Methodology

Conducted on a quarterly basis, the CHBA survey asks an expert panel to rate market conditions for the sale of new homes at the present time and in the next six months as well as the traffic of prospective buyers of new homes. Each variable allows the respondent to rate conditions as either "Good", "Fair" or "Poor" or in the case of the traffic of prospective homebuyers "High/Very High," "Average," "Low/Very Low." Each of these three variables creates a component index and the HMI is an average of the three component indices:

$$Component\ Index_i = (\%\ of\ Good\ responses_i - \%\ of\ Poor\ responses_i + 100)/2$$

$$HMI = 0.6xPresent + 0.1xFuture + 0.3xTraffic$$

The final number is weighted to ensure it is representative of CHBA's membership by geographical location. The provincial weights leveraged 2022 Statistics Canada housing starts data for the breakdowns of single and multi-family markets to create the proportions of the single-family and multi-family markets in each province. This allows CHBA to create an accurate provincial representation while also taking into consideration that each province has very different single-family and multi-family proportions. Each local Home Builders' Association (HBA) is also weighted to ensure proper representation by builder size (I.e., small/medium and large). In some cases, where local breakdowns for HBAs are not available, those HBAs are not weighted. The provincial weights are developed in a way to ensure the sample size is representative of the overall population of CHBA's membership of 2,861 builders. The special questions presented above are only weighted at the provincial level.

For the Q3 results, an online survey of 161 builders was conducted by CHBA from March 12, 2024 to April 3, 2024, using CHBA's panel of builders. Some builders elected to speak to both the single and multi-family builds, resulting in 232 unique responses. Respondents from 40 different local HBAs participated in this survey.