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HOUSING NOW

New Brunswick

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

2002: Busy Year for Builders

Strong 4th Quarter Pushes 2002 Total Starts to Highest Level Since 1986

- ✓ Total housing starts in New Brunswick reached 1,375 units in the fourth quarter, a near 40 per cent increase when compared to the same period in 2001.
- ✓ The rise in residential activity in the fourth quarter was due to a strong demand for new homes in both urban and rural areas. Total starts increased by 41 per cent in urban centres and by 37 per cent in rural areas.
- ✓ Strong employment growth and low mortgage rates are viewed as two of the major factors which contributed to a rise in housing starts in the fourth quarter.
- ✓ With 949 units, fourth quarter total urban housing starts reached the highest level since 1975.
- ✓ Fourth quarter housing starts were up in Moncton, stable in Saint John and declined in Fredericton. In Moncton, the construction of 200 new apartment units pushed the fourth quarter total starts to 421 units compared to 258 units in 2001. In Fredericton, only 6 apartment units were started in the fourth quarter compared to 163 units in 2001.
- ✓ Strong housing activity in the fourth quarter boosted the 2002 total provincial starts to a high of 3,862 units, a 11.6 per cent rise when compared to the 3,462 units registered last year. This represents the best year for builders in New Brunswick since 1986. Total urban starts rose by 20.3 per cent to 2,647, while rural starts dropped by 3.7 per cent to 1,215 units.

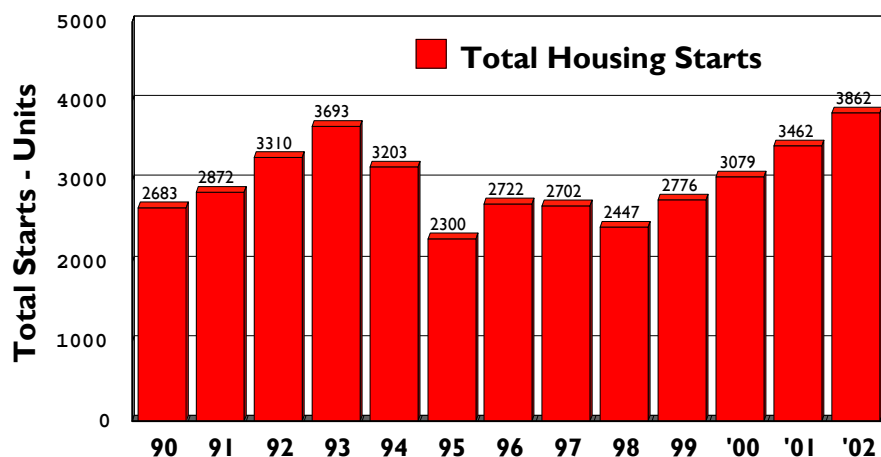
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MLS[®] is a registered certification mark of the Canadian Real Estate Association

Total Starts Reach Highest Level Since 1986



HOME TO CANADIANS
Canada

FREDERICTON MONCTON SAINT JOHN

Housing Market Overview

Strong Demand for New Single Family Homes in Southern New Brunswick

- ✓ Solid labour market conditions in southern New Brunswick attracted many workers from northern regions of the province. Employment growth, higher average annual incomes and low mortgage rates are all key factors which contributed to a rise in annual single starts in Fredericton, Saint John and Moncton in particular.
- ✓ In 2002, single starts in Moncton rose by nearly 19 per cent to 755 units. When combined with the 795 new multiple units, total housing starts reached 1,550 units. This represents the best year for new home construction in Moncton since 1973. In Saint John, single starts rose by 4 per cent, maintaining an upward trend which began in 1997, while in Fredericton, single starts rose for the third consecutive year.

