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Canada Mortgage and Housing Corporation

Buoyant Resale Markets Keep Single Family Construction in Step with 2002 in Sudbury and Thunder Bay

Buoyant resale markets in Northern Ontario's two largest centres have allowed residential construction to keep pace with last year. After a strong third

quarter where Sudbury resales hit 625, the highest third quarter level since 1992. This translated into 95 single-detached starts, behind last year's count but ahead of the 5-year average for third quarters which is 72 units. (see Chart below)

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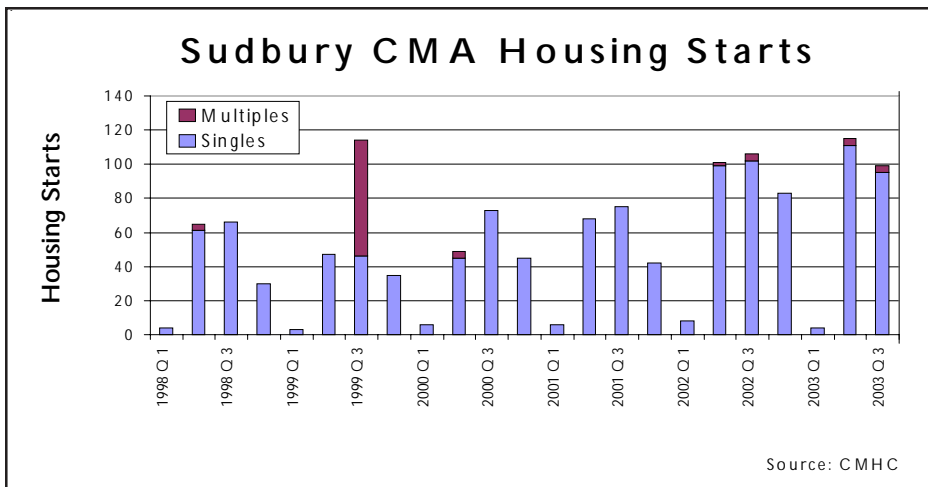
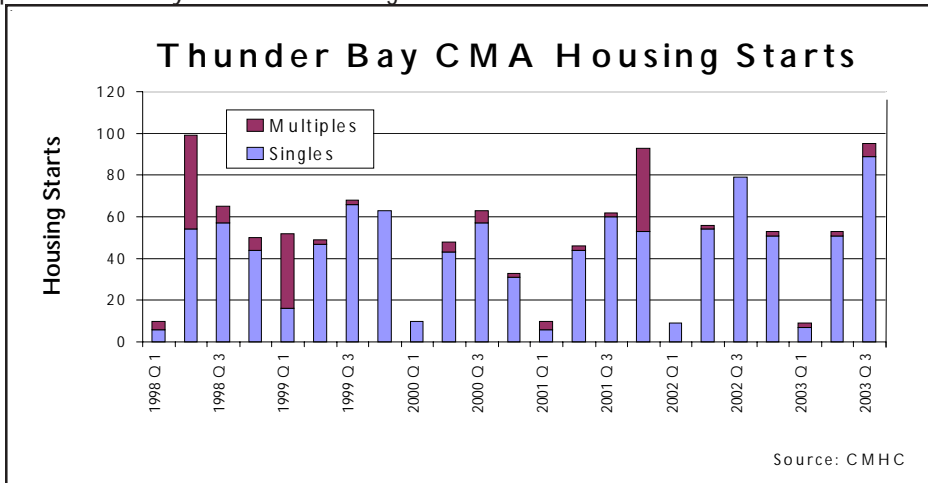
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Thunder Bay's resale market recorded 473 third quarter sales in an environment where the trend in new listings is down. The upward trend in resales led to single-starts rising in the third quarter to 89 units, up from 79 last year and ahead of the five year average for starts of 64 units. (see Chart below)

Absorptions are up in both markets year-over-year due to robust housing starts in 2002:Q4 in each market. This resulted in a strong level of early-2003 absorptions that weren't present the previous year. (Tables 1a & 1b)



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Elsewhere, starts activity summarized in **Tables 2a and 2b**, Haileybury third quarter starts made the most gains this year compared to 2002:Q3 with 28 total starts being recorded, up from 12 last year. All other centers: North Bay, Sault Ste. Marie, Timmins, Kenora, Fort Frances and Dryden were even or behind levels experienced last year.

An analysis of the prices newly constructed singles in our key markets, Thunder Bay, Sudbury, Sault Ste. Marie and North Bay is found in **Table 3**. Average absorbed prices have eclipsed \$200,000 in both Thunder Bay and Sudbury.

Absorptions are presented in **Table 4** by volume and by price range. Firstly, absorptions are up in each of the four centres in the year-to-date with the exception of Sault Ste. Marie. Secondly, the \$150,000 to \$199,999 price range remains the most popular in the four key markets throughout Northern Ontario.

