



HOUSING NOW

London

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

ISSUE 14
FIRST QUARTER 2002

New Homes

Robust first quarter for single-detached starts

Single-detached housing starts in the London CMA (census metropolitan area) totalled 335 units in the first quarter of 2002. This was up a robust 83 per cent compared to the 183 singles started in 2001:Q1 and was the best opening quarter since 1990.

Single starts were higher in all major components of the London CMA. In London, starts were up 80 per cent to 238 units, accounting for 71 per cent of the CMA total. There were 42 singles started in St. Thomas compared to 23 units one year earlier. And in other markets which make up the CMA, singles starts almost doubled from 28 units to 55 units.

Starts in the other CMA markets received a boost (12 units) with the addition of Strathroy-Caradoc Township to the redefined boundaries of the London CMA (based on the just released 2001 Census of Canada).

Northeast London led the way with 54 singles underway in the first quarter. This reflects the impact of the annexed lands in the Stoney Creek planning area on housing activity as well as a new phase in the River Valley subdivision.

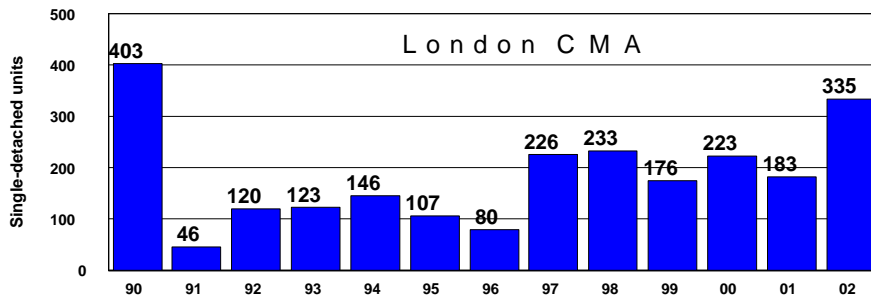
Multiple housing starts in 2002:Q1 were limited to 29 row house ownership units up from 20 units last year. Site work was underway on the twin tower, 440-unit luxury rental apartment development in downtown London.

IN THIS ISSUE

New Homes

- 1 Single starts up sharply.
- 3 Starts by area and type.
- 4 Map of single starts by area in London.
- 6 New home prices rising.
- Retirement Home Survey**
- 2 Ontario highlights.
- Resale Market**
- 7 MLS sales up 28 per cent.
- Economic Indicators**
- 8 Area employment still dropping. Low mortgage rates and positive economic signals boost consumer confidence.

Strong opening quarter for single-detached starts



Source: CMHC, single-detached starts 1st quarter 1990 to 1st quarter 2002.

An uptick in consumer confidence combined with low interest rates propelled existing home sales to very high levels in the first 3 months of 2002. The sales to new listings ratio topped 70 per cent, an indicator pointing to a sellers' market.

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HOME TO CANADIANS
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Retirement Homes Report

Ontario

Canada Mortgage and Housing Corporation

2001 ANNUAL SURVEY

IN THIS ISSUE

- 1 Ontario
- 2 Toronto and Central Ontario
- 6 Ottawa and Eastern Ontario
- 10 Western Ontario
- 15 Northern Ontario
- 16 Methodology

Ontario-wide vacancy rate of 11.4%

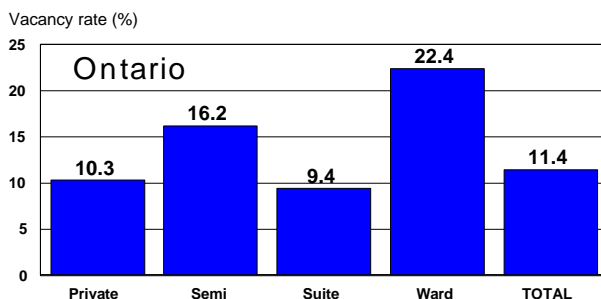
- According to Canada Mortgage and Housing Corporation's (CMHC) 2001 Retirement Homes Survey the vacancy rate in Ontario stood at 11.4 per cent in April.
- There were 4,000 vacant beds found in the 35,000 beds that survey results were gathered. We estimate that this represents more than 95 per cent of the total supply in Ontario.
- Vacancy rates were significantly lower for private and suite accommodation at 10.3 per cent and 9.4 per cent respectively. The rates in shared accommodation were 16.2 per cent for semi-private rooms and 22.4 per cent in ward units.
- The demand for single occupancy rooms has been growing. Now more than four of every five beds are either Private beds (72.1%) or Suite accommodation (10.0%). Semi-private beds account for 15.7 per cent of the total bed supply while ward beds represent just 2.2 per cent of the total.

- The capture rate, defined as the number of retirement home residents divided by the number of persons 75 years of age and older was estimated at 5.0 per cent. This ratio varies widely across Ontario. For example, in the Greater Toronto Area the capture rate was 3.4 per cent; in the Greater Ottawa Area it was 9.6 per cent; and in Windsor Essex County it was 5.4 per cent.
- Couples account for less than 5 per cent of residents living in retirement homes as defined in this survey.

Order your Report Today

To order your copy of the 2001 Ontario Retirement Homes Survey Report contact Ontario Market Analysis at 1 800 493-0059. Remember, you can receive all our reports in electronic PDF format with coloured graphs. Price: \$120+GST. Also place your order for the 2002 Report.

