

# H

# HOUSING NOW

Windsor

## YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

### Housing starts solid in third quarter

- Single-detached housing starts in the Windsor Census Metropolitan Area (CMA) were only 1.5 per cent ahead of last year's figures during the third quarter, hitting 484 units. Nevertheless this is the second highest level of activity for the August-September period, just shy of the all time high of 513 units in 2000. Although starts for the month of September set a new record, the seasonally adjusted annual rate of starts for the quarter dropped to 1,684 units from 1,744 units in the second quarter.
- Single-detached starts in the City of Windsor slowed down in the third quarter with 269 starts, down nearly 2 per cent for the same period in 2001. Conversely activity

in Lakeshore Township was nearly 57 per cent ahead of third quarter 2001.

- Semi-detached starts were up 72 per cent in the third quarter to 86 homes however, row and apartment starts were down to 83 units compared to 150 units Q3- 2001. All multiple construction in the third quarter was targeted to the homeownership market.
- Strong demand for new homes has resulted in a dwindling supply of homes completed and available for sale. Only 13 new homes were complete and available for sale in the month of September compared to 38 homes in September 2001.

ISSUE 16

THIRD QUARTER 2002

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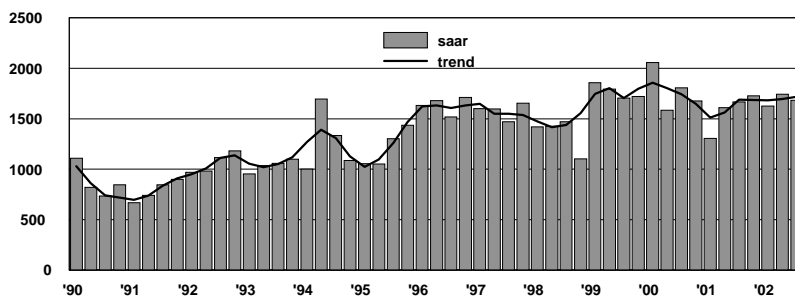
3. **Statistical Tables**

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8. **Resale Indicators**

- Average new home prices rose only 1.5 per cent in the third quarter to \$191,336 compared to year earlier levels. Prices ranged from a low of \$178,206 in Windsor City to a high of \$222,919 in Amherstburg.
- Demand for new homes priced between \$150-174,999 showed the greatest gain in share of homes sold in the third quarter and accounted for just under half of all the homes completed and sold. This price range qualifies for a 95% insured mortgage and attracts many first-time buyers.

### Single starts SAAR Windsor CMA



Source: CMHC, 1009Q1-2002:Q3

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# Resale Market

## Average Prices Climb

- Low mortgage rates and a tight resale market have stimulated move-up buying activity, placing upward pressure on average prices which reached \$148,706 in the third quarter, up nearly 9 per cent over last year at this time.

- The five-year mortgage rate ranged between 6.40 and 6.95 per cent in the third quarter compared to 6.83-7.08 during the second quarter of 2002 allowing purchasers to buy 'more' home.

- Sales were 2.6 per cent above third quarter 2001 levels totalling 1,352 homes sold, however the pace of sales continued to slow. The robust activity which started the year at a level of 5,336 annual sales pace seasonally adjusted in the first quarter has dropped down to the 4,688 level. Anticipation of major contract negotiations in Windsor likely influenced buyers to put their decisions on hold temporarily in September and cooled the market slightly.

- Declining sales pace and an increase in the supply of new listings as people placed their homes market encouraged by the equity gains contributed to a drop of the sales to new listings ratio during the third quarter and a return to a balanced market. By August, the seasonally adjusted ratio hit 54.2 per cent from a peak of 76.4 per cent in January.