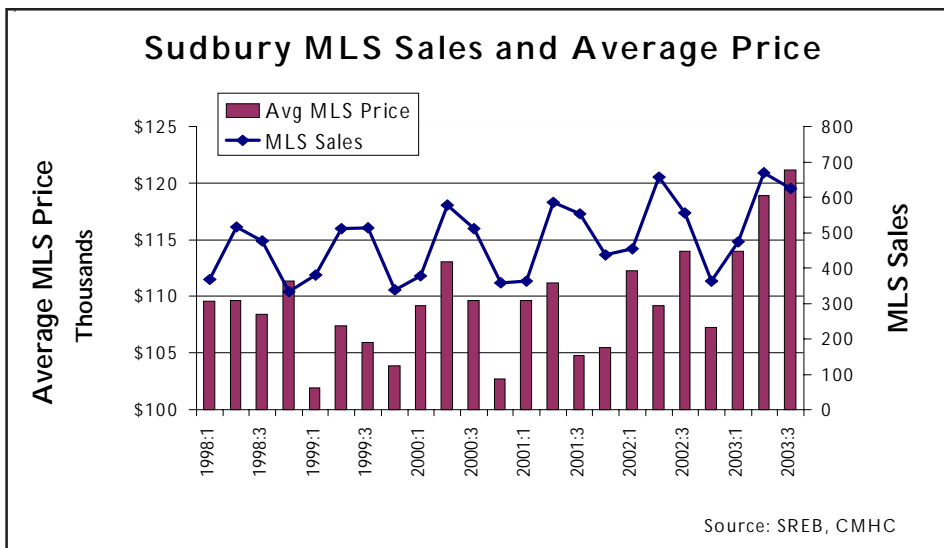
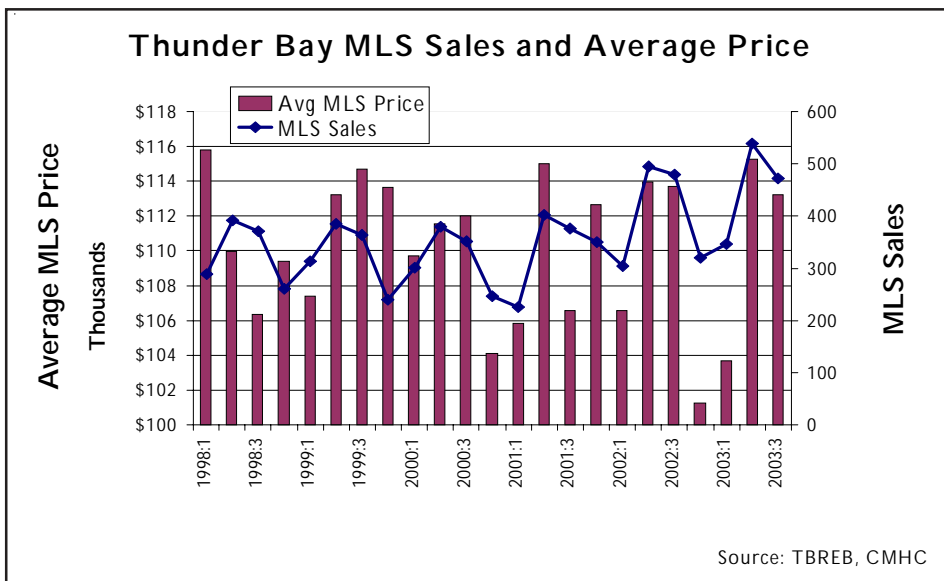
Markets Tighten after Strong Third Quarter Sales in Thunder Bay and Sudbury

Sales have continued to rise in Northern Ontario's largest markets, Greater Sudbury and Thunder Bay. Interest rates, that were supposed to rise in 2003 actually fell producing another stellar year in

homebuying. Despite a flat employment situation and a three month strike at Inco in Sudbury, sales were very strong in the third quarter reaching 625, the highest third quarter sum since 1992. Prices surged ahead in the third quarter too, climbing 6.2 per cent above the third quarter in 2002.

In Thunder Bay, the third quarter was also active with 473 transactions. Prices, though have been flat this year and the third quarter was no exception. Average prices are in the \$113,000 vicinity, down one per cent from 2002. Listings are continuing to trend down. Limited listings in move-up buying ranges are making things tight in the \$120,000 to \$180,000 price range. Active listings in August were the lowest since 1992.

As forecast earlier in the year, sales should rise 5.5 and 3.0 per cent in 2004 in Greater Sudbury and Thunder Bay, respectively. Employment gains and reduced out-migration in each market should support these gains.



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Employment Growth Surges in Thunder Bay

Employment levels will hit a historical high in Thunder Bay in 2003 according to Statistics Canada Labour Force Survey. To the end of September an average of 64,700 persons were employed in Thunder Bay, up from 60,300 for the same nine month period one year ago. (see information on Page 7)

Trade and services sectors are leading job growth while full-time job growth has outstripped part-time

throughout the year. Employment of workers aged 25-44 has been on the rise for nearly two years while of the 15-24 employment market has seen some positive results also. The seasonally adjusted unemployment rate has been under six per cent for eight consecutive months. A relatively high participation currently calls into question the depth of the labour pool in the local market.

The trend is down in employment of late in Greater Sudbury. In the year-to-date, 72,700 on average have been

employed, down 1.0 per cent from the same period last year. (see information on Page 7) Jobs for those aged 25-44 have been declining during the year while jobs for those 15-24 have been on the rise. Jobs for those aged 45+ have been stable throughout 2003. The seasonally adjusted unemployment rate jumped over eight per cent in the third quarter and unlike Thunder Bay, Sudbury has a relatively low participation rate suggesting a deep pool of available labour.