Vacancy rates lower in popular private beds and suites



Source: CMHC 2001 Annual Retirement Home Survey



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**Table 1: Starts by Area and by Intended Market
London Census Metropolitan Area (CMA)**

	Single-detached units			Ownership				Rental Private		Total
	Freehold	Condo	All	Freehold Semi	Row	Condominium Semi	Row	Row	Apt.	
LONDON CMA										
First Quarter 2002	323	12	335	0	6	0	23	0	0	364
First Quarter 2001	164	19	183	0	3	0	17	0	0	203
London City										
First Quarter 2002	226	12	238	0	6	0	18	0	0	262
First Quarter 2001	113	19	132	0	3	0	17	0	0	152
St. Thomas City										
First Quarter 2002	42	0	42	0	0	0	5	0	0	47
First Quarter 2001	23	0	23	0	0	0	0	0	0	23
Central Elgin										
First Quarter 2002	8	0	8	0	0	0	0	0	0	8
First Quarter 2001	4	0	4	0	0	0	0	0	0	4
Middlesex Centre										
First Quarter 2002	20	0	20	0	0	0	0	0	0	20
First Quarter 2001	14	0	14	0	0	0	0	0	0	14
Southwold Township										
First Quarter 2002	1	0	1	0	0	0	0	0	0	1
First Quarter 2001	6	0	6	0	0	0	0	0	0	6
Strathroy-Caradoc Township										
First Quarter 2002	12	0	12	0	0	0	0	0	0	12
First Quarter 2001	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.	n.s.
Thames Centre										
First Quarter 2002	14	0	14	0	0	0	0	0	0	14
First Quarter 2001	4	0	4	0	0	0	0	0	0	4

Source: CMHC

Note: Municipal amalgamations have resulted in the creation of the Municipality of Central Elgin which includes Belmont, Port Stanley and Yarmouth Township; the Municipality of Thames Centre which includes the Townships of North Dorchester and West Nissouri; and, the Township of Middlesex Centre which includes the Townships of Delaware, Lobo, and London.

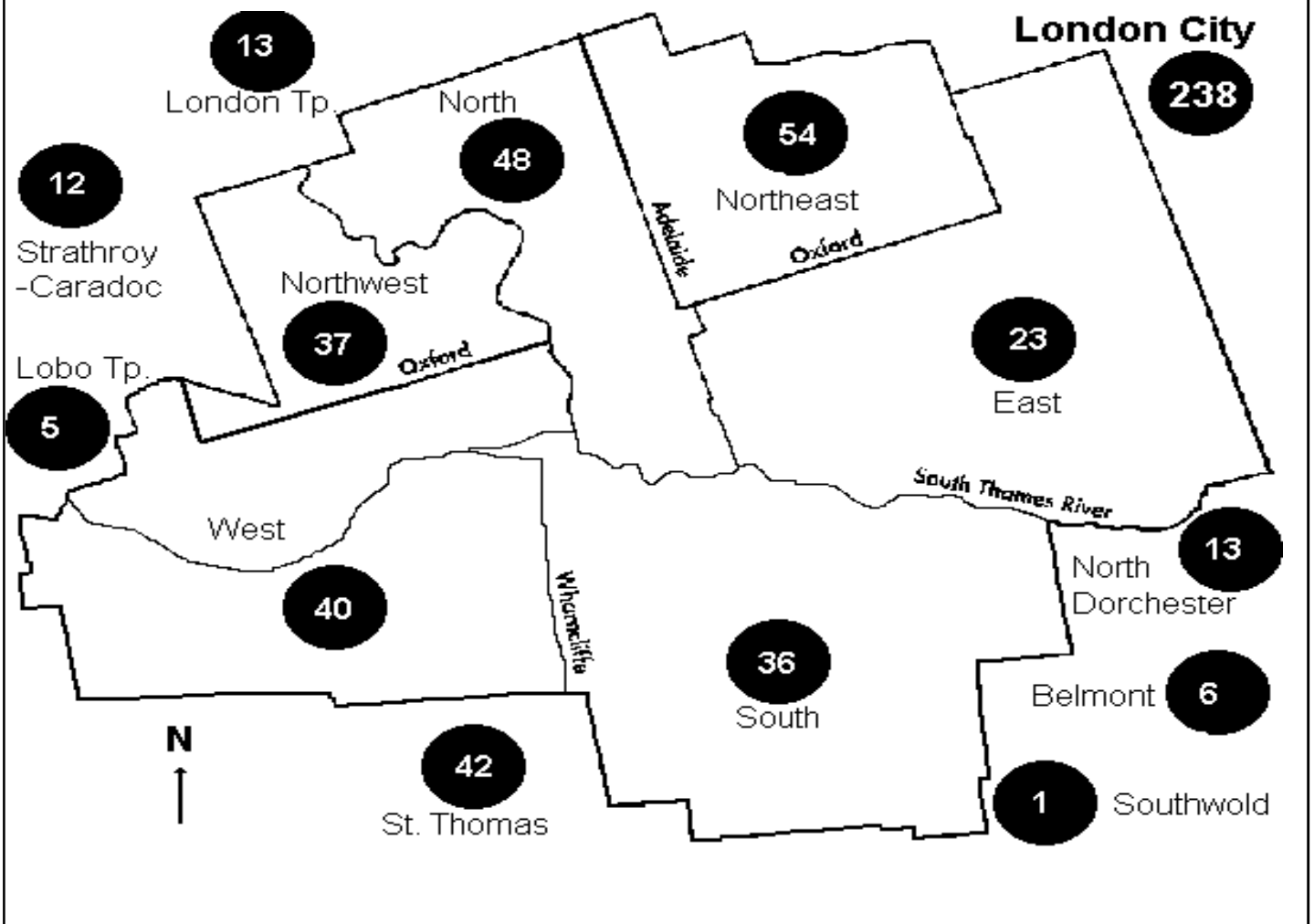
The amalgamated Strathroy-Caradoc Township was first included as a component of the London Census Metropolitan Area, starting in January 2002. The boundary change was made based on the results of the 2001 Census of Canada. As such, 2002 new housing figures are not directly comparable with 2001 figures.

n.s. = no survey results.