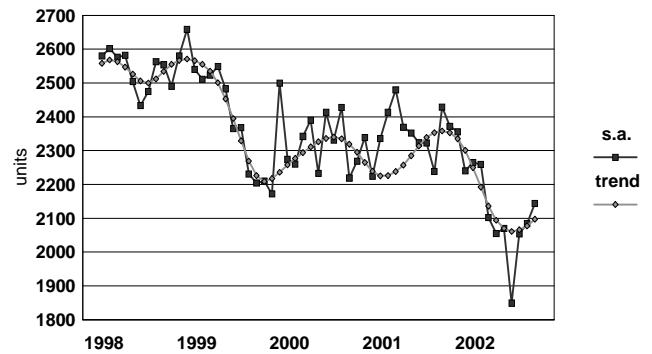
## Employment levels in Windsor CMA turn upward

Employment\* '000's



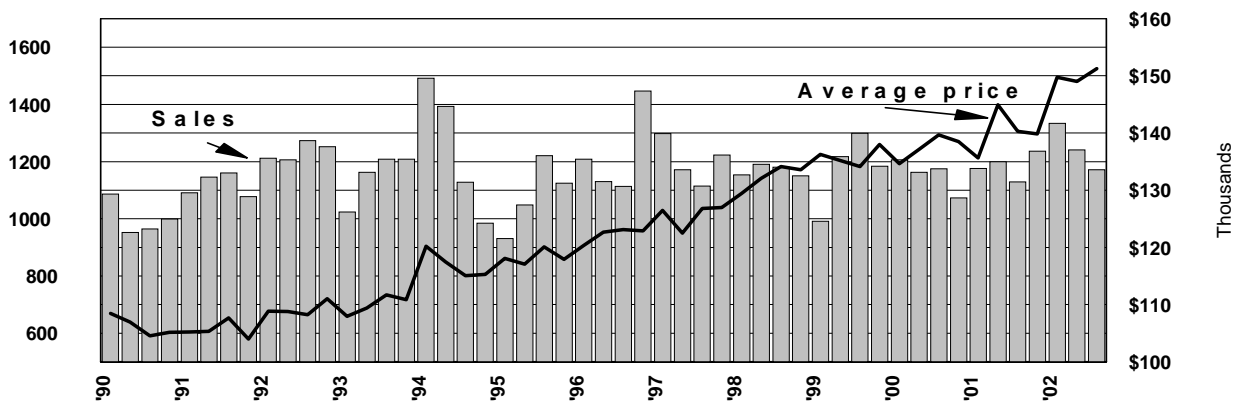
\*seasonally-adjusted 3-month moving averages ending September 2002  
Source: Statistics Canada