Table 1A: Housing Activity Summary for Thunder Bay CMA

	OWNERSHIP					RENTAL		GRAND **TOTAL
	*SINGLE	*SEMI	ROW	CONDOMINIUM ROW	APT	ROW	APT	
STARTS								
Q3 2003	89	6	0	0	0	0	0	95
Q3 2002	79	0	0	0	0	0	0	79
% Change	12.7%	NA	NA	NA	NA	NA	NA	20.3%
Year-to-date 2003	147	10	0	0	0	0	0	157
Year-to-date 2002	142	2	0	0	0	0	0	144
% Change	4.0%	**	NA	NA	NA	NA	NA	9.0%
UNDER CONSTRUCTION								
September 2003	130	6	0	0	38	0	0	174
September 2002	101	0	0	0	38	0	4	143
COMPLETIONS								
Q3 2003	52	2	0	0	0	0	0	54
Q3 2002	52	2	0	0	0	0	0	54
% Change	0.0%	0.0%	NA	NA	NA	NA	NA	0.0%
Year-to-date 2003	129	6	0	0	0	0	6	141
Year-to-date 2002	117	4	0	0	0	0	0	121
% Change	10.0%	50.0%	NA	NA	NA	NA	NA	17.0%
COMPLETE & NOT ABSORBED								
September 2003	2	1	0	0	0	0	0	3
September 2002	8	2	0	0	6	0	0	16
ABSORPTIONS								
Q3 2003	52	2	0	0	0	0	0	54
Q3 2002	56	0	0	0	0	0	0	56
% Change	-7.1%	NA	NA	NA	NA	NA	NA	-3.6%
Year-to-date 2003	137	5	0	0	0	0	6	148
Year-to-date 2002	118	3	0	0	2	0	0	123
% Change	16.1%	66.7%	NA	NA	-100.0%	NA	NA	20.3%

*Includes all market types

**Totals may not add up because "Tenure" may not be known until completion

Source: CMHC

Table 1B: Housing Activity Summary for Sudbury CMA

	OWNERSHIP					RENTAL		GRAND TOTAL
	SINGLE	FREEHOLD SEMI	ROW	CONDOMINIUM ROW	APT	ROW	APT	
STARTS								
Q3 2003	95	4	0	0	0	0	0	99
Q3 2002	102	0	0	0	0	0	0	106
% Change	-7.0%	NA	NA	NA	NA	NA	NA	-7.0%
Year-to-date 2003	210	8	0	0	0	0	0	218
Year-to-date 2002	209	2	0	0	0	0	0	215
% Change	0.0%	**	NA	NA	NA	NA	NA	1.0%
UNDER CONSTRUCTION								
September 2003	120	4	0	0	0	0	0	124
September 2002	115	0	0	0	0	0	0	119
COMPLETIONS								
Q3 2003	91	4	0	0	0	0	0	95
Q3 2002	86	2	0	0	0	0	0	88
% Change	6.0%	100.0%	NA	NA	NA	NA	NA	8.0%
Year-to-date 2003	182	4	0	0	0	0	0	186
Year-to-date 2002	152	2	0	0	0	0	0	154
% Change	20.0%	100.0%	NA	NA	NA	NA	NA	21.0%
COMPLETE & NOT ABSORBED								
September 2003	13	0	0	0	0	0	0	13
September 2002	11	2	0	0	0	0	0	13
ABSORPTIONS								
Q3 2003	89	4	0	0	0	0	0	93
Q3 2002	78	0	0	0	0	0	0	78
% Change	14.1%	NA	NA	NA	NA	NA	NA	19.2%
Year-to-date 2003	179	4	0	0	0	0	0	183
Year-to-date 2002	155	1	0	0	0	0	0	156
% Change	15.5%	**	NA	NA	NA	NA	NA	17.3%

*Includes all market types

**Totals may not add up because "Tenure" may not be known until completion

Source: CMHC

Table 2A: Starts by Area and by Intended Market - Current Quarter

Sub Market Area	SINGLES			MULTIPLES			TOTAL		
	Q3 2002	Q3 2003	% change	Q3 2002	Q3 2003	% change	2002	2003	% change
North Bay	39	51	30.8%	16	0	-100.0%	55	51	-7.3%
Sault Ste. Marie	31	22	-29.0%	4	2	-50.0%	35	24	-31.4%
Timmins	13	13	0.0%	0	0	NA	13	13	0.0%
Elliot Lake	0	0	NA	0	0	NA	0	0	NA
Haileybury	12	11	-8.3%	0	17	NA	12	28	133.3%
Kenora	18	11	-38.9%	2	0	-100.0%	20	11	-45.0%
Fort Frances	5	2	-60.0%	0	0	NA	5	2	-60.0%
Dryden	16	7	-56.3%	4	0	-100.0%	20	7	-65.0%