WHERE'S THE HAMMERING BY SUB-MARKET

London CMA

Single-detached starts up 83%
in the first quarter of 2002
from 183 to 335 units



Sub-markets not shown on the map accounted for 5 of the 335 single-detached units that were started in the London CMA (census metropolitan area) during the first 3 months of 2002. The 5 singles included 2 houses in Delaware Tp., 2 units in Port Stanley and 1 unit in West Nissouri Tp.



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Table 2: Housing Activity Summary
London Census Metropolitan Area (CMA)

	Single-detached units			Ownership			Condominium			Private Rental		Total
	Freehold	Condo	All	Semi	Row		Semi	Row	Apt.	Row	Apt.	
1. STARTS												
First Quarter 2002	323	12	335	0	6		0	23	0	0	0	364
First Quarter 2001	164	19	183	0	3		0	17	0	0	0	203
% Change	97%	-37%	83%	NA	100%		NA	35%	NA	NA	NA	79%
2. UNDER CONSTRUCTION												
March 2002	417	31	448	6	6		2	84	0	3	48	597
March 2001	288	24	312	10	13		0	157	0	0	168	660
3. COMPLETIONS												
First Quarter 2002	297	13	310	2	3		0	29	0	14	2	360
First Quarter 2001	166	7	173	0	3		0	54	0	0	0	230
% Change	79%	86%	79%	NA	0%		NA	-46%	NA	NA	NA	57%
4. COMPLETED & NOT ABSORBED												
March 2002	103	8	111	2	2		3	73	0	17	30	238
March 2001	130	8	138	1	4		4	104	0	0	77	328
5. TOTAL SUPPLY: 2. + 4.												
March 2002	520	39	559	8	8		5	157	0	20	78	835
March 2001	418	32	450	11	17		4	261	0	0	245	988
6. ABSORPTIONS												
First Quarter 2002	285	13	298	0	6		0	47	0	2	36	389
First Quarter 2001	163	9	172	1	3		0	54	0	0	14	244
March 2002	123	5	128	0	3		0	25	0	0	0	156
Previous 3-month Average	54	3	57	0	1		0	7	0	1	12	78
Previous 12-month Average	108	7	115	1	2		0	22	0	1	19	160

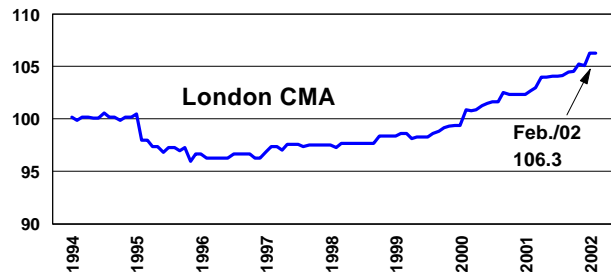
Source: CMHC

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. Total Supply:** refers to the number of units under construction at month end plus the number of units completed in the current month or previous months that have not been leased or sold (excludes model homes not available for sale).
- 6. Absorptions:** the number of completed units (excluding model homes) that have been sold or leased.

New home prices up 3.5% in London CMA Feb./02 compared to Feb./ 01

New House Price Index
1992 = 100



Source: Statistics Canada, Jan. 1994-Feb. 2002

House prices on the rise

Following years of stagnant or declining new home prices, the New Home Price Index in February 2002 for the London CMA was up 3.5 per cent.

The median sale price of new single-detached homes completed in the first quarter of 2002 was \$185,000 across the London CMA; \$195,000 in London City; and \$179,000 in St. Thomas. The slight decline in median sale price in the London CMA reflected an increasing share of homes sold in the \$130-\$149,999 price range and fewer homes absorbed above \$250,000.