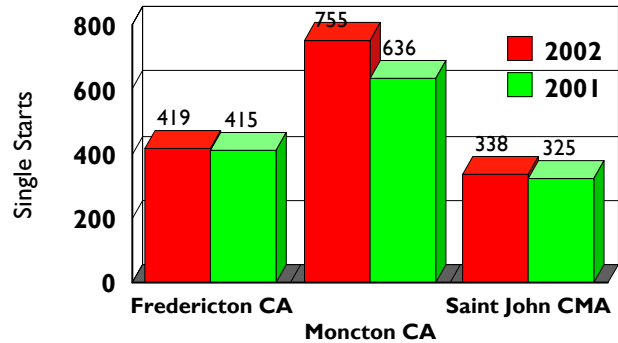
MLS® Sales Hot Again in 2002

- ✓ Sales of existing homes reached outstanding levels in 2002, increasing in Moncton and Fredericton in particular. Sales slightly declined in Saint John, but remained strong in historical terms. The Greater Moncton area continues to lead the province with a record 1,763 homes sold in 2002, a near 6 per cent rise when compared to the previous record registered in 2001. However, the strongest growth was by far in the Fredericton area where MLS® sales rose by nearly 23 per cent to 1,698 units, a new record high.
- ✓ A shortage of active listings combined with strong demand has caused an upward pressure on prices in Moncton and Saint John. The average MLS® sales price in Moncton and Saint John rose by 8.1 and 6.7 per cent respectively. In Fredericton and northern New Brunswick, where active listings are abundant, the average sales price dropped by 0.9 and 7.2 per cent respectively. In northern New Brunswick, high levels of out-migration boosted active listings at the end of 2002 by 24 per cent when compared to the previous year. The buyers market conditions also caused the average sales price in 2002 to drop to a low \$61,369.

Rural Housing Starts Down Slightly

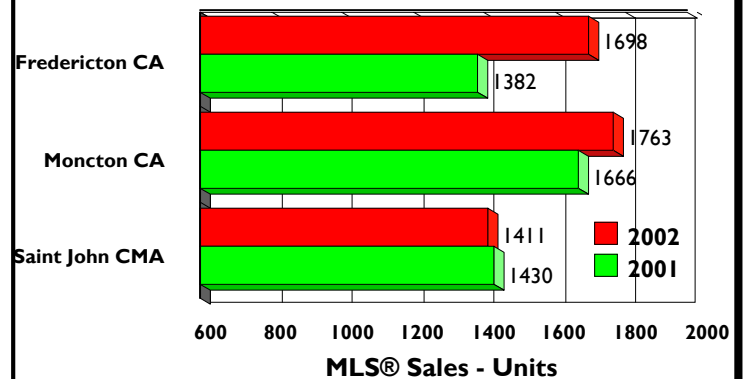
- ✓ Following four years of consecutive growth, total housing starts in rural areas of New Brunswick dropped slightly to 1,215 units in 2002.
- ✓ Despite the slowdown, housing demand in rural areas remains strong. Demographic trends and an increased demand for summer cottages and permanent residences along the coast are two of the main factors stimulating housing construction in rural areas.

Single-detached Starts on the Rise in Greater Moncton in Particular



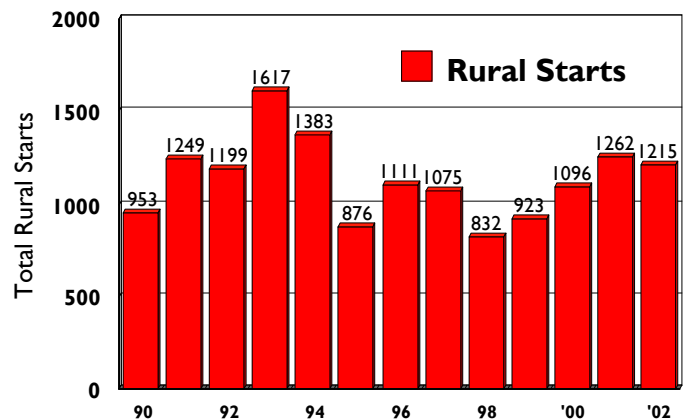
Source: CMHC, Single Starts, January-December

MLS® Sales: Strong Growth in Fredericton



Source: Local NB Real Estate Boards

Slight Decline in Rural Starts



Source: CMHC

**TABLE 1
ACTIVITY SUMMARY BY AREA
New Brunswick**

Area	Starts						Completions						Under Construction As at December 31		
	Fourth Quarter			Year-to-Date			Fourth Quarter			Year-to-Date			2002	2001	% chg
	2002	2001	% chg	2002	2001	% chg	2002	2001	% chg	2002	2001	% chg	2002	2001	% chg
Bathurst CA	17	10	70.0	45	39	15.4	10	12	-16.7	37	40	-7.5	21	12	75.0
Campbellton CA	1	1	0.0	11	11	0.0	4	7	-42.9	8	12	-33.3	4	1	--
Edmundston CA	7	8	-12.5	46	59	-22.0	20	21	-4.8	33	53	-37.7	24	11	--
Fredericton CA	246	291	-15.5	548	745	-26.4	89	123	-27.6	650	544	19.5	243	351	-30.8
Miramichi City	9	14	-35.7	50	34	47.1	18	18	0.0	35	78	-55.1	22	7	--
Moncton CA	571	258	121.3	1550	938	65.2	308	316	-2.5	1145	1040	10.1	951	549	73.2
Saint John CMA	98	91	7.7	397	374	6.1	124	118	5.1	401	342	17.3	129	134	-3.7
TOTAL URBAN AREAS	949	673	41.0	2647	2200	20.3	573	615	-6.8	2309	2109	9.5	1394	1065	30.9
TOTAL OTHER AREAS	426	310	37.4	1215	1262	-3.7	341	273	24.9	870	1126	-22.7	838	662	26.6
TOTAL NEW BRUNSWICK	1375	983	39.9	3862	3462	11.6	914	888	2.9	3179	3235	-1.7	2232	1727	29.2

Source: CMHC

NEED MORE DETAILED INFORMATION?

