

NORTH SAANICH HOUSING CONTINUUM						
TOTAL OWNERS—4,025						TOTAL RENTERS—480
Income Distribution	Number of Renter Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	480					
		\$143,124				
\$100K +	75		\$116,112			
\$80K to 99,999	15			--		
\$60K to 79,999	35				\$72,955	
\$50K to 59,999	110					
\$40K to 49,999						\$45,200
\$30K to 39,999	70					
\$20K to 29,999	70					
Under \$20K	105					
Total Housing Cost		\$899,000	\$706,600	--	\$369,416	\$13,560
Monthly Payment		\$3,367	\$2,646	--	\$1,556	\$1,130

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN SIDNEY

The following shows the continuum of housing choices (ownership and rental) for Sidney.

SIDNEY HOUSING CONTINUUM						
TOTAL OWNERS—4,280						TOTAL RENTERS—1,045
Income Distribution	Number of Renter Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	1,045					
\$100K+	80	\$105,312				
\$80K to 99,999	65		\$92,964			
\$60K to 79,999	185			\$75,720	\$72,955	
\$50K to 59,999	240					
\$40K to 49,999						\$41,640
\$30K to 39,999	125					
\$20K to 29,999	210					
Under \$20K	135					
Total Housing Cost		\$629,700	\$541,800	\$419,000	\$369,416	\$12,492
Monthly Payment		\$2,358	\$2,029	\$1,569	\$1,556	\$1,041

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN COLWOOD

The following shows the continuum of housing choices (ownership and rental) for Colwood.

COLWOOD HOUSING CONTINUUM						
TOTAL OWNERS—4,775						TOTAL RENTERS— 1,315
Income Distribution	Number of Renter Households	Single Detached	Townhouse	Condo	Entry-Level Condo	Private Rental
Total	1,315					
\$100K+	205	\$109,620				
\$80K to 99,999	220		\$94,620			
\$60K to 79,999	250			\$68,340	\$72,955	
\$50K to 59,999	200					
\$40K to 49,999						\$46,560
\$30K to 39,999	150					
\$20K to 29,999	70					
Under \$20K	230					
Total Housing Cost		\$660,400	\$553,600	\$366,400	\$369,416	\$13,968
Monthly Payment		\$2,473	\$2,073	\$1,372	\$1,556	\$1,164 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN THE HIGHLANDS

The following shows the continuum of housing choices (ownership and rental) for residents of the Highlands.

HIGHLANDS HOUSING CONTINUUM						
TOTAL OWNERS—745						TOTAL RENTERS—35
Income Distribution	Number of Renter Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	35					
		\$135,204				
\$100K+	--		--	--		
\$80K to 99,999	--					
\$60K to 79,999	--				\$72,955	
\$50K to 59,999	35					--
\$40K to 49,999						
\$30K to 39,999	--					
\$20K to 29,999	--					
Under \$20K	--					
Total Housing Cost		\$842,600	--	--	\$369,416	--
Monthly Payment		\$3,156	--	--	\$1,556	--

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN LANGFORD

The following shows the continuum of housing choices (ownership and rental) for residents of Langford.

LANGFORD HOUSING CONTINUUM						
TOTAL OWNERS—8,855						TOTAL RENTERS— 2,825
Income Distribution	Number of Renter Households	Single Detached	Townhouse	Condo	Entry-Level Condo	Private Rental
Total	2,825					
\$100K to 124,999	335	\$100,056				
\$80K to 99,999	265					
\$60K to 79,999	395		\$78,612	\$65,460	\$72,955	
\$50K to 59,999	640					
\$40K to 49,999						\$46,560
\$30K to 39,999	310					
\$20K to 29,999	270					
Under \$20K	610					
Total Housing Cost		\$592,300	\$439,600	\$345,900	\$369,416	\$13,968
Monthly Payment		\$2,218	\$1,646	\$1,296	\$1,556	\$1,164 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN METCHOSIN

The following shows the continuum of housing choices (ownership and rental) for residents of Metchosin.

METCHOSIN HOUSING CONTINUUM						
TOTAL OWNERS—1,485						TOTAL RENTERS—300
Income Distribution	Number of Renter Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	300					
		\$138,648				
\$100K to 124,999	55		--	--		
\$80K to 99,999	--					
\$60K to 79,999	70				\$72,955	
\$50K to 59,999	75					\$52,080
\$40K to 49,999						
\$30K to 39,999	10					
\$20K to 29,999	30					
Under \$20K	30					
Total Housing Cost		\$865,800	--	--	\$369,416	\$15,624
Monthly Payment		\$3,242	--	--	\$1,556	\$1,302

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN SOOKE

The following shows the continuum of housing choices (ownership and rental) for residents of Sooke.