**Table 3: Absorbed (Completed and Sold) Single-detached units by Price Range
London Census Metropolitan Area (CMA)**

	Annual 2001		4th Quarter 2001		1st Quarter 2001		1st Quarter 2002	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
London CMA								
<\$130,000	58	4.4%	23	5.7%	7	4.0%	5	1.7%
\$130 to \$149,999	160	12.1%	49	12.2%	17	9.8%	55	18.5%
\$150 to \$174,999	251	19.0%	69	17.2%	35	20.1%	63	21.1%
\$175 to \$189,999	156	11.8%	45	11.2%	28	16.1%	37	12.4%
\$190 to \$219,999	257	19.4%	79	19.7%	34	19.5%	57	19.1%
\$220 to \$249,999	178	13.4%	53	13.2%	19	10.9%	33	11.1%
\$250 to \$299,999	157	11.9%	52	13.0%	20	11.5%	28	9.4%
\$300,000+	107	8.1%	31	7.7%	14	8.0%	20	6.7%
Total	1,324	100.0%	401	100.0%	174	100.0%	298	100.0%
Median Price		\$193,000		\$196,899		\$189,950		\$185,000
Average Price		\$213,315		\$214,377		\$209,815		\$202,872
London City								
<\$130,000	39	4.3%	16	5.7%	5	4.2%	4	2.2%
\$130 to \$149,999	101	11.1%	32	11.4%	12	10.2%	26	14.1%
\$150 to \$174,999	167	18.3%	45	16.0%	24	20.3%	36	19.5%
\$175 to \$189,999	104	11.4%	29	10.3%	16	13.6%	21	11.4%
\$190 to \$219,999	171	18.8%	57	20.3%	25	21.2%	39	21.1%
\$220 to \$249,999	130	14.3%	40	14.2%	13	11.0%	24	13.0%
\$250 to \$299,999	114	12.5%	39	13.9%	13	11.0%	23	12.4%
\$300,000+	86	9.4%	23	8.2%	10	8.5%	12	6.5%
Total	912	100.0%	281	100.0%	118	100.0%	185	100.0%
Median Price		\$196,950		\$200,000		\$190,000		\$195,000
Average Price		\$214,492		\$209,752		\$207,396		\$206,861
St. Thomas								
<\$130,000	13	7.5%	5	10.4%	2	9.1%	0	0.0%
\$130 to \$149,999	35	20.1%	10	20.8%	3	13.6%	16	40.0%
\$150 to \$169,999	53	30.5%	17	35.4%	8	36.4%	3	7.5%
\$170 to \$189,999	24	13.8%	4	8.3%	6	27.3%	7	17.5%
\$190 to \$219,999	24	13.8%	3	6.3%	2	9.1%	7	17.5%
\$220 to \$249,999	13	7.5%	4	8.3%	0	0.0%	4	10.0%
\$250 to \$299,999	9	5.2%	3	6.3%	1	4.5%	0	0.0%
\$300,000+	3	1.7%	2	4.2%	0	0.0%	3	7.5%
Total	174	100.0%	48	100.0%	22	100.0%	40	100.0%
Median Price		\$168,705		\$164,500		\$168,705		\$179,000
Average Price		\$175,622		\$175,104		\$168,411		\$182,360

Source: CMHC

MLS* Resale Activity - Actual and Seasonally Adjusted (SA)

Month	2001								
	Number of Sales	% Change	Sales SA	New Listings	SA New Listings	SA Sales/SA New Listings	Active Listings	SA Active Listings	Average Price
January	341	16.4%	530	1,172	1,100	48.4%	3,040	3,510	\$131,109
February	532	-4.3%	560	1,146	1,080	52.0%	3,362	3,490	\$137,134
March	668	-11.6%	590	1,275	1,100	53.6%	3,572	3,450	\$134,748
April	722	10.4%	600	1,279	1,040	58.0%	3,805	3,380	\$138,211
May	820	8.9%	620	1,327	1,090	56.6%	3,774	3,370	\$143,044
June	776	16.9%	620	1,204	1,080	57.4%	3,788	3,320	\$145,599
July	677	21.3%	600	1,180	1,120	53.3%	3,532	3,320	\$136,586
August	673	18.1%	650	988	1,040	61.9%	3,333	3,280	\$130,597
September	558	19.7%	600	945	1,010	59.0%	3,263	3,210	\$131,659
October	576	12.7%	640	903	1,020	62.9%	2,956	3,210	\$136,253
November	537	24.0%	660	856	1,090	60.6%	2,913	3,140	\$130,588
December	427	46.7%	660	506	980	67.7%	2,442	3,030	\$136,343
1st Quarter	1,541	-4.0%							\$134,766
2nd Quarter	2,318	11.9%							\$142,394
3rd Quarter	1,908	19.7%							\$133,033
4th Quarter	1,540	24.7%							\$134,302
Total 2001	7,307	12.3%							\$136,636

Month	2002								
	Number of Sales	% Change	Sales SA	New Listings	SA New Listings	SA Sales/SA New Listings	Active Listings	SA Active Listings	Average Price
January	501	46.9%	780	1,120	1,040	74.3%	2,578	2,980	\$131,581
February	703	32.1%	740	1,079	1,020	72.4%	2,742	2,850	\$141,275
March	763	14.2%	670	1,128	970	69.2%	2,762	2,670	\$136,800
1st Quarter	1,967	27.6%							\$137,070

*Multiple Listing Service (MLS) is a registered certification mark owned by The Canadian Real Estate Association.

Notes: Active listings are as at month end.

Individual unit sales of condominium apartments and row houses are included in the residential sales figures shown above.

Residential Other e.g., sales of apartment buildings or townhouse projects are excluded.