Table 2B: Starts by Area and by Intended Market - Year-to-Date

Sub Market Area	SINGLES			MULTIPLES			TOTAL		
	YTD 2002	YTD 2003	% change	YTD 2002	YTD 2003	% change	2002	2003	% change
North Bay	76	90	18.4%	16	2	-87.5%	92	92	0.0%
Sault Ste. Marie	56	58	3.6%	11	2	-81.8%	67	60	-10.4%
Timmins	23	22	-4.3%	0	0	NA	23	22	-4.3%
Elliot Lake	0	0	NA	0	0	NA	0	0	NA
Haileybury	13	15	15.4%	0	17	NA	13	32	146.2%
Kenora	20	13	-35.0%	2	0	-100.0%	22	13	-40.9%
Fort Frances	6	9	50.0%	0	4	NA	6	13	116.7%
Dryden	24	18	-25.0%	4	0	-100.0%	28	18	-35.7%

Table 3: Average Price of Completed and Absorbed Single-Detached Dwellings

Sub Market Area	Q3 2002	Q3 2003	% Change	YTD 2002	YTD 2003	% Change
Sudbury	\$189,885	\$198,213	4.4%	\$188,561	\$206,642	9.6%
Thunder Bay	\$180,518	\$204,981	13.6%	\$176,551	\$205,175	16.2%
North Bay	\$190,292	\$178,770	-6.1%	\$190,396	\$184,021	-3.3%
Sault Ste. Marie	\$197,000	\$206,333	4.7%	\$187,895	\$195,503	4.0%

Table 4: Completed and Absorbed Single-Detached Units by Price Range

AREA	PRICE RANGES						TOTAL
	<\$150,000		\$150 -199,999		\$200,000 +		
	Units	Share (%)	Units	Share (%)	Units	Share (%)	
Sudbury CMA							
Q3 2003	17	19.1%	44	49.4%	28	31.5%	89
Q3 2002	15	19.2%	41	52.6%	22	28.2%	78
YTD 2003	32	17.9%	85	47.5%	62	34.6%	179
YTD 2002	36	23.2%	77	49.7%	42	27.1%	155
Thunder Bay CMA							
Q3 2003	5	9.6%	29	55.8%	18	34.6%	52
Q3 2002	5	8.9%	37	66.1%	14	25.0%	56
YTD 2003	10	7.3%	62	45.3%	65	47.4%	137
YTD 2002	16	13.6%	76	64.4%	26	22.0%	118
Sault Ste. Marie CA							
Q3 2003	0	0.0%	2	66.7%	1	33.3%	3
Q3 2002	2	22.2%	4	44.4%	3	33.3%	9
YTD 2003	6	17.1%	19	54.3%	10	28.6%	35
YTD 2002	13	30.2%	16	37.2%	14	32.6%	43
North Bay CA							
Q3 2003	8	24.2%	16	48.5%	9	27.3%	33
Q3 2002	10	41.7%	5	20.8%	9	37.5%	24
YTD 2003	15	22.1%	33	48.5%	20	29.4%	68
YTD 2002	15	27.3%	22	40.0%	18	32.7%	55

Source: CMHC

Note: N/A may appear where CMHC data suppression rules apply

Table 5: Resale Housing Activity for Northern Ontario

	Number of Sales	Yr/Yr %	Number of New Listings	Sales-to-New Listings	Average Price (\$)	Yr/Yr %
Thunder Bay CMA						
Q3 2002	479	27.4%	750	0.64	\$113,710	6.7%
Q3 2003	473	-1.3%	653	0.72	\$113,209	-0.4%
YTD 2002	1,279	27.4%	2,389		\$111,408	2.1%
YTD 2003	1,357	6.1%	2,174		\$110,715	-0.6%
Sudbury CMA						
Q3 2002	556	0.7%	967	0.57	\$113,952	8.8%
Q3 2003	625	12.4%	958	0.65	\$121,105	6.3%
YTD 2002	1,669	11.3%	3,253		\$111,795	3.0%
YTD 2003	1,767	5.9%	3,057		\$117,999	5.5%
Sault Ste Marie CA						
Q3 2002	299	30.6%	547	0.55	\$92,845	0.5%
Q3 2003	300	0.3%	474	0.63	\$96,255	3.7%
YTD 2002	756	18.5%	1,566		\$92,723	1.9%
YTD 2003	786	4.0%	1,557		\$94,445	1.9%
North Bay CA						
Q3 2002	307	-6.4%	513	0.60	\$124,649	5.8%
Q3 2003	395	28.7%	561	0.70	\$125,222	0.5%
YTD 2002	966	7.9%	1,591		\$120,271	0.9%
YTD 2003	1,048	8.5%	1,646		\$127,548	6.1%
Timmins CA						
Q3 2002	289	12.9%	556	0.52	\$84,437	1.7%
Q3 2003	296	2.4%	535	0.55	\$81,508	-3.5%
YTD 2002	742	6.3%	1,721		\$83,247	5.0%
YTD 2003	690	-7.0%	1,623		\$84,345	1.3%