Market Analysis Products and Services are designed to suit your needs. CMHC is the source for expert analysis and comprehensive data on housing. If you are in the housing industry, it is critical that you understand the trends and factors behind New Brunswick's housing markets. There is no substitute for the thorough, concise analysis of housing market developments that you get with CMHC's market data and analysis. Contact CMHC's Senior Market Analyst for New Brunswick:



Your Link to the Housing Market

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TABLE 2
STARTS BY AREA AND DWELLING TYPE
Fredericton / Moncton / Saint John

Area/ Period	Single	Semi	Row	Apartment & other	Total	Area/ Period	Single	Semi	Row	Apartment & other	Total
Fredericton City						Grand Bay-Westfield					
Oct.-Dec. 2002	41	0	0	6	47	Oct.-Dec. 2002	8	0	0	0	8
Oct.-Dec. 2001	49	4	4	158	215	Oct.-Dec. 2001	6	0	0	0	6
January-Dec. 2002	165	17	4	104	290	January-Dec. 2002	22	0	0	0	22
January-Dec. 2001	186	16	4	305	511	January-Dec. 2001	17	0	0	0	17
Total Fredericton						Quispamsis Town					
Oct.-Dec. 2002	127	0	0	6	133	Oct.-Dec. 2002	27	0	6	2	35
Oct.-Dec. 2001	124	4	0	163	291	Oct.-Dec. 2001	33	0	0	2	35
January-Dec. 2002	419	17	4	108	548	January-Dec. 2002	151	4	6	2	163
January-Dec. 2001	415	16	4	310	745	January-Dec. 2001	128	0	6	2	136
Moncton City						Rothesay Town					
Oct.-Dec. 2002	80	20	0	137	237	Oct.-Dec. 2002	6	2	4	0	12
Oct.-Dec. 2001	57	12	0	24	93	Oct.-Dec. 2001	5	4	0	0	9
January-Dec. 2002	293	50	0	577	920	January-Dec. 2002	25	2	7	0	34
January-Dec. 2001	214	32	0	100	346	January-Dec. 2001	26	6	4	0	36
Dieppe Town						Saint John City					
Oct.-Dec. 2002	38	10	0	55	103	Oct.-Dec. 2002	19	1	0	0	20
Oct.-Dec. 2001	66	8	0	2	76	Oct.-Dec. 2001	27	2	0	0	29
January-Dec. 2002	227	36	0	83	346	January-Dec. 2002	92	17	21	0	130
January-Dec. 2001	212	20	4	99	335	January-Dec. 2001	84	12	11	8	115
Riverview Town						Saint John - Other outlying areas					
Oct.-Dec. 2002	20	0	0	0	20	Oct.-Dec. 2002	18	0	0	0	18
Oct.-Dec. 2001	40	0	0	1	41	Oct.-Dec. 2001	12	0	0	0	12
January-Dec. 2002	93	22	9	8	132	January-Dec. 2002	48	0	0	0	48
January-Dec. 2001	66	4	0	37	107	January-Dec. 2001	70	0	0	0	70
Total Moncton CA						Total Saint John CMA					
Oct.-Dec. 2002	191	30	0	200	421	Oct.-Dec. 2002	78	3	10	2	93
Oct.-Dec. 2001	197	22	0	39	258	Oct.-Dec. 2001	83	6	0	2	91
January-Dec. 2002	755	110	9	676	1,550	January-Dec. 2002	338	23	34	2	397
January-Dec. 2001	636	62	4	236	938	January-Dec. 2001	325	18	21	10	374

Note: Other outlying areas include Greenwich Parish, Kingston Parish, Musquash Parish, St. Martins Parish, St. Martins Village, Simonds Parish, Lepreau Parish, Petersville Parish, Hampton Town, Hampton Parish and Upham Parish.

Housing Now is published 4 times a year for the New Brunswick market. Annual subscriptions to the **Housing Now** for New Brunswick are \$55.00 plus applicable taxes. This publication is also available in French. For more information, or to subscribe, contact Johannes O'Callaghan at the Atlantic Business Centre at (902) 426-4708.

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