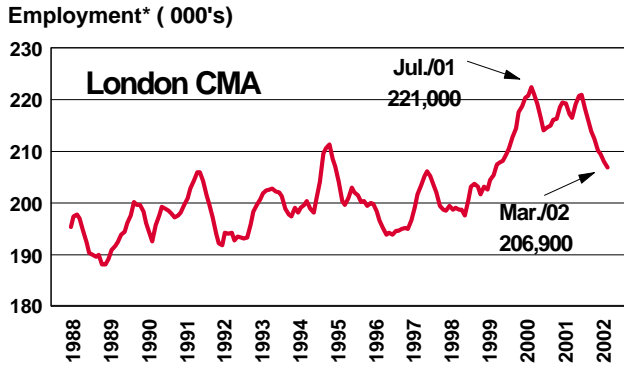
Source: LSTREB/ CMHC

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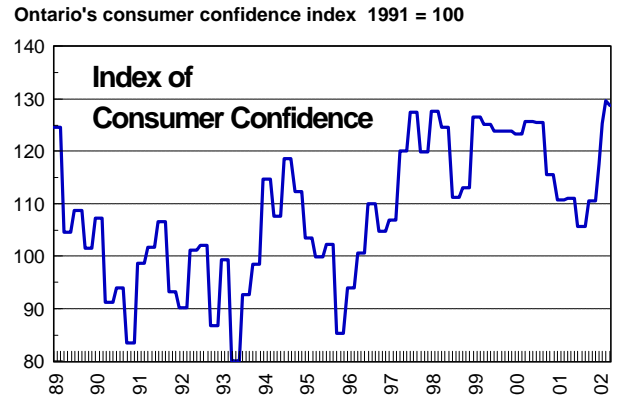
Economic and Price Indicators

Employment still moving down from summer 2001 peak



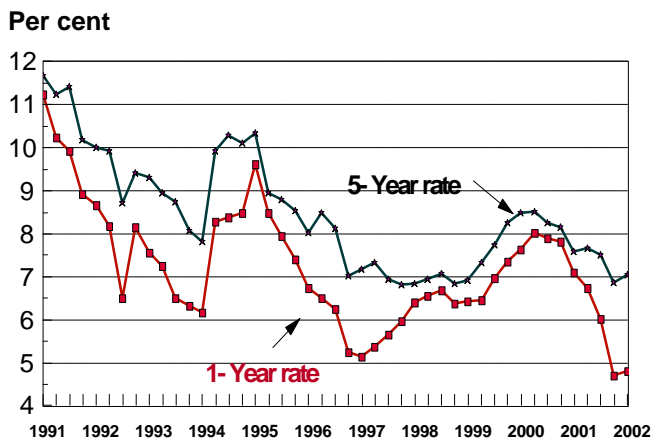
* seasonally-adjusted 3-month moving averages ending March 2002
Source: Statistics Canada

Consumer confidence surges to its highest level since 1988



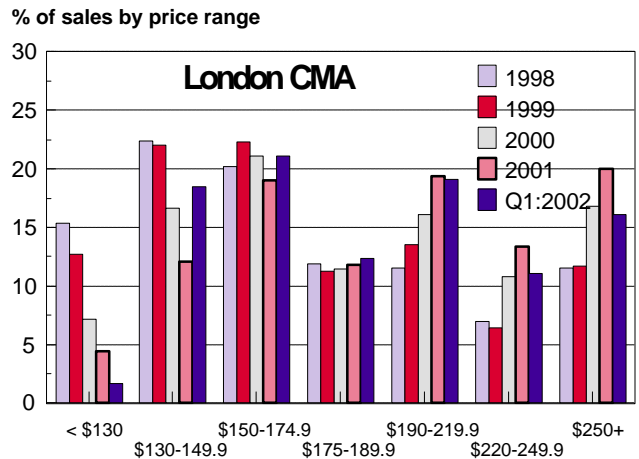
Source: The Conference Board of Canada, Jan. 1989-Apr. 2002

Mortgage rates turn up in Q1:2002 but still at low level



Source: CMHC/ Bank of Canada, 1991:Q1 to 2002:Q1.

Singles between \$130-\$190,000 post 1st quarter increase in market share



Source: CMHC Market Analysis, 1998-2001, Q1:2002.

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FORECAST

London

SUMMARY

Canada Mortgage and Housing Corporation

ISSUE:
SPRING 2002

Resale Market

Early sales set record pace

Exuberant consumers, buoyed by low mortgage rates and the reversal of expectations of an economic slowdown entered the resale market in record numbers during the first 4 months of 2002. MLS* residential sales in the London & St. Thomas Real Estate Board territory were running at a sizzling 8,800 seasonally-adjusted annualized pace during the opening months of 2002. This was 1,500 units above the record annual total of 7,307 homes sold in 2001.

We expect the sales pace to ease in the second half as interest rates begin to rise and the lagged impact of declining employment levels in 2001 and first half

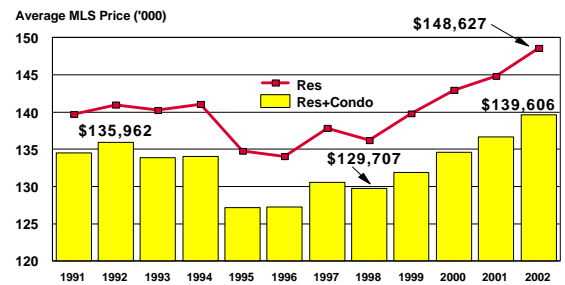
of 2002 take hold. Nevertheless, sales for the year should come in at 7,600 units breaking the record set last year.

Strong sales activity has steadily eroded the large supply of listings from just over 5,000 listings in April 1998 to just under 3,000 in April 2002. The ratio of sales (housing demand) to new listings (supply) has exceeded 70% in 3 of the 4 months of 2002, clearly pointing to sellers' market conditions. The average sales price is increasing at or slightly above the inflation rate and should finish the year up around 2% or \$2,500-\$3000 higher than 2002.

