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Canada Mortgage and Housing Corporation

Single and Multiple Construction Remains Strong

THIRD QUARTER 2003

The Oshawa Census Metropolitan Area (CMA) hot new home market kept builders busy in the third quarter as housing starts stormed ahead. After a weaker than normal first quarter, the housing market rebounded in the second quarter and through the third quarter continues to outpace last year's strong performance. Housing starts continue to trend upward after a pause in 2002. From July to September, Oshawa CMA housing starts rose 34.5 per cent to 1,174 units compared to the third quarter of last year. Starts in the third quarter of 2003

represented the best third quarter since 1988, as a strong local economy and low mortgage rates contributed to the strong demand. Third quarter single detached starts increased 13.1 percent over the third quarter of last year to 890 units. Multiple family housing starts skyrocketed to 284 units thanks to a surge in semi-detached and freehold townhome construction.

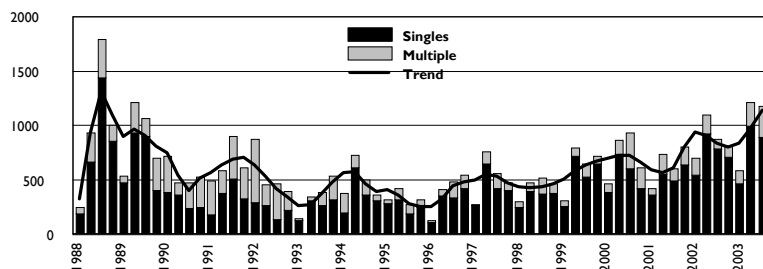
Year-to-date total starts are equally as strong. Total starts in

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Oshawa CMA Total Starts



Source: CMHC

CMHC Toronto, Market Analysis
Erica McLerie

Tel: (416) 218-3318 Fax: (416) 218-3314
emclerie@cmhc-schl.gc.ca



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the Oshawa CMA reached 2,979 units in the first nine months of this year representing a 11.4 per cent gain over 2002. Construction in both the single and multiple sectors have increased over the same period last year. Historically low mortgage rates are motivating both move up and first time buyers to enter the new home market. First time buyers are entering the new home market in large numbers as can be seen by the 125 percent increase in semi-detached and row construction this year. Record new home sales in 2002, and strong sales through the first nine months of 2003, will continue to bolster new home construction.

Of the municipalities in the Oshawa CMA, as in the second quarter, only Whitby showed gains in construction levels. Whitby remains the hot spot for residential construction, with 68.8 per cent of total Oshawa CMA starts. Total housing starts in Whitby in the third quarter rose to 808 units, an increase of 85.7 percent over 3Q02. Single detached starts jumped to 532 units, while multiple starts skyrocketed to 276 units, with both semi-detached and freehold row construction outperforming 3Q02. Year to date starts are up 40.6 percent in Whitby, with both singles and multiples showing positive results. A total of 209 units were started in Oshawa City in 3Q03, down 7.1 per cent from 2002, due to a decline in multiple starts. Oshawa City single detached starts rose to 201 units. For Oshawa City, year to date starts are down 23.9 per

cent. Clarington registered the largest decline this quarter, with 157 units started, a decrease of 26.3 percent, as both single and multiple construction fell. Year to date starts are down 16.5 percent.