SOOKE HOUSING CONTINUUM						
TOTAL OWNERS—3,675						TOTAL RENTERS—835
Income Distribution	Number of Renter Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	835					
\$100K to 124,999	75					
\$80K to 99,999	40	\$84,156	\$81,648			
\$60K to 79,999	105				\$72,955	
\$50K to 59,999	150			--		
\$40K to 49,999						\$46,560
\$30K to 39,999	75					
\$20K to 29,999	175					
Under \$20K	220					
Total Housing Cost		\$479,100	\$460,700	--	\$369,416	\$13,968
Monthly Payment		\$1,794	\$1,725	--	\$1,556	\$1,164 (CMHC)

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

THE CONTINUUM OF HOUSING CHOICES IN GULF ISLANDS

The following shows the continuum of housing choices (ownership and rental) for residents of Salt Spring Island and the Southern Gulf Islands.

GULF ISLANDS HOUSING CONTINUUM (Includes Salt Spring and the Southern Gulf Islands)						
TOTAL OWNERS Salt Spring Island (3,845) Southern Gulf Islands (2,235)						TOTAL RENTERS Salt Spring Island 815 Southern GI -295
Income Distribution	Number of Renter Households	Single Detached	Townhouse	Condo	Entry Level Condo	Private Rental
Total	1,105					
\$100K+	55					
\$80K to 99,999	20		\$81,264			
\$60K to 79,999	90	\$78,768		--	\$72,955	
\$50K to 59,999	165					
\$40K to 49,999						\$44,640
\$30K to 39,999	145					
\$20K to 29,999	180					
Under \$20K	400					
Total Housing Cost		\$440,700	\$458,500	--	\$369,416	\$13,392
Monthly Payment		\$1,734	\$1,824	--	\$1,556	\$1,116

Assumptions: Based on data published by the Victoria Real Estate Board (VREB) using MLS benchmark data (July 2017). Calculations are based on a 25 year amortization period, monthly payments, 2.9% five year closed mortgage rate, with heating, property tax and condo fees included using CMHC mortgage affordability calculator. Down payments for units are set at 20% and assume that borrowers take advantage of the down payment assistance through the Province's BC HOMES Program which was introduced in January 2016.

Source: Victoria Real Estate Board, Canada Mortgage and Housing Corporation, and custom data (SPARC BC).

Appendix G

Local Government Act - Relevant Sections

904 (1) A zoning bylaw may

- (a) establish different density regulations for a zone, one generally applicable for the zone and the other or others to apply if the applicable conditions under paragraph (b) are met, and
- (b) establish conditions in accordance with subsection (2) that will entitle an owner to a higher density under paragraph (a).

(2) The following are conditions that may be included under subsection (1) (b):

- (a) conditions relating to the conservation or provision of amenities, including the number, kind and extent of amenities;
- (b) conditions relating to the provision of affordable and special needs housing, as such housing is defined in the bylaw, including the number, kind and extent of the housing;
- (c) a condition that the owner enter into a housing agreement under section 905 before a building permit is issued in relation to property to which the condition applies.

Housing agreements for affordable and special needs housing

905 (1) A local government may, by bylaw, enter into a housing agreement under this section.

(2) A housing agreement may include terms and conditions agreed to by the local government and the owner regarding the occupancy of the housing units identified in the agreement, including but not limited to terms and conditions respecting one or more of the following:

- (a) the form of tenure of the housing units;
- (b) the availability of the housing units to classes of persons identified in the agreement or the bylaw under subsection (1) for the agreement;
- (c) the administration and management of the housing units, including the manner in which the housing units will be made available to persons within a class referred to in paragraph (b);
- (d) rents and lease, sale or share prices that may be charged, and the rates at which these may be increased over time, as specified in the agreement or as determined in accordance with a formula specified in the agreement.

(3) A housing agreement may not vary the use or density from that permitted in the applicable zoning bylaw.

(4) A housing agreement may only be amended by bylaw adopted with the consent of the owner.

(5) If a housing agreement is entered into or amended, the local government must file in the land title office a notice that the land described in the notice is subject to the housing agreement.

(6) Once a notice is filed under subsection (5), the housing agreement and, if applicable, the

amendment to it is binding on all persons who acquire an interest in the land affected by the agreement, as amended if applicable.

(7) On filing under subsection (5), the registrar must make a note of the filing against the title to the land affected but, in the event of any omission, mistake or misfeasance by the registrar or the staff of the registrar in relation to the making of a note of the filing,

(a) neither the registrar, nor the Provincial government nor the Land Title and Survey Authority of British Columbia is liable vicariously,

(a.1) neither the assurance fund nor the Land Title and Survey Authority of British Columbia, as a nominal defendant, is liable under Part 19.1 of the Land Title Act, and

(b) neither the assurance fund nor the minister charged with the administration of the Land Title Act, as a nominal defendant, is liable under Part 20 of the Land Title Act.