IN THIS ISSUE

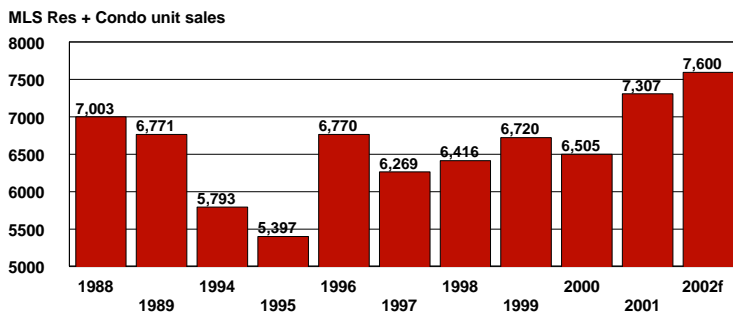
- 1 Resale market
- 2 New Housing Market
- 3 Economic Overview
- 4 Housing Outlook 2002

MLS sales price average up \$10,000 since 1998 to \$139,606



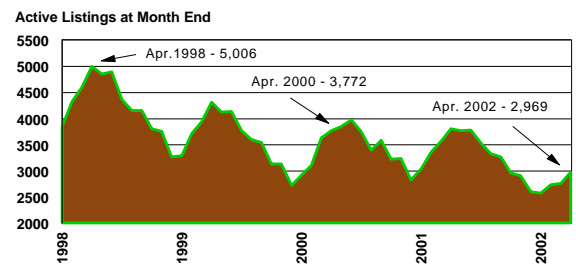
Source: LSTREB / CMHC, Annual 1991-2001, Jan.-Apr. 2002.

Low mortgage rates propel market to record sales in 2002



Source: LSTREB / CMHC forecast(f)

Strong sales puts a dent into supply of listings



Source: LSTREB / CMHC Jan. 1998 - Apr. 2002.

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Ken Sumnall

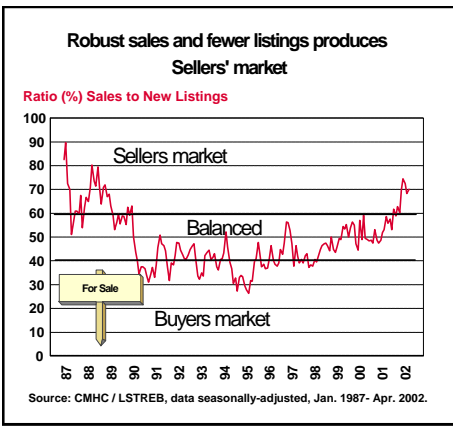
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New Home Market

Single starts on hot streak

Not to be outdone by the sales pace in the existing home market, starts on single-detached new homes in the London metropolitan area were at levels in the early part of 2002 not seen since the late 1980's. Low interest rates, favourable weather, a robust resale market and strong consumer confidence have boosted demand for new homes.

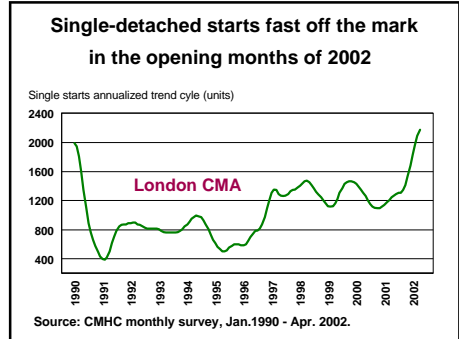
There is an additional positive factor on the supply side of the market. This is the first full year where four new planning areas in London have lands serviced. Stoney Creek, Uplands and Sunningdale to the North and RiverBend in the West

Strathroy-Caradoc Township now part of London CMA

Single-detached starts in the London CMA are now expected to hit 1,600 units in 2002, up more than 20% and the best year since 1989. However, part of

increase will be attributable to a change in the boundaries of the London census metropolitan area (CMA). Effective January 2002, the CMA now includes Strathroy-Caradoc Township. This could add 80-125 single starts to the annual CMA figure.

The median sales price of singles completed and sold was \$189,000 to the end of April 2002 compared to \$193,000 for the year 2001. We expect a moderate increase in singles sold in the \$130-\$160 price range. However, sales of units above \$175,000 will still dominate.



The link between single-detached housing starts and employment growth may appear to be broken. But low interest rates and growing consumer confidence appear to have created the necessary bridge, until there is a local turnaround in employment to sustain housing demand into 2003.

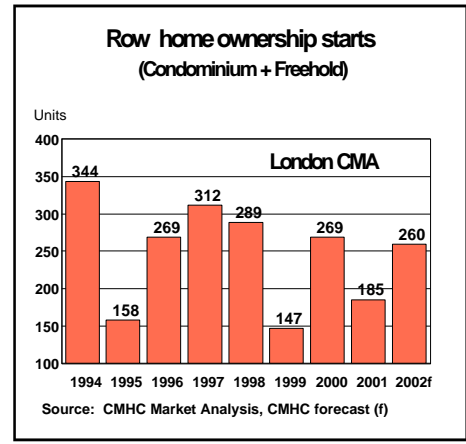
Rental construction

The apartment construction cranes have returned. Work is underway on the twin 25-storey towers at the N.W. corner of Dundas and Waterloo in London. The 220-unit Dundas Street tower was officially recorded as a May housing start. Depending on the pace of construction the second tower will be started this year or early 2003.