Source: Canadian Real Estate Association

Table 6: Economic Indicators

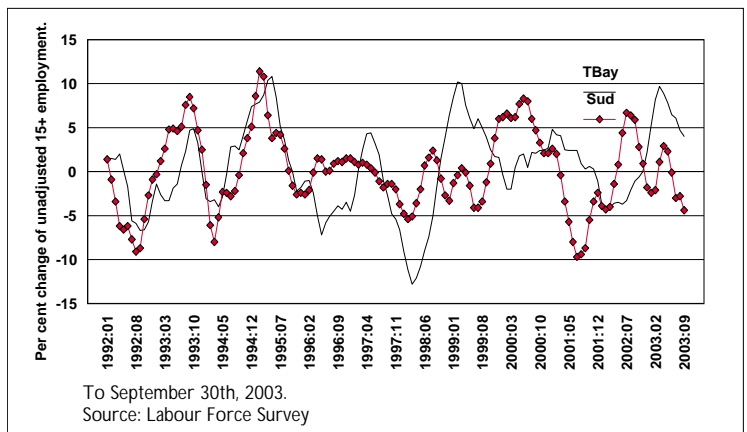
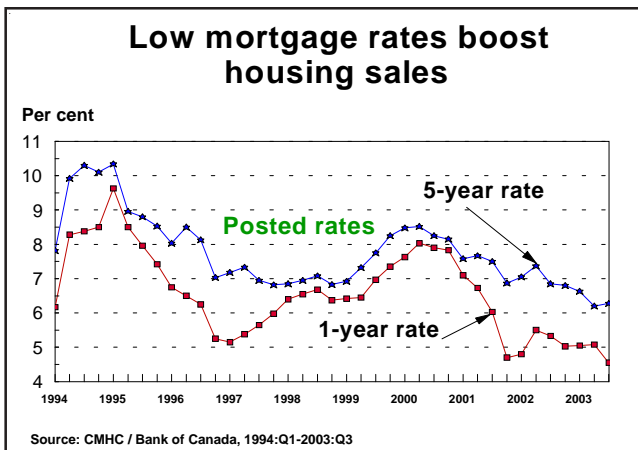
		Interest and Exchange Rates			Inflation Rate	Thunder Bay Labour Market		Sudbury Labour Market		
		P & I*	Mortgage Rate		Ontario	Employment	Unemployment	Employment	Unemployment	
		Per \$100,000	1 Yr. Term	5 Yr. Term	(\$US/\$Cdn)	1996=100	SA** (,000)	Rate (%) SA	SA** (,000)	Rate (%) SA
2002	January	\$700.42	4.6%	7.0%	0.630	1.2%	60.5	8.5%	73.4	9.5%
	February	\$691.18	4.6%	6.9%	0.624	1.4%	60.0	8.5%	73.1	10.1%
	March	\$719.04	5.3%	7.3%	0.627	1.9%	60.1	7.5%	72.2	10.5%
	April	\$728.42	5.4%	7.5%	0.638	1.4%	60.2	6.7%	72.5	10.3%
	May	\$725.28	5.6%	7.4%	0.654	0.8%	60.3	5.9%	73.1	9.6%
	June	\$715.92	5.6%	7.3%	0.660	1.2%	60.4	5.9%	74.5	8.9%
	July	\$703.51	5.4%	7.1%	0.632	2.1%	60.7	6.3%	75.0	8.9%
	August	\$688.11	5.4%	6.8%	0.642	2.9%	61.1	6.6%	74.8	9.0%
	September	\$681.99	5.3%	6.7%	0.630	2.3%	61.4	6.4%	74.5	8.8%
	October	\$700.42	5.3%	7.0%	0.642	2.8%	61.6	6.4%	73.7	8.2%
	November	\$681.99	4.9%	6.7%	0.639	3.8%	61.8	6.4%	73.2	7.7%
	December	\$681.99	4.9%	6.7%	0.634	2.8%	62.5	6.3%	72.3	8.0%
2003	January	\$666.80	4.9%	6.5%	0.657	4.3%	63.7	6.1%	71.7	8.4%
	February	\$675.90	4.9%	6.6%	0.674	4.4%	65.0	5.2%	71.6	8.4%
	March	\$691.18	5.4%	6.9%	0.681	3.3%	66.0	5.0%	72.9	7.7%
	April	\$678.94	5.4%	6.7%	0.698	2.3%	65.6	5.1%	74.2	7.6%
	May	\$648.75	5.1%	6.2%	0.731	2.7%	65.2	5.5%	74.5	7.3%
	June	\$627.97	4.9%	5.8%	0.742	2.5%	64.6	5.7%	74.2	7.7%
	July	\$651.74	4.6%	6.2%	0.712	1.9%	64.6	5.7%	73.0	7.9%
	August	\$660.76	4.6%	6.4%	0.722	1.7%	64.3	5.6%	72.8	8.3%
	September	\$657.75	4.6%	6.3%	0.741	2.2%	64.2	5.4%	71.8	8.7%
	October									
	November									
	December									

* Payment and Interest, 5yr mortgage, 25yr amortization

** Seasonally Adjusted

Source: CMHC, Statistics Canada Labour Force Survey

Employment surged ahead in Thunder Bay while Sudbury employment softened slightly