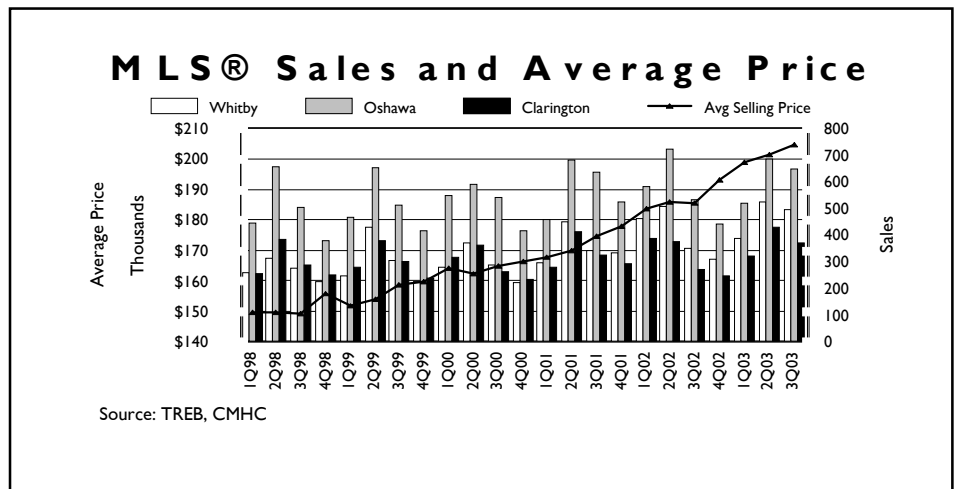
After falling in the second quarter of this year, new house prices in the Oshawa CMA rose slightly in the third quarter, increasing 2.5 percent to \$241,771. In 3Q03, the absorption of homes priced between \$300,000 and \$399,999 more than doubled from the same period in 2002, as more move up buyer activity occurred. The average price of a single detached home in Clarington posted the largest gain with a 5.4 percent increase to \$224,781. Oshawa City showed an increase of 5.3 percent to \$235,939. Whitby, with the highest prices in the CMA, showed the smallest gain, increasing only 0.3 percent to \$250,250.

From January to September, the average price of a new single detached home in the Oshawa CMA rose marginally to \$236,710, a 1.0 percent increase from 2002. Oshawa City and Clarington posted gains in average price, while the absorbed price in Whitby fell.

RESALE MARKET Strong Third Quarter

After a slow start to the resale market in 2003 due to poor weather conditions, resales have rebounded to a point where they are now outpacing last year's near record total. Demand for resale homes continues to be driven by historically low mortgage rates, strong employment growth, and migration from Toronto. On a seasonally adjusted basis, resales continue to trend upward after a slowdown in the second half of 2002. Total resale volumes in the Oshawa CMA reached 1,516 units in the third quarter of 2003, a jump of 31.7 percent over the same period of 2002. With the third quarter strength in the resale market, January to September sales volumes in the Oshawa CMA have risen 4.7 percent to 4,387 units from the same period in 2002. With the sales-to-listings ratio above 75 percent, the market remains well into the sellers' market range.

All three municipalities in the Oshawa CMA experienced an increase in sales volumes in the third quarter and year-to-date.



Whitby saw the largest per cent gain in sales in the third quarter, jumping to 497 units. Oshawa City rebounded from four straight quarter over quarter sales volume losses, rising to 647 units. Sales in Clarington increased to 372 units.

The number of new listings on the market continues to outpace 2002 levels. With mortgage rates at historical lows, existing homeowners, realizing equity gains, are selling their homes to move up to larger homes. A total of 2,006 new listings were recorded in the third quarter of 2003, an increase of 28.3 percent from 3Q02. The

sales-to-listings ratio rose slightly to 75.6 percent in the third quarter from the same quarter of 2002 as sales kept pace with new listings. Both Whitby and Clarington registered increases in their respective sales-to-new listings ratios from 3Q02, while Oshawa City showed a decline.

With near record strength in third quarter sales, and the sales-to-new listings ratio in sellers' territory, the average resale price in the Oshawa CMA rose by 10.8 percent to \$204,858 from the same quarter last year. Prices have been trending upward since

the middle of 1995. Whitby, with the largest increase in demand, recorded the largest price gain of 10.9 percent to \$246,821 in the third quarter. Oshawa City, with the lowest increase in demand, the lowest prices, and the lowest sales-to-new listings ratio, saw the smallest price gain increasing 8.6 percent to \$172,374. Clarington, with the highest sales-to-new listings ratio, recorded a price gain of 9.6 percent to \$205,293. Year-to-date average prices have climbed by a low of 7.8 percent in Whitby to a high of 9.6 percent in Clarington, relative to the first nine months of 2002.