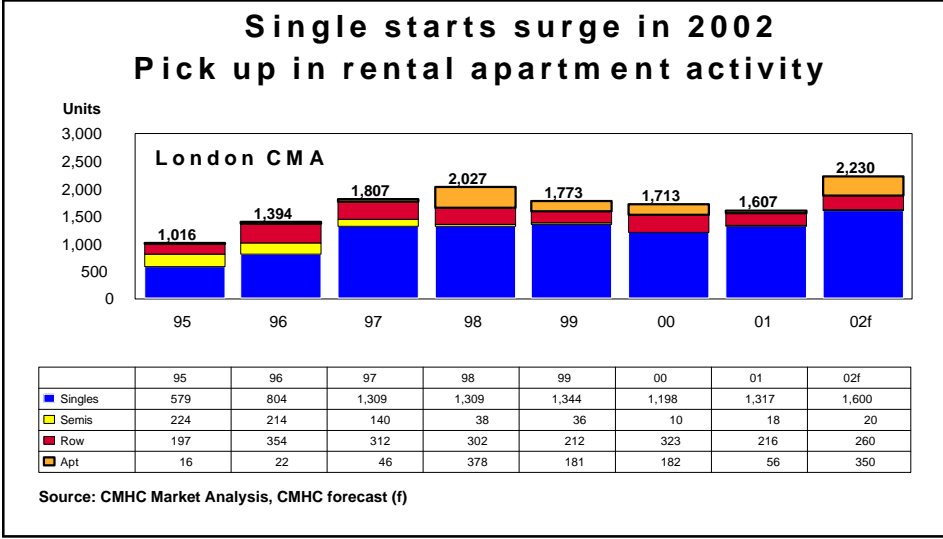
The University of Western Ontario is constructing its third new student residence in the past five years as it prepares for the impact of the double-cohort in 2003 and beyond. We also expect further private rental student apartments along Western Road and on Sarnia Road in 2002-03. Other private sector activity include a probable start on a 52-unit project on the periphery of London's core area and possibly a smaller infill development in downtown London. There are other projects in the planning stage but are not likely to proceed in 2002. A Federal-Ontario affordable housing agreement has not yet been signed and thus its impact on local rental construction activity is unknown at this time.

Row house condominiums

There were 185 row home ownership units, mostly condominiums started in 2001, down from 269 units in 2000 but up from 147 units in 1999. Last year there were also 95 'cluster' single condo units started compared to 59 units in 2000. Most of the single and row condominium activity was located in London but there were also projects situated in Port Stanley and St. Thomas.



The outlook for 2002 is for row home ownership housing starts to rebound to the 260-unit level. This reflects the impact of declining inventories of units either under construction or completed and not sold. Brisk sales of existing homes is a key factor allowing the 50-64 age group to make the move to a one-floor condominium. This age group can choose from cluster single/row developments under construction in London, Port Stanley and St. Thomas, a condo project in Arva, and land-lease projects in Ilderton or west London's RiverBend golf community.



CMHC's Ontario Retirement Homes Report

During April/May we conduct a survey of more than 35,000 retirement home beds located in 650 facilities.

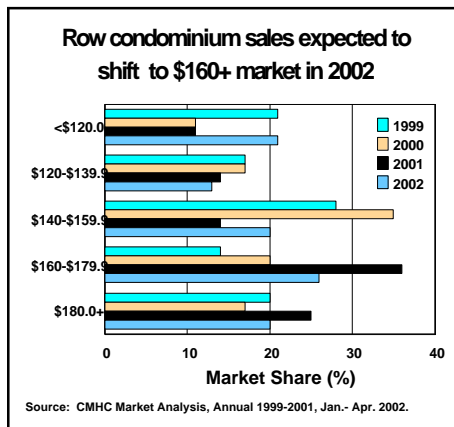
Did you know that the vacancy rate in London-Middlesex was 13.9% in 2001? That there is a 143-bed retirement residence currently under construction in southwest London?

For more information about this report contact Ken Sumnall at 519.873-2410.

To order a copy of the 2001 or 2002 reports call 1-800 493-0059.

Row condominium prices

Although the row condominium sales/absorption data for the Jan.-Apr. 2002 period shows a shift to units priced under \$160,000 many of the projects coming on stream will be tapping the \$170+ price segment. Indeed there are a number of developments in the \$200's. The data shown above does not include freehold townhouses, cluster condominium singles or land lease units.



Mortgage rates

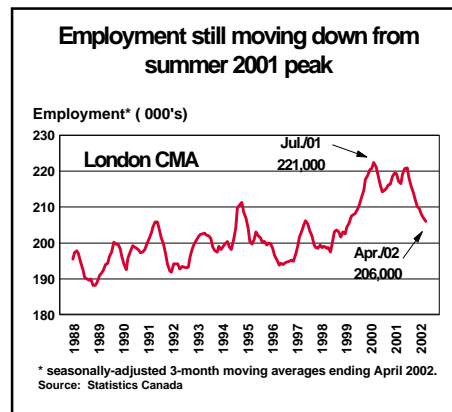
While open and variable rate mortgages generally track lenders' prime rate, fixed rate mortgages move in tandem with bond yields. As the prime rate, money market, and short-term bond yields are expected to increase in 2002, so will short-term mortgage rates. In addition, as the economy strengthens and financial markets foresee some monetary tightening, long term interest and mortgage rates increase.

Economic Overview

Employment drops, consumer confidence up, non-residential permits soar

Employment

Average employment levels in the London CMA increased by an impressive 17,300 jobs during 1999-2000. Layoffs and closures in the truck and auto-related sectors will contribute to a pullback of 9,600 jobs over the 2001-2002 period. Job levels are expected to show improvement by the fourth quarter of 2002.



