



HOUSING NOW

New Brunswick

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

Builders Poised for Another Banner Year

Residential Activity on the Rise

- ✓ Residential activity remained strong in the second quarter with 1,321 units started over that period. This represents a 12.2 per cent increase when compared to last year (1,177 units), and the best second quarter since 1994.
- ✓ New home construction in the second quarter was fuelled by a rise in housing starts in both urban and rural areas.
- ✓ In urban areas, housing starts reached 911 units, a 13 per cent increase when compared to the 806 units started last year and the best second quarter since 1986 (937 units).
- ✓ In rural areas, housing starts reached 410 units in the second quarter compared to 371 units last year. Rural starts are expected to remain strong again this year. Many seniors and empty nesters moving from northern regions to all three larger urban centres opt for new housing units outside city limits.
- ✓ Thanks to a solid performance in the first two quarters, housing starts so far this year have now reached 1,706 units, a 22 per cent increase when compared to 2002.
- ✓ At the end of June, 2,210 units were under construction in New Brunswick, a rise of 30.2 per cent.

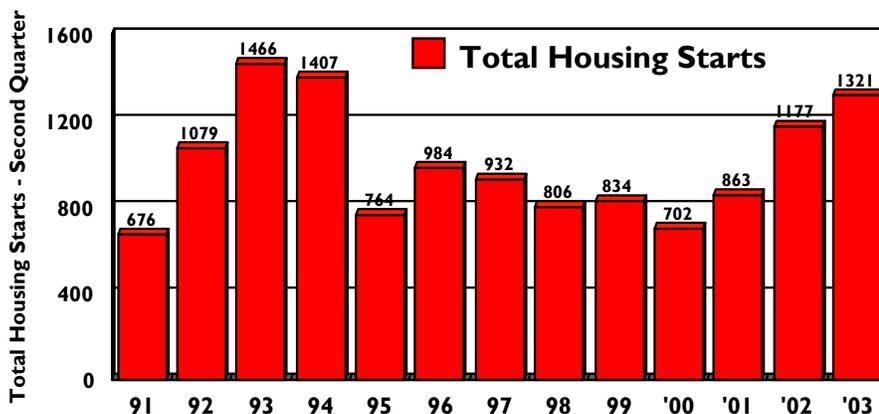
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IN THIS ISSUE

- 1 Residential Activity on the Rise
 - 2 Strong Demand for New Multi-unit Dwellings in Larger Urban Centres
 - 2 Second Quarter: MLS® Sales Strong
 - 2 Urban Starts on the Upswing
- STATISTICAL TABLES:**
- 3 Activity Summary by Area New Brunswick
 - 4 Starts by Area and Dwelling type Fredericton/Moncton/Saint John