**TABLE I: STARTS ACTIVITIES BY AREA AND INTENDED MARKET
OSHAWA CMA**

	OWNERSHIP					RENTAL		GRAND TOTAL
	FREEHOLD			CONDOMINIUM		PRIVATE		
	SINGLE	SEMI	ROW	ROW	APT	ROW	APT	
Oshawa CMA								
Third Quarter 2003	890	72	208	0	0	0	4	1174
Third Quarter 2002	787	0	86	0	0	0	0	873
% Change	13.1%	na	141.9%	na	na	na	na	34.5%
Year-to-Date 2003	2348	172	455	0	0	0	4	2979
Year-to-Date 2002	2250	70	209	40	90	16	0	2675
% Change	4.4%	145.7%	117.7%	-100.0%	-100.0%	-100.0%	na	11.4%
Clarington								
Third Quarter 2003	157	0	0	0	0	0	0	157
Third Quarter 2002	202	0	11	0	0	0	0	213
% Change	-22.3%	na	-100.0%	na	na	na	na	-26.3%
Year-to-Date 2003	507	0	18	0	0	0	0	525
Year-to-Date 2002	509	6	24	0	90	0	0	629
% Change	-0.4%	-100.0%	-25.0%	na	-100.0%	na	na	-16.5%
Oshawa City								
Third Quarter 2003	201	0	4	0	0	0	4	209
Third Quarter 2002	191	0	34	0	0	0	0	225
% Change	5.2%	na	-88.2%	na	na	na	na	-7.1%
Year-to-Date 2003	456	0	39	0	0	0	4	499
Year-to-Date 2002	604	0	52	0	0	0	0	656
% Change	-24.5%	na	-25.0%	na	na	na	na	-23.9%
Whitby								
Third Quarter 2003	532	72	204	0	0	0	0	808
Third Quarter 2002	394	0	41	0	0	0	0	435
% Change	35.0%	na	397.6%	na	na	na	na	85.7%
Year-to-Date 2003	1385	172	398	0	0	0	0	1955
Year-to-Date 2002	1137	64	133	40	0	16	0	1390
% Change	21.8%	168.8%	199.2%	-100.0%	na	-100.0%	na	40.6%

Source: CMHC

**TABLE 2: RESIDENTIAL CONSTRUCTION BY INTENDED MARKET
OSHAWA CMA**

	OWNERSHIP					RENTAL		GRAND TOTAL
	FREEHOLD			CONDOMINIUM		PRIVATE		
	SINGLE	SEMI	ROW	ROW	APT	ROW	APT	
Pending Starts*								
Third Quarter 2003	417	8	65	0	36	0	0	526
Third Quarter 2002	258	66	27	0	0	0	0	351
Starts								
Third Quarter 2003	890	72	208	0	0	0	4	1174
Third Quarter 2002	787	0	86	0	0	0	0	873
% Change	13.1%	na	141.9%	na	na	na	na	34.5%
Year-to-Date 2003	2348	172	455	0	0	0	4	2979
Year-to-Date 2002	2250	70	209	40	90	16	0	2675
% Change	4.4%	145.7%	117.7%	-100.0%	-100.0%	-100.0%	na	11.4%
Under Construction*								
Third Quarter 2003	1739	124	378	0	0	0	4	2245
Third Quarter 2002	1472	6	107	36	90	0	0	1711
Completions								
Third Quarter 2003	868	52	115	0	0	0	0	1035
Third Quarter 2002	847	24	170	4	0	5	126	1176
% Change	2.5%	116.7%	-32.4%	-100.0%	na	-100.0%	-100.0%	-12.0%
Year-to-Date 2003	1986	74	240	0	90	0	0	2390
Year-to-Date 2002	1842	110	321	4	0	38	130	2445
% Change	7.8%	-32.7%	-25.2%	-100.0%	na	-100.0%	-100.0%	-2.2%
Complete and Not Absorbed*								
Third Quarter 2003	19	1	6	0	1	0	0	27
Third Quarter 2002	32	8	23	0	0	0	0	63
Total Supply*								
Third Quarter 2003	2175	133	449	0	37	0	4	2798
Third Quarter 2002	1762	80	157	36	90	0	0	2125
Absorptions								
Third Quarter 2003	874	53	115	0	0	0	0	1042
Third Quarter 2002	854	29	153	4	0	5	126	1171
% Change	2.3%	82.8%	-24.8%	-100.0%	na	-100.0%	-100.0%	-11.0%
Year-to-Date 2003	1993	81	246	6	89	0	0	2415
Year-to-Date 2002	1839	110	315	4	0	38	130	2436
% Change	8.4%	-26.4%	-21.9%	50.0%	na	-100.0%	-100.0%	-0.9%