(8) The Lieutenant Governor in Council may prescribe fees for the filing of notices under subsection (5), and section 386 of the Land Title Act applies in respect of those fees.

Appendix H

Section 219 of the Land Title Act

219 (1) A covenant described in subsection (2) in favour of the Crown, a Crown corporation or agency, a municipality, a regional district, the South Coast British Columbia Transportation Authority, or a local trust committee under the Islands Trust Act, as covenantee, may be registered against the title to the land subject to the covenant and is enforceable against the covenantor and the successors in title of the covenantor even if the covenant is not annexed to land owned by the covenantee.

(2) A covenant registrable under subsection (1) may be of a negative or positive nature and may include one or more of the following provisions:

(a) provisions in respect of

- (i) the use of land, or
- (ii) the use of a building on or to be erected on land;

(b) that land

- (i) is to be built on in accordance with the covenant,
- (ii) is not to be built on except in accordance with the covenant, or
- (iii) is not to be built on;

(c) that land

- (i) is not to be subdivided except in accordance with the covenant, or
- (ii) is not to be subdivided;

(d) that parcels of land designated in the covenant and registered under one or more indefeasible titles are not to be sold or otherwise transferred separately.

(3) A covenant described in subsection (4) in favour of

- (a) the Crown or a Crown corporation or agency,
- (b) a municipality, a regional district, the South Coast British Columbia Transportation Authority or a local trust committee under the Islands Trust Act, or
- (c) any person designated by the minister on terms and conditions he or she thinks proper, as covenantee, may be registered against the title to the land subject to the covenant and, subject to subsections (11) and (12), is enforceable against the covenantor and the successors in title of the covenantor even if the covenant is not annexed to land owned by the covenantee.

(4) A covenant registrable under subsection (3) may be of a negative or positive nature and may include one or more of the following provisions:

- (a) any of the provisions under subsection (2);
- (b) that land or a specified amenity in relation to it be protected, preserved, conserved,

maintained, enhanced, restored or kept in its natural or existing state in accordance with the covenant and to the extent provided in the covenant.

(5) For the purpose of subsection (4) (b), "amenity" includes any natural, historical, heritage, cultural, scientific, architectural, environmental, wildlife or plant life value relating to the land that is subject to the covenant.

(6) A covenant registrable under this section may include, as an integral part,

- (a) an indemnity of the covenantee against any matter agreed to by the covenantor and covenantee and provision for the just and equitable apportionment of the obligations under the covenant as between the owners of the land affected, and
- (b) a rent charge charging the land affected and payable by the covenantor and the covenantor's successors in title.

(7) If an instrument contains a covenant registrable under this section, the covenant is binding on the covenantor and the covenantor's successors in title, even though the instrument or other disposition has not been signed by the covenantee.

(8) No person who enters into a covenant under this section is liable for a breach of the covenant occurring after the person has ceased to be the owner of the land.

(9) A covenant registrable under this section may be

- (a) modified by the holder of the charge and the owner of the land charged, or
- (b) discharged by the holder of the charge by an agreement or instrument in writing the execution of which is witnessed or proved in accordance with this Act.

(9.1) A covenant that was required as a condition of subdivision under section 82 and registered under this section before the coming into force of the repeal of section 82 may be

- (a) modified by the approving officer and the owner of the land charged, or
- (b) discharged by the approving officer.

(9.2) For the purpose of determining whether to modify or discharge a covenant under subsection (9.1), an approving officer may exercise the powers provided under section 86 (1) (d), whether or not the modification or discharge is related to an application for subdivision approval.

(10) The registration of a covenant under this section is not a determination by the registrar of its enforceability.

(11) On the death or dissolution of an owner of a covenant registrable under subsection (3) (c), the covenant ceases to be enforceable by any person, including the Crown, other than

- (a) another covenantee named in the instrument creating the covenant, or
- (b) an assignee of a covenantee if the assignment has been approved in writing by the

minister.

(12) If a covenantor or assignee referred to in subsection (11) is a corporation that has been dissolved and subsequently restored into existence under an enactment of British Columbia, the covenant continues to be enforceable by the restored corporation from the date of its restoration.

(13) A recital in a covenant that a person "has been designated by the minister under section 219 (3) (c) of the Land Title Act", or a statement to that effect in the application to register the covenant, is sufficient proof to a registrar of that fact.

(14) The minister may delegate to the Surveyor General the minister's powers under subsections (3) (c) and (11) (b)