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

Total Housing Starts on the Rise in the Second Quarter



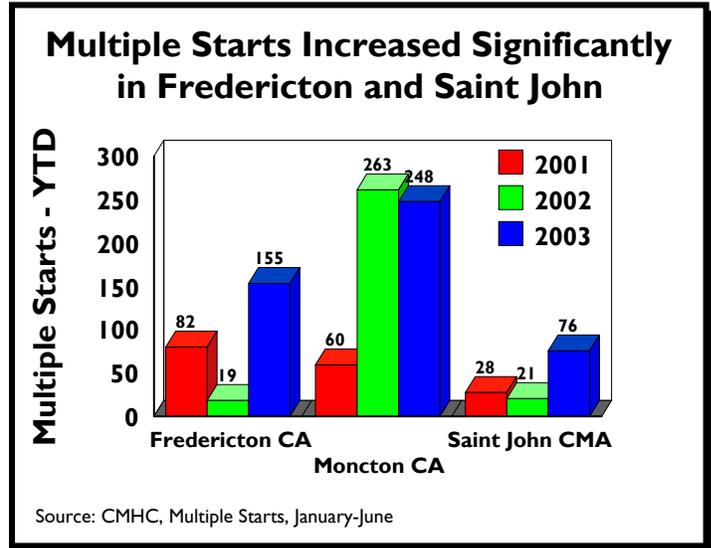
HOME TO CANADIANS
Canada

FREDERICTON MONCTON SAINT JOHN

Housing Market Overview

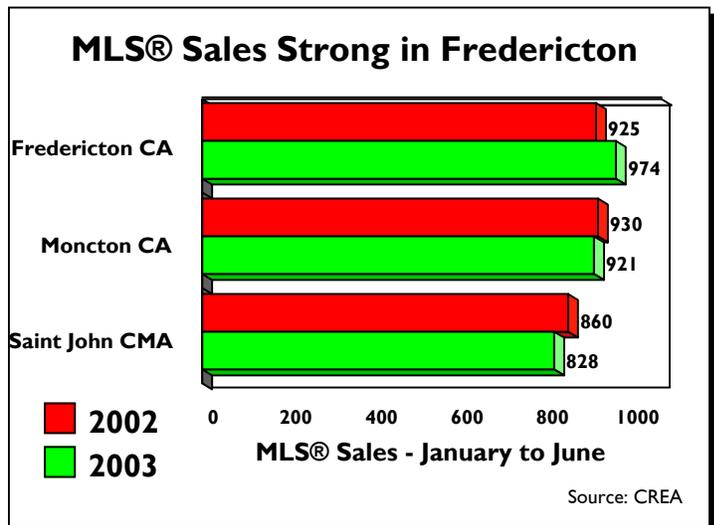
Strong Demand for New Multi-unit Dwellings in Larger Urban Centres

- Multiple starts in New Brunswick increased significantly in the first half of the year when compared to 2002. The growth was mainly due to a significant rise in multiple starts in Saint John and Fredericton in particular. In Moncton, multiple starts over the January-June period remained strong period in historical terms, but came 15 units short of last year's level.
- Multiple starts in all three larger urban centres of the province account for nearly 90 per cent of the provincial multiple starts. Solid labour market conditions in all larger southern urban centres, in-migration, low vacancies and attractive interest rates are all key factors which contributed to a rise in multiple starts so far this year.



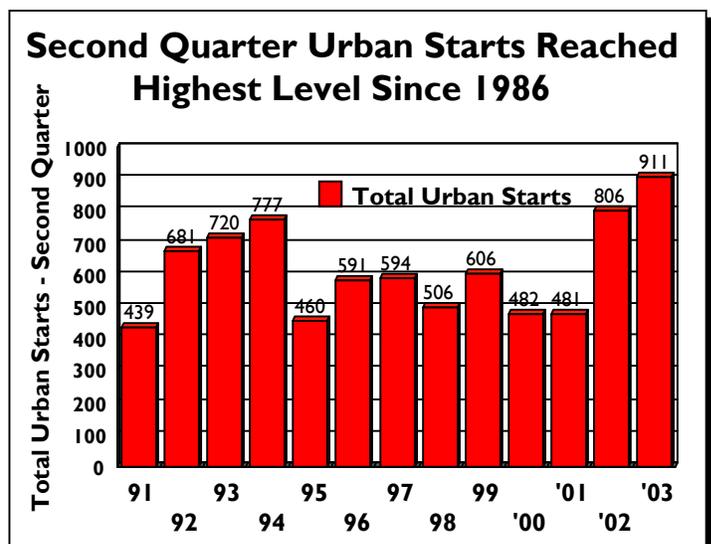
Second Quarter: MLS® Sales Strong

- Despite strong demand, a shortage of inventory in the Saint John and Moncton areas has caused a drop in MLS® sales again in the second quarter. Fredericton represents the only region where second quarter sales exceeded last year's levels. Realtors in Fredericton have continued to benefit from a rise in new listings so far this year. As a result, year-to-date MLS® sales in the Capital region are now exceeding Saint John and Moncton's levels.
- In Saint John and Moncton in particular, a substantial rise in the number of new high-end apartment units coming onto the market over the next few months will cause a rise in active listings. These new luxury rental units will provide emptynesters with the housing option they have been looking for the last few years.



Urban Starts on the Upswing

- An aging population and attractive labour market conditions have stimulated the urbanization phenomenon over the past several years. When combined with 50-year low mortgage rates, there has never been a better time to move to the urban centres. Second quarter urban starts clearly confirm that as construction activity trend for that period reached its highest level since 1986.
- Low mortgage rates are also helping first-time buyers into the home ownership market. Monthly payments on the average resale home in most regions are barely higher than the average rent for a 2-bedroom apartment.