Source: CMHC

*At end of quarter

**TABLE 3: NEW SINGLE DETACHED PRICE BY MUNICIPALITY
OSHAWA CMA**

	THIRD QUARTER 2003	THIRD QUARTER 2002	PER CENT CHANGE	YEAR-TO- DATE 2003	YEAR-TO- DATE 2002	PER CENT CHANGE
Oshawa CMA	\$241,771	\$235,909	2.5%	\$236,710	\$234,326	1.0%
Whitby	\$250,250	\$249,419	0.3%	\$246,494	\$247,488	-0.4%
Oshawa City	\$235,939	\$224,157	5.3%	\$235,130	\$223,986	5.0%
Clarington	\$224,781	\$213,185	5.4%	\$215,902	\$214,377	0.7%

Source: CMHC

TABLE 4: ABSORBED SINGLE DETACHED UNITS BY PRICE RANGE

	< \$149,999	\$150,000 - \$199,999	\$200,000 - \$249,999	\$250,000 - \$299,999	\$300,000 - \$349,999	\$350,000 - \$399,999	\$400,000+
Oshawa CMA							
Third Quarter 2003	4	166	394	200	84	21	5
Third Quarter 2002	1	170	435	190	39	9	10
% Change	300.0%	-2.4%	-9.4%	5.3%	115.4%	133.3%	-50.0%
Year-to-Date 2003	4	434	943	410	151	37	14
Year-to-Date 2002	6	419	895	410	75	22	17
% Change	-33.3%	3.6%	5.4%	0.0%	101.3%	68.2%	-17.6%
Whitby							
Third Quarter 2003	0	50	246	142	57	12	2
Third Quarter 2002	0	48	239	136	34	7	8
% Change	na	4.2%	2.9%	4.4%	67.6%	71.4%	-75.0%
Year-to-Date 2003	0	123	557	274	107	20	5
Year-to-Date 2002	0	125	477	289	56	11	14
% Change	na	-1.6%	16.8%	-5.2%	91.1%	81.8%	-64.3%
Oshawa City							
Third Quarter 2003	0	31	86	40	10	1	1
Third Quarter 2002	0	47	127	33	1	1	1
% Change	na	-34.0%	-32.3%	21.2%	900.0%	0.0%	0.0%
Year-to-Date 2003	0	74	228	99	21	6	1
Year-to-Date 2002	3	116	272	76	8	3	1
% Change	-100.0%	-36.2%	-16.2%	30.3%	162.5%	100.0%	0.0%
Clarington							
Third Quarter 2003	4	85	62	18	17	8	2
Third Quarter 2002	1	75	69	21	4	1	1
% Change	300.0%	13.3%	-10.1%	-14.3%	325.0%	700.0%	100.0%
Year-to-Date 2003	4	237	158	37	23	11	8
Year-to-Date 2002	3	178	146	45	11	8	2
% Change	33.3%	33.1%	8.2%	-17.8%	109.1%	37.5%	300.0%

Source: CMHC

TABLE 5: MLS®* SALES TO NEW LISTING RATIO BY MUNICIPALITY

	THIRD QUARTER 2003	THIRD QUARTER 2002	YEAR-TO-DATE 2003	YEAR-TO-DATE 2002
Durham Region	72.9%	68.2%	66.0%	71.2%
Oshawa CMA	75.6%	73.6%	68.9%	74.8%
Whitby	77.9%	69.4%	69.0%	71.6%
Oshawa City	71.5%	76.7%	67.5%	77.3%
Clarington	80.3%	73.6%	71.1%	74.7%

Source: Toronto Real Estate Board, CMHC

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

TABLE 6: MLS®* RESIDENTIAL UNIT SALES BY MUNICIPALITY

	THIRD QUARTER 2003	THIRD QUARTER 2002	PER CENT CHANGE	YEAR-TO- DATE 2003	YEAR-TO- DATE 2002	PER CENT CHANGE
Durham Region	2587	1975	31.0%	7527	7168	5.0%
Oshawa CMA	1516	1151	31.7%	4387	4189	4.7%
Whitby	497	350	42.0%	1410	1320	6.8%
Oshawa City	647	531	21.8%	1853	1836	0.9%
Clarington	372	270	37.8%	1124	1033	8.8%