Definitions

- 1. Starts:** refers to units where construction has advanced to a stage where full (100%) footings are in place. For multiple dwellings (semi-detached, row housing and apartments) the definition of a start applies to the structure or block of row units rather than to the project as a whole.
- 2. Under Construction:** those units which have been started but which are not complete.
- 3. Completions - Single-detached/semi-detached units:** this generally is the stage at which all proposed construction work is complete. A unit may be completed at the 90% stage where the remaining work is largely cosmetic. **Row housing/ Apartment:** completions means that 90% or more of the dwelling units within a block of row units or an apartment structure are completed and ready for occupancy
- 4. Completed and Not Absorbed:** all completed units of new construction (excluding model homes not available for sale) which have never been sold or leased.
- 5. Absorptions:** the number of completed units (excluding model homes) that have been sold or leased.
- 6. Seasonally Adjusted (SA):** Actual monthly (or quarterly) figures adjusted to remove normal seasonal variation.
- 7. Seasonally Adjust Annual Rates (SAAR):** Seasonally adjusted monthly figures multiplied by 12 (or quarterly figures multiplied by 4) to reflect annualized levels of activity.
- 8. Definitions for CMA, and Inflation Rate** can be found in the Statistics Canada website - <http://www.statcan.ca>

Your Guide to Renting a Home – CMHC's new, online guide for tenants, landlords, and property managers

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"Your Guide to Renting a Home" is located on the CMHC Web site at www.cmhc.ca. From the left-hand menu, you can select "Buying or Renting a Home" and click on "Renting a Home".

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FORECAST

Northern Ontario

SUMMARY

Canada Mortgage and Housing Corporation

FALL 2003

Carrying Costs To Remain Relatively Low Despite Interest Rate Hikes

Mortgage rates remained low throughout 2003 providing an important stimulus to Northern Ontario housing markets. Thunder Bay and Greater Sudbury will both see average carrying costs rise in 2004 but again not enough to curtail housing demand. (See Chart below)

Low mortgage rates in Sudbury and Thunder Bay over the past couple years has enabled traditional buyers of low end product to afford more house. By increas-

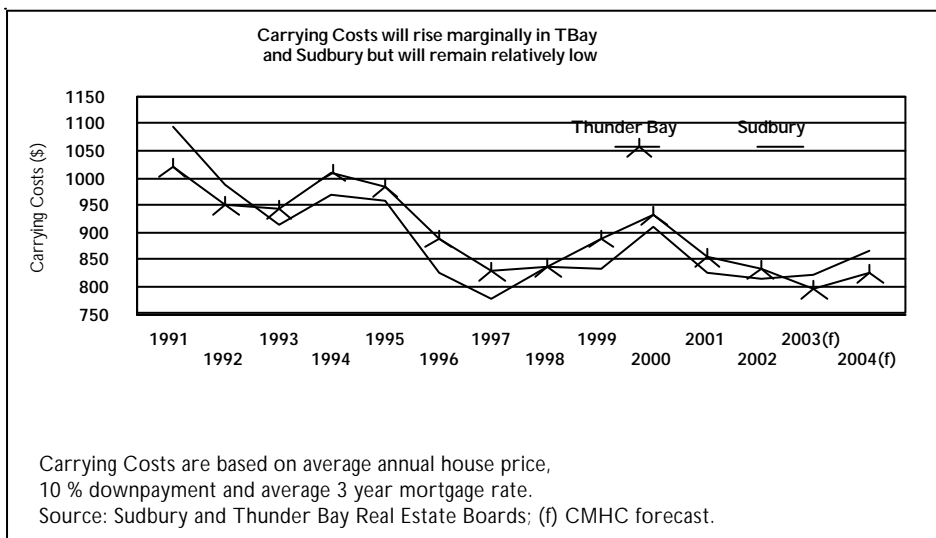
ing the upper limit of affordability for the purchaser, lower end units have suffered from decreased demand especially when youth out-migration continues to be a problem. Price range analysis in both markets indicates the trend is less of a problem in Sudbury than Thunder Bay as demand seems to spread more evenly across price ranges in the larger market.

Mortgage Rates

Rapidly decelerating inflation rates and lingering trade, health and geopolitical risks will keep Canadian interest rates low in the near future. Short-term Canadian inter-

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est rates are forecast to remain low over the next few months prior to rising 25-75 basis points in 2004. Long-term yields are forecast to continue their upward trend later this year and rise by 25-50 basis points both this year and in 2004. One, three and five year closed mortgage rates are expected to be in the 4.25-5.25, 5.25-6.25 and 6.00-6.75 per cent range respectively this year. The mortgage rates are forecast to rise by 0.50-0.75 per cent next year. Discounts from posted rates will be in the 0.5-1.5 per cent range.



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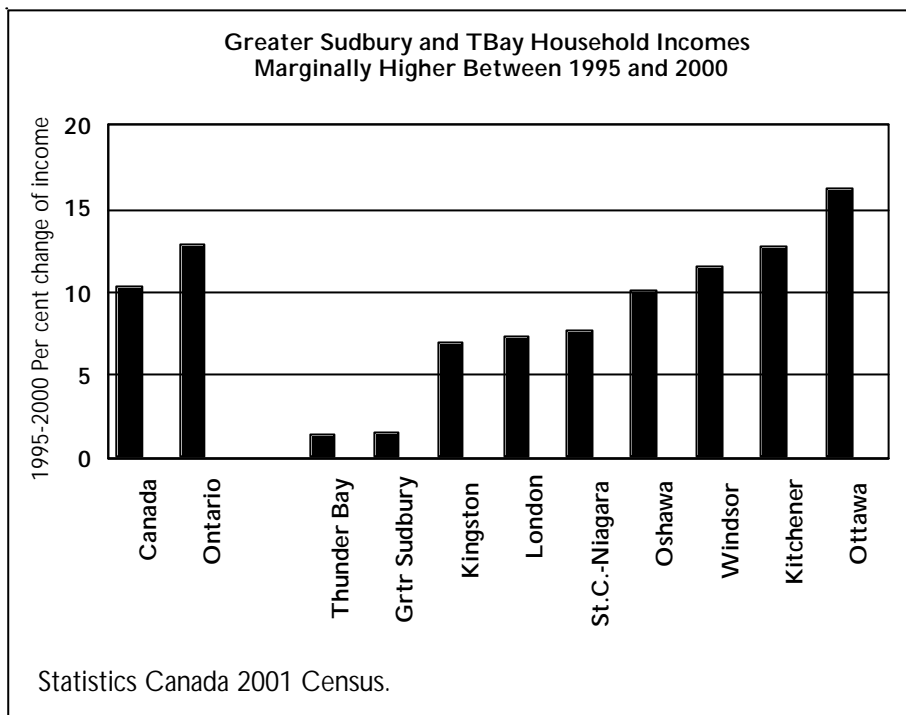