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

Area	Starts						Completions						Under Construction As at June 30		
	April - June			January-June			April - June			January-June			2003	2002	% chg
	2003	2002	% chg	2003	2002	% chg	2003	2002	% chg	2003	2002	% chg			
Bathurst CA	11	14	-21.4	14	15	-6.7	12	1	1100.0	21	11	90.9	14	17	-17.6
Campbellton CA	3	4	-25.0	7	4	75.0	5	0	--	5	1	400.0	6	4	50.0
Edmundston CA	18	6	200.0	23	7	228.6	8	0	--	26	7	271.4	21	11	90.9
Fredericton CA	267	115	132.2	336	170	97.6	83	198	-58.1	204	218	-6.4	375	297	26.3
Miramichi City	13	10	30.0	15	13	15.4	6	3	100.0	19	6	216.7	18	14	28.6
Moncton CA	413	533	-22.5	530	583	-9.1	166	175	-5.1	586	473	23.9	898	660	36.1
Saint John CMA	186	124	50.0	231	166	39.2	79	54	46.3	149	139	7.2	207	162	27.8
TOTAL URBAN AREAS	911	806	13.0	1156	958	20.7	359	431	-16.7	1010	855	18.1	1539	1165	32.1
TOTAL OTHER AREAS	410	371	10.5	550	438	25.6	329	65	406.2	698	457	52.7	671	474	41.6
TOTAL NEW BRUNSWICK	1321	1177	12.2	1706	1396	22.2	688	496	38.7	1708	1312	30.2	2210	1639	34.8

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:



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

Area/ Period	Single	Semi	Row	Apartment and other	Total	Area/ Period	Single	Semi	Row	Apartment and other	Total
Fredericton City						Grand Bay-Westfield					
April-June 2003	59	4	4	139	206	April-June 2003	7	0	0	0	7
April-June 2002	54	4	0	10	68	April-June 2002	9	0	0	0	9
January-June 2003	78	10	4	141	233	January-June 2003	7	0	0	0	7
January-June 2002	77	5	0	10	92	January-June 2002	10	0	0	0	10
Total Fredericton						Quispamsis Town					
April-June 2003	120	4	4	139	267	April-June 2003	38	0	6	2	46
April-June 2002	101	4	0	10	115	April-June 2002	53	0	0	0	53
January-June 2003	181	10	4	141	336	January-June 2003	61	0	6	2	69
January-June 2002	151	5	0	14	170	January-June 2002	72	0	0	0	72
Moncton City						Rothesay Town					
April-June 2003	89	34	0	60	183	April-June 2003	12	0	3	0	15
April-June 2002	95	10	0	218	323	April-June 2002	3	0	0	0	3
January-June 2003	110	40	0	115	265	January-June 2003	22	0	3	0	25
January-June 2002	117	10	0	218	345	January-June 2002	7	0	0	0	7
City of Dieppe						Saint John City					
April-June 2003	78	14	0	64	156	April-June 2003	34	6	5	50	95
April-June 2002	101	2	0	8	111	April-June 2002	35	11	4	0	50
January-June 2003	90	14	4	64	172	January-June 2003	39	6	5	50	100
January-June 2002	115	4	0	8	127	January-June 2002	46	11	10	0	67
Riverview Town						Saint John - Other outlying areas					
April-June 2003	33	6	0	0	39	April-June 2003	23	0	0	0	23
April-June 2002	31	12	9	0	52	April-June 2002	9	0	0	0	9
January-June 2003	36	6	0	0	42	January-June 2003	26	0	4	0	30
January-June 2002	40	12	9	0	61	January-June 2002	8	0	0	0	8
Total Moncton CA						Total Saint John CMA					
April-June 2003	230	54	0	129	413	April-June 2003	114	6	14	52	186
April-June 2002	272	26	9	226	533	April-June 2002	109	11	4	0	124
January-June 2003	282	60	4	184	530	January-June 2003	155	6	18	52	231
January-June 2002	320	28	9	226	583	January-June 2002	145	11	10	0	166

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 four times a year for the New Brunswick market. An annual subscription to the *Housing Now* for New Brunswick is \$55 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.

Ce document est disponible en français. Veuillez communiquer avec Johannes O'Callaghan au Centre d'affaires de l'Atlantique au (902) 426-4708.

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