Source: Toronto Real Estate Board, CMHC

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

TABLE 7: MLS®* AVERAGE PRICE BY MUNICIPALITY

	THIRD QUARTER 2003	THIRD QUARTER 2002	PER CENT CHANGE	YEAR-TO- DATE 2003	YEAR-TO- DATE 2002	PER CENT CHANGE
Durham Region	\$224,165	\$202,784	10.5%	\$220,279	\$204,181	7.9%
Oshawa CMA	\$204,858	\$184,824	10.8%	\$201,852	\$185,602	8.8%
Whitby	\$246,821	\$222,542	10.9%	\$243,226	\$225,638	7.8%
Oshawa City	\$172,374	\$158,711	8.6%	\$169,704	\$157,031	8.1%
Clarington	\$205,293	\$187,286	9.6%	\$202,947	\$185,224	9.6%

Source: Toronto Real Estate Board, CMHC

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

TABLE 8: ECONOMIC INDICATORS - OSHAWA CMA

	BANK RATE	MTG. RATE 3 YR TERM	EXCH. RATE (\$CDN/\$US)	EMPLOYMENT RATIO* (%)	UNEMPLOYMENT RATE*(%)
2001					
April	5.00	6.91	64.70	66.1	5.0
May	4.75	7.01	65.27	65.8	5.1
June	4.75	7.10	65.67	65.2	5.2
July	4.50	7.10	65.04	65.1	5.5
August	4.25	7.04	64.67	64.5	5.8
September	3.75	6.64	63.32	64.7	5.8
October	3.00	6.16	63.02	64.1	6.2
November	2.50	5.64	63.19	64.1	6.3
December	2.50	5.64	62.70	64.5	6.4
Average	4.31	6.75	64.39	65.2	5.6
2002					
January	2.25	5.60	62.80	64.6	7.3
February	2.25	5.61	62.18	64.7	7.5
March	2.25	5.97	62.75	64.1	8.2
April	2.50	6.35	63.96	64.0	7.8
May	2.50	6.40	65.16	64.1	7.3
June	2.75	6.40	65.76	64.4	6.4
July	3.00	6.33	63.12	64.4	5.9
August	3.00	6.02	64.12	64.7	5.9
September	3.00	5.92	63.41	64.9	6.1
October	3.00	5.90	64.20	65.5	6.2
November	3.00	5.83	63.54	66.1	6.1
December	3.00	5.81	64.60	66.3	6.1
Average	2.71	6.01	63.80	64.9	6.7
2003					
January	3.00	5.79	65.32	66.9	5.9
February	3.00	5.81	66.88	67.3	5.7
March	3.25	5.84	67.98	68.1	5.0
April	3.50	5.97	68.59	68.7	5.1
May	3.50	5.71	72.12	69.7	5.1
June	3.50	5.20	74.48	70.4	5.2
July	3.25	5.29	71.44	70.6	5.4
August	3.25	5.31	71.58	70.6	5.3
September	3.00	5.45	74.23	70.2	5.4

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DEFINITIONS

Refer to the following definitions when interpreting the tables in this report.

HOUSING START:

refers to a dwelling unit where construction has advanced to a state where full (100%) footings are in place. In the case of multiple unit structures, this definition of a start applies to the entire structure.

UNDER CONSTRUCTION:

refers to the inventory of units currently being constructed. Under construction figures include current month starts and exclude current month completions.

COMPLETION:

For single-detached and semi-detached dwellings: implies that 90% or more of the structure has been completed. A structure may be considered to be complete and ready for occupancy when only seasonal deficiencies and/or minor infractions to building codes remain.

Row and apartments: implies that 90% or more of the dwelling units within a structure are completed and ready for occupancy.

COMPLETED AND NOT ABSORBED:

refers to newly constructed, completed units which have not been sold or rented.

TOTAL SUPPLY:

refers to the total supply of new units and includes pending starts, units under construction and units that are completed but not absorbed.

ABSORPTION:

refer to newly completed units which have been sold or rented. The number of absorptions is obtained from a survey initiated when the structure is completed. Units sold or leased prior to construction are not considered as absorbed until the completion stage.