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Thunder Bay and Sudbury Forecasts

Continued low mortgage rates and improving job markets will stimulate housing demand in 2004 in Thunder Bay and Sudbury. With job growth at 7.3 per cent to the end of September, MLS unit sales will hit 1,275 sales in Thunder Bay, a five per cent increase from 2002. For 2004, the resale market should hit 1300 sales. Despite the job growth, housing prices were up off 3.1 per cent after nine months of 2003, compared to the same nine-month period in 2002. Although employment has increased, Thunder Bay resale market has been in a buyers' market state all year which has meant limited price growth. The forecast for 2004 is for an increase of two per cent as listings continue to fall tightening the market.

In Sudbury, the trend is down slightly in employment so far this year. In fact, in the year-to-September 30th, Sudbury is averaging 0.9 per cent fewer jobs than the same period last year here in the City of Greater Sudbury. That works out to 72,700 employed on average in Sudbury for the year, 700 jobs less than the level this time last year. CMHC's forecast is for an average of 73,000 employed for the year rising to 74,000 in 2004 supporting higher sales in the resale market. Nevertheless, Sudbury is on track to see 2150 MLS sales this year, up 5.5 per cent from 2002. Although job growth is lower this year, the longer trend has been for stable employment. When combined with improved in-migration and general mood improvement in Sudbury, the resale market has rebounded strongly. In 2004 look for Sudbury resales to grow to 2,250 units as employment picks up. With prices up 6.1 per cent after nine months, we're of the opinion prices will continue strong to end the year up five per cent. Our forecast for 2004 is for another three per cent increase. Sudbury is classified as a



balanced market but in certain price ranges and neighbourhoods, seller's market conditions may exist.

Singles Construction to Take Another Step Forward

Tighter resale markets should improve conditions for new residential construction in both markets. Thunder Bay single-detached construction is forecast to reach 200 units this year and 210 units in 2003. Sudbury, meanwhile will hit 310 single-detached units this year followed by 320 next year.

Income Growth Weak in Northern Ontario

The two largest markets in Northern Ontario are undergoing fundamental changes in their economies. Census data from 2001 illustrates the impact of the changes to the composition of our labour force in both Thunder Bay and Sudbury. Both communities have lost significant numbers of resource sector jobs that paid significant incomes. The trade and service sector jobs that have replaced them do not yield incomes that come

close to the former jobs. This transition partly explains the slight increase in average household income between 1995 and 2000.

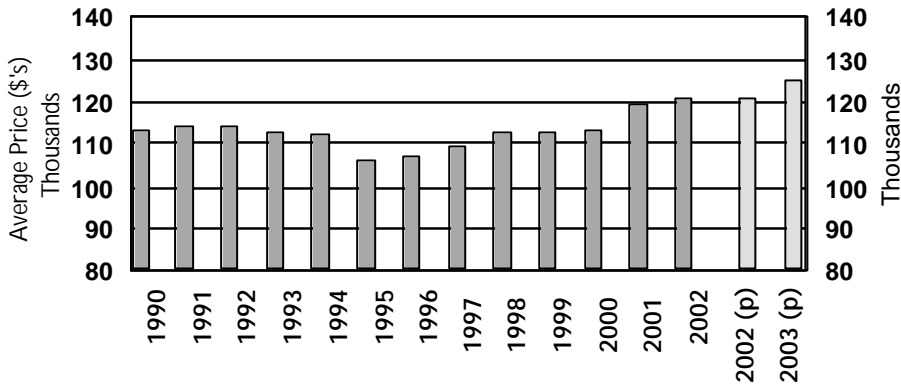
The chart above shows how Thunder Bay and Sudbury average incomes grew far less than the Ontario and Canadian average. Activity around the Northern Ontario Medical School with campuses in both Thunder Bay and Greater Sudbury, scheduled to open in the fall of 2005 holds some promise to help reverse the trend. More developments in the knowledge economy are needed to see Northern Ontario incomes keep pace with those elsewhere in the country.

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North Bay average prices are up strongly to September 30th over last year's market high



(p) to September 30th.
Source: NBREB.

bringing the year-to-date average price to \$95,597. Despite the good performance, the Sault market remains classified as buyer's.