Non-residential investment

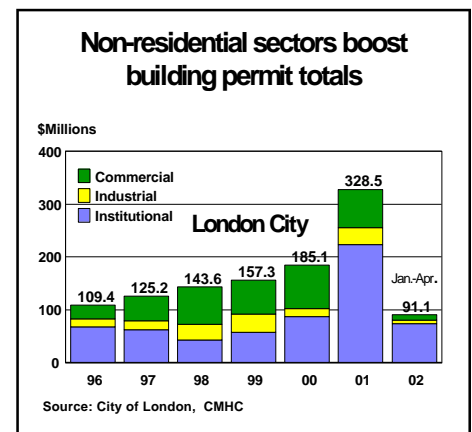
Keiper Canada and Magee Reiter, two auto parts suppliers will start production in London in 2003. GM Defence's \$6.0-bil. deal to supply 2,000 light armoured vehicles to the U.S. Army and higher industrial investment will offset some of the auto sector layoffs and position the economy for an upturn in 2003.

Since April 2001, the City of London has issued more than \$100-million in building permits for construction at the London Health Science Centre's sites at the University and Commissioners Road. There will also be significant investments in research facilities at the University of

Mortgage rate outlook

Posted rates as at May 10 were 5.1% for 1-year term, 6.45% for 3-year term and 7.3% for 5-year money. The mortgage market remains very competitive with lenders offering attractive cashback and rate discounts. During 2002, mortgage rates will remain favourable with the one-year mortgage rate in the 4.6-5.9 per cent range. The 3-year and 5-year term rates will remain in 5.9-7.6 and 6.8-8.3 per cent ranges, respectively.

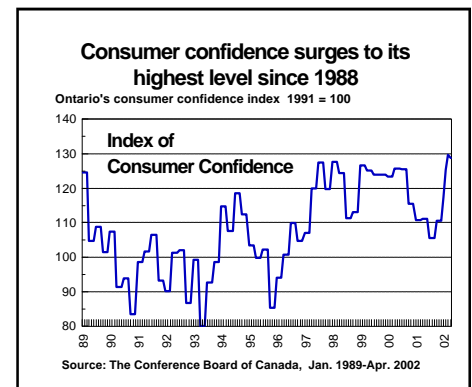
Western Ontario and by St. Joseph's Health Care Centre, providing a boost to construction employment during the next three years. Two major investments in London's downtown are on-stream in 2002. The \$40+ million arena (9,000 seats) and entertainment complex (11,000 seats) opens in October and the new \$25+ million Central Library opens its doors in August. Spin-off investment in retail and residential sectors has already started, including the \$40-million City Place (440 luxury apartments and retail/commercial space) at Dundas and Waterloo.



In April 2002, a \$14-million building permit was issued for the construction of a new London International Airport. This is an example of infrastructure investment that will help the London and area economy attract new firms and retain existing businesses.

Consumer confidence rebounds

As the spectre of recession gave way to slowdown and then to recovery, consumers responded to the availability of low interest rates by making major purchases including cars, homes and renovations.



FORECAST SUMMARY

London and area Forecast completed May 15, 2002

RESALE MARKET	1998	1999	2000	2001	2002(f)	% Change
London & St. Thomas Real Estate Board						
MLS ¹ Sales	6,416	6,720	6,505	7,307	7,600	4.0%
MLS Average Price	\$129,706	\$131,899	\$134,594	\$136,636	\$139,100	1.8%
MLS New Listings	14,562	13,066	12,929	12,781	12,600	-1.4%
Sales-to-Listings Ratio	44.1%	51.4%	50.3%	57.1%	60.3%	
NEW HOME MARKET						
London census metropolitan area (CMA)						
Starts						
1. Single-detached	1,309	1,344	1,198	1,317	1,600	22%
2. Multi-family	718	429	515	290	630	117%
3. Total Starts [1+2]	2,027	1,773	1,713	1,607	2,230	39%
Multi-Family by Type						
Semi-detached	38	36	10	18	20	11%
Row housing - Owner/Rental	289/13	147/65	269/54	185/31	260/0	20%
Apartment - Rental	378	181	182	56	350	525%
Median New House Price						
Bungalow/Ranch	\$163,500	\$165,000	\$178,050	\$195,000		
Two-storey	\$175,900	\$179,000	\$199,000	\$200,000		
All single-detached units	\$163,500	\$165,900	\$180,000	\$193,000		

RENTAL MARKET

Apartment Vacancy Rate	4.5%	3.5%	2.2%	1.6%	1.8%
Average Rent (2 bedroom)	\$637	\$639	\$657	\$683	\$703

ECONOMIC OVERVIEW

Mortgage Rate (1 year term)	6.50	6.80	7.85	6.14	5.36	
Mortgage Rate (5 year term)	6.93	7.56	8.35	7.41	7.62	
Employed (000's)	200.8	211.3	218.1	216.0	208.5	-3.5%
Employment Growth (000's)	-1.3	10.5	6.8	-2.1	-7.5	
Unemployment Rate (%) LON./ONT.	6.1 /7.2	6.7 /6.3	6.0 /5.7	6.4 /6.3	7.9 /7.7	

f = CMHC forecast. Consensus mortgage rate forecast May 2002.

Sources: Statistics Canada, London & St. Thomas Real Estate Board, CMHC

1. Multiple Listings Service (MLS) is a registered certification mark own by the Canadian Real Estate Association (CREA)

Forecast Summary is CMHC's outlook for new home and resale markets. It is released in May and November.

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