PENDING START:

refers to a dwelling unit where a building permit and/or National Housing Act (NHA) approval exists but construction has not yet started.

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ORECAST

Oshawa

SUMMARY

Canada Mortgage and Housing Corporation

ISSUE: FALL 2003

Resale Market

Resale market to remain strong into 2004

The outlook for the Oshawa CMA resale market remains favourable. The same factors which have driven the resale market in the last few years will continue to fuel activity in the resale market in the last quarter of 2003 and into 2004. These factors include historically low mortgage rates, employment growth, rising prices in Toronto, and strong net migration.

Due to the easing pace of economic growth and inflation in Canada in the second quarter of 2003, mortgage rates have not risen as expected and

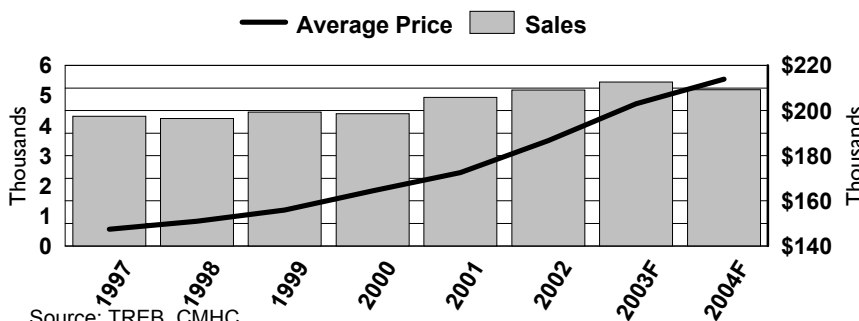
remain low by historical standards. Mortgage rates will continue at historically low levels and are forecast to rise by only 0.50-0.75 per cent next year. Continued employment growth in the Oshawa CMA is also boosting demand for existing homes. For the first nine months of 2003, the Oshawa CMA has gained a total of 10,100 jobs. Tight resale markets in Toronto and subsequent higher prices will continue to boost demand for resale homes in the Oshawa CMA. In 2003, net migration to the Oshawa CMA will remain above the 4,000 level for the third consecutive year, with the largest group in their prime home buying years.

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With all the factors pointing to a strong resale market, 2003 resales will reach 5,450 thereby surpassing last year's near record performance. The strength in the resale market can also be attributed to the rise in the number of new listings. For 2003, new listings will increase to 7,700 as repeat buyers put their existing homes up for sale. While listings have edged up, the resale market is expected to remain in sellers' territory with a sales to new listings ratio of 70.8 per cent for 2003. With the resale market clearly in favour of the seller, price increases have easily outpaced inflation. The average resale price will rise 8.7 per cent to reach \$203,000. For 2004, as move-up buyer activity slows, sales are forecast to ease slightly from 2003 and come in at a strong 5,200

Resale Market Forecast Oshawa CMA



CMHC Toronto, Market Analysis
Erica McLerie

Tel: (416) 218-3318 Fax: (416) 218-3314
emclerie@cmhc-schl.gc.ca

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sales. New listings are also expected to decline as many move-up buyers have already taken possession of their new homes. The resale market will remain in sellers' territory, pushing the average resale price in 2004 up 5.4 per cent to reach \$214,000.

New Home Market

Single starts hit record high in 2003

The Oshawa CMA new home market is poised to reach levels not seen since the late 1980's. The new home market benefits from many of the same economic and demographic factors as the resale market. Low mortgage rates, employment and income growth, and migration are key components driving demand for new homes. In addition, the current state of the resale market has a positive impact on new home construction levels.

Although new home prices continue to increase, historically low mortgage rates are keeping carrying costs low, benefiting first time buyers and move up buyers alike. With strong employment growth, those newly employed will add to the growing ranks of potential new home buyers. Migration into the Oshawa CMA continues strong with the majority of the migrants in their prime home buying years. The Oshawa CMA resale market remains in sellers' market territory with strong demand, limited supply, and rising prices. Many existing home owners realizing equity gains have turned to the new home market for its wider selection of homes, upgrades and finishings. Existing home sales tend to lead starts so the current strong resale activity bodes well for housing starts in the next few months.