Active Third Quarter Not Enough to Boost Timmins Sales

A reasonably strong third quarter in Timmins did not have the effect of boosting year-to-September 30th sales above last year's levels. The 304 sales in the July to September period brought the year's total to 698, nearly six per cent behind last year's first nine months. Weak demand has left prices flat and a three per cent dip in new listings has not been enough to create supply shortages to the point prices are reacting. Average prices are hovering around \$85,000.

Northeastern Ontario Markets Highlighted

North Bay Sales and Prices Rise Again

The good news keeps coming for the North Bay real estate market. Continued low interest rates have pushed the market up again during the course of 2003. Prices have risen 3.5 per cent in the year to September 30th from the same period one year ago (see chart above), while sales are up 8.5 per cent on the strength of a terrific third quarter where sales reached an all-time high for the July to September 30th period. Nearly 400 (395) homes changed hands in the third quarter up 28.7 per cent from the same quarter last year. North Bay average priced unit sold for \$125,222 in the third quarter of 2003.

Sault Ste. Marie Witnesses Best Third Quarter Since 1996

The July to September period for busy for Sault realtors this year. Three hundred sales were recorded, the best third quarter since 1996. The relatively strong demand

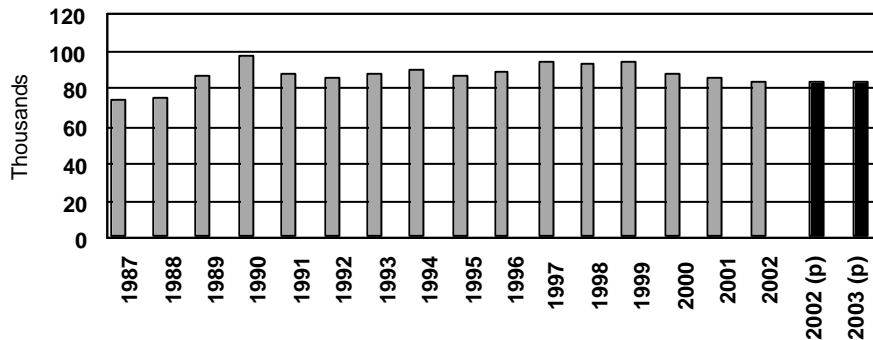
coupled with shrinking listings pushed average prices up. Prices averaged \$96,255 during the quarter

Sault Ste Marie average prices climb as supply shrinks



(p) to September 30th.
Source: SSMREB.

Timmins average MLS prices are flat despite active third quarter



(p) to September 30th.
Source: Timmins REB.

FORECAST SUMMARY

Northern Ontario

RESALE MARKET	2002	%chg	2003	%chg	2004 (f)	%chg
Sudbury MLS sales*	2,031	4.9	2,143	5.5	2,250	5.0
Sudbury MLS average price	\$110,826	2.8	\$116,400	5.0	\$119,900	3.0
Sudbury New Listings (Total)	3,913	-10.3	3,796	-3.0	3,720	-2.0
Thunder Bay MLS sales*	1,214	3.3	1,275	5.0	1,313	3.0
Thunder Bay MLS average price	\$114,365	1.5	\$113,222	-1.0	\$115,485	2.0
Thunder Bay New Listings (Total)	2,083	-1.2	2,000	-4.0	1,960	-2.0
NEW HOME MARKET	2002	%chg	2003	%chg	2004 (f)	%chg
Sudbury Starts						
Total	298	56.0	316	6.0	330	4.4
Single family	292	52.9	310	6.2	320	3.2
Multiple (semi, row, apt)	6	ERR	6	0.0	10	66.7
Thunder Bay Starts						
Total	195	-7.6	210	7.7	280	33.3
Single family	193	18.4	200	3.6	210	5.0
Multiple (semi, row, apt)	2	-95.8	10	400.0	70	600.0
RENTAL MARKETS	2002	%chg	2003	%chg	2004 (f)	%chg
Sudbury Vacancy rate (Oct. '02)	5.1%	n/a	4.7%	n/a	4.0%	n/a
Average rent, two-bed. apt.	\$647	4.4	\$650	0.5	\$653	0.5
Thunder Bay Vacancy rate (Oct. '02)	4.7%	n/a	3.7%	n/a	3.0%	n/a
Average rent, two-bed. apt.	\$657	0.0	\$666	1.4	\$675	1.4
ECONOMIC OVERVIEW	2002	%chg	2003	%chg	2004 (f)	%chg
Mortgage rate, 1 year	5.17	n/a	4.85	n/a	4.89	n/a
Mortgage rate, 5 year	7.02	n/a	6.36	n/a	6.70	n/a
Sudbury Employed (Annual avg.)	73,500	1.1	73,000	-0.7	74,000	1.4
ER 590 ** Employed	254,500	1.9	255,000	0.2	n/a	n/a
Thunder Bay Employed (Annual avg.)	60,900	-2.2	65,000	6.7	67,000	3.1
ER 595 *** Employed	115,100	4.8	117,300	1.9	n/a	n/a

* Based on SREB/TBREB (Sudbury/Thunder Bay Real Estate Board) territories.

** Economic Region 590 includes the Northeastern Ontario Districts excluding Sudbury CMA.

*** Economic Region 595 includes the Northwestern Ontario Districts excluding Thunder Bay CMA.

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