Strong demand from both first time and repeat buyers will continue to drive Oshawa CMA construction through to the end of 2003. As existing inventories of new homes remain very low, additional demand for new homes will be met by increased activity in the new construction market. With residential starts continuing at a near record pace into the fourth quarter of 2003, total starts for the year are forecast to hit a high of 3,930 starts. Single detached construction will hit a new record of 3,050 units in 2003 with the remaining 880 units consisting of town homes, semis, and apartments (mostly condo, but a few rental). Pent-up first time buyer demand is reflected in the increased number of starts in semi and row units.

For 2004 rising house prices and slightly higher mortgage rates will push carrying costs higher. As well, new home sales in 2003 were slightly below 2002 levels due to the shrinking first time and repeat buyer pool. Thus, total housing starts are forecast to decrease 8.4% to 3,600 units in 2004. Single detached starts are forecast to slip 4.9% to 2,900 units in 2004 compared to the estimated record 3,050 starts in 2003. Multiple starts are expected

to fall 20.7% to 690 (semis, freehold row, and condo apartments).

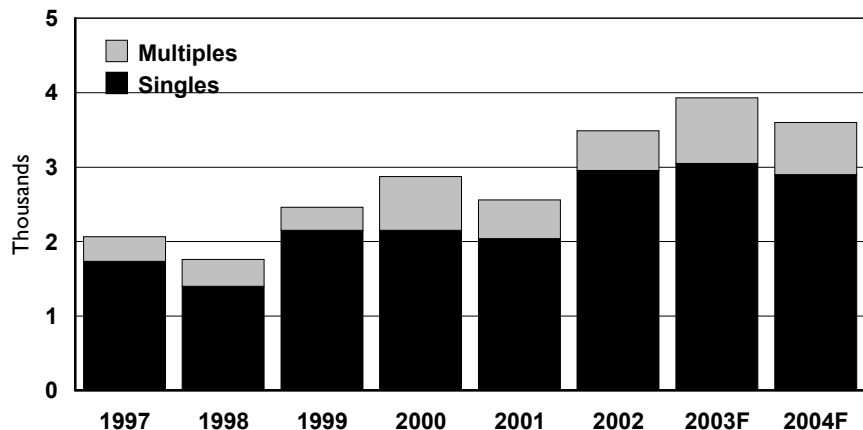
Increased competition between home builders for new single detached units is moderating price increases. As well, with mortgage rates at historical lows, a higher percentage of first time buyers are active in the market and purchasing more moderately priced single detached homes. Thus in 2003, the average price of a new single detached home will marginally rise by 1.8 per cent to \$240,000. By the end of 2004, moderating demand will slow price increases, pushing prices up an additional 1.7 per cent to \$244,000.

Rental Market

Move to Ownership will Increase Vacancy Rate

Demand for rental accommodation in the Oshawa CMA continues to wane. Historically low mortgage rates, a strong local economy, and a solid job market are influencing more existing renters to make the move to ownership. With rents continuing to climb, renting a larger apartment or townhome is comparable to the

Single and Multiple Starts Forecast



Source: CMHC

carrying costs of home ownership. Despite improved job conditions, younger adults continue to stay home longer, according to the 2001 Census results. With no appreciable new conventional rental supply in 2003, slowing demand will cause an easing in the rental market. The dampening of rental demand caused by the movement of households to the ownership market will be partially offset by the opening of the new university, Ontario Institute of Technology, in Oshawa, in September 2003. It is expected that the vacancy rate in the Oshawa CMA will edge up to 2.5 per cent in October 2003.

Despite softer demand, the lack of new rental supply this year will continue to push average rents upward. By October 2003, the average rent for a two bedroom apartment will rise 2.6 per cent to an average of \$840 per month. This increase in rents is below the Tenant Protection Act Rent Review Guideline of 2.9 per cent set for 2003.

Economic Overview

Mortgage Rate Outlook

Short-term mortgage rates move in tandem with the prime rate, while mid- and long-term mortgage rates vary in response to the cost of raising funds in the bond markets. Therefore low interest rates in those markets call for posted mortgage rates to stay low over the next few months.

One, three and five-year posted closed mortgage rates are forecast 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.

Spreads between mortgage rates and comparable bond yields have remained at 150-250 basis points in the last few years, providing lenders with some room to negotiate discounts ranging 50-150 bps from the posted rates. These spreads and discounts are likely to persist in the near term.

Employment

Oshawa CMA has seen growth in employment in the last 11 years. For 2003, the Oshawa CMA will gain a total of 16,100 jobs. The Oshawa CMA has experienced strength in full time employment. Strong gains have been experienced in the Finance, Transportation, Public Administration, Trade and Services segments. The manufacturing sector has begun to rebound from job losses in the first quarter of 2003. However, the higher Canadian dollar could act as a drag on exports and negatively impact the Oshawa CMA's large manufacturing sector.

Individuals with secure, permanent employment will be able to save for a down payment and be able to move into home ownership. Year over year employment for those in their prime home buying years (25 to 44) is up by 16.5 per cent. Such a strong employment picture in the prime home buying segment will continue to fuel the housing market. Strong employment levels will be maintained to the end of 2003 and into 2004. Employment is expected to rise to 173,600 in 2003 and to 178,800 in 2004.

Migration

Current tax filer data (2000/2001) revealed that net migration into the Oshawa CMA in 2001 remained above 4,000 for the second consecutive year. There were approximately 78,400 newcomers into the Oshawa CMA and roughly 59,700 people who moved away during the period 1996-2001. With



about 2.6 people per household, this translates into 7,200 new households. Of the people who moved into the Oshawa CMA, 57% were from the Toronto CMA. This data also supports the notion that individuals who move to the Oshawa CMA are in their prime home buying years. From 1997 to 2001, individuals aged 25 to 44 represented 42 per cent of all migrants. The second largest group are children to the age of 17, indicating that families are moving to the Oshawa CMA. With a strong local economy and the price of housing in the Toronto CMA continuing to rise, net migration levels are expected to remain high in the future as the price of a home is a motivating factor when moving to the Oshawa CMA. Total net migration to the Oshawa CMA in 2003 was expected to reach 4,800 and rise to 5,000 in 2004.

2003 Rental Market Survey

The results of the 2003 Rental Market Survey will be released on November 26, 2003.

Get a picture of the average rents, vacancy rates, and universe by bedroom type and zone for large urban centres across Ontario and Canada.

To order your copy of the 2003 Rental Market **Fastfax** please call: **1-800-493-0059**

SUMMARY

OSHAWA CENSUS METROPOLITAN AREA - THIRD QUARTER 2003

Resale Market	2001	2002	2003F	2004F	% Chg.
MLS Sales	4,937	5,186	5,450	5,200	-4.6%
MLS Average Price	\$172,603	\$186,785	\$203,000	\$214,000	5.4%
MLS Listings	6,937	6,859	7,700	7,500	2.6%
Sales-to-New Listings Ratio	71.2%	75.6%	70.8%	69.3%	
New Home Market					
Housing Starts					
Total	2,561	3,490	3,930	3,600	-8.4%
Ownership: Single Detached	2,038	2,955	3,050	2,900	-4.9%
Semi, Row, Apartment	501	519	870	690	-20.7%
Rental	22	16	10	10	0.0%
Average Single-detached Price	\$219,363	\$235,809	\$240,000	\$244,000	1.7%
Completed & Unoccupied					
Single (September)	51	32	19		
Multiple (September)	36	31	8		
Rental Market					
Vacancy Rate (October)	1.3%	2.3%	2.5%	2.6%	
Average Rent (2 bedroom)	\$799	\$819	\$840	\$850	
Economic Overview					
Mortgage Rate (3 yr. term)	6.88%	6.28%	5.76%	6.01%	
Mortgage Rate (5 yr. term)	7.40%	7.02%	6.36%	6.70%	
Employment (annual average)	154,300	157,500	173,600	178,800	3.0%
Employment growth (# jobs)	5,700	3,200	16,100	5,200	
Net migration (census year)	4,203	4,500	4,800	5,000	

Forecast Summary is CMHC's forecast for new home and resale markets. Issues are released in the Spring and Fall of each year. For more information contact Erica McLerie at (416)218-3318 eMail emclerie@cmhc-schl.gc.ca

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