## Active listings dwindle



Source: WEREB, CMHC- seasonally adjusted

## MLS sales and average price Windsor-Essex



Source: WEREB, CMHC seasonal adjustment

**TABLE 1 : STARTS BY AREA AND BY INTENDED MARKET  
WINDSOR CENSUS METROPOLITAN AREA (CMA)**

Zone	OWNERSHIP						RENTAL		TOTAL
	Freehold			Condominium			Private		
	Single	Semi	Row	Semi	Row	Apt	Row	Apt	
<b>Windsor City</b>									
Third Quarter 2002	269	52	35	0	0	0	0	0	356
Third Quarter 2001	274	28	60	0	5	0	0	10	377
% Change	-1.8	85.7	-41.7	N/A	N/A	N/A	N/A	N/A	-5.6
Jan-Sep. 2002	690	140	72	0	0	44	4	8	958
Jan-Sep. 2001	621	78	82	0	5	0	2	14	802
% Change	11.1	79.5	-12.2	N/A	N/A	N/A	100.0	-42.9	19.5
<b>LaSalle Town</b>									
Third Quarter 2002	51	18	0	0	0	0	0	0	69
Third Quarter 2001	58	14	0	0	0	75	0	0	147
% Change	-12.1	28.6	N/A	N/A	N/A	N/A	N/A	N/A	-53.1
Jan-Sep. 2002	126	24	0	0	0	0	0	0	150
Jan-Sep. 2001	184	38	0	0	0	75	0	0	297
% Change	-31.5	-36.8	N/A	N/A	N/A	N/A	N/A	N/A	-49.5
<b>Lakeshore Township</b>									
Third Quarter 2002	119	6	0	0	0	0	0	0	125
Third Quarter 2001	76	0	0	0	0	0	0	0	76
% Change	56.6	N/A	N/A	N/A	N/A	N/A	N/A	N/A	64.5
Jan-Sep. 2002	297	10	13	0	0	0	0	0	320
Jan-Sep. 2001	204	6	0	0	0	0	0	0	210
% Change	45.6	66.7	N/A	N/A	N/A	N/A	N/A	N/A	52.4
<b>Amherstburg Twp</b>									
Third Quarter 2002	28	0	4	0	0	0	0	0	32
Third Quarter 2001	40	0	0	0	0	0	0	0	40
% Change	-30.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-20.0
Jan-Sep. 2002	90	2	4	0	0	0	0	0	96
Jan-Sep. 2001	88	0	0	0	0	0	0	0	88
% Change	2.3	N/A	N/A	N/A	N/A	N/A	N/A	N/A	9.1
<b>Essex Town</b>									
Third Quarter 2002	1	0	0	0	0	0	0	0	1
Third Quarter 2001	10	0	0	0	0	0	0	0	10
% Change	-90.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	-90.0
Jan-Sep. 2002	34	0	0	0	0	0	0	0	34
Jan-Sep. 2001	25	0	0	0	0	0	0	0	25
% Change	36.0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	36.0
<b>Tecumseh Town</b>									
Third Quarter 2002	16	10	3	0	0	41	0	0	70
Third Quarter 2001	19	8	0	0	0	0	0	0	27
% Change	-15.8	25.0	N/A	N/A	N/A	N/A	N/A	N/A	159.3
Jan-Sep. 2002	39	20	3	0	0	41	0	0	103
Jan-Sep. 2001	55	32	5	0	0	0	0	0	92
% Change	-29.1	-37.5	-40.0	N/A	N/A	N/A	N/A	N/A	12.0
<b>WINDSOR CMA</b>									
Third Quarter 2002	484	86	42	0	0	41	0	0	653
Third Quarter 2001	477	50	60	0	5	75	0	10	677
% Change	1.5	72.0	-30.0	N/A	N/A	-45.3	N/A	N/A	-3.5
Jan-Sep. 2002	1,276	196	92	0	0	85	4	8	1,661
Jan-Sep. 2001	1,177	154	87	0	5	75	2	14	1,514
% Change	8.4	27.3	5.7	N/A	N/A	13.3	100.0	-42.9	9.7

**Note:** - Lakeshore Twp includes Belle River Town, Maidstone Twp, and Rochester Twp.  
 - Amherstburg Township includes Anderdon Twp, Amherstburg Town, and Malden Twp.  
 - Essex Town now includes Essex Town and Colchester North Twp  
 - Tecumseh Town includes St. Clair Beach V., Sandwich South Twp, and Tecumseh Town.

Source: CMHC Market Analysis - Western Ontario

**TABLE 2: HOUSING ACTIVITY SUMMARY - SEPTEMBER 2002  
WINDSOR CENSUS METROPOLITAN AREA (CMA)**

Zone	OWNERSHIP						RENTAL		TOTAL
	Freehold			Condominium			Private		
	Single	Semi	Row	Semi	Row	Apt.	Row	Apt.	
<b>1. STARTS</b>									
Third Quarter 2002	484	86	42	0	0	41	0	0	653
Third Quarter 2001	477	50	60	0	5	75	0	10	677
% Change	1.5	72.0	-30.0	N/A	N/A	-45.3	N/A	N/A	-3.5
Jan-Sep. 2002	1,276	196	92	0	0	85	4	8	1,661
Jan-Sep. 2001	1,177	154	87	0	5	75	2	14	1,514
% Change	8.4	27.3	5.7	N/A	N/A	13.3	100.0	-42.9	9.7
<b>2. UNDER CONSTRUCTION</b>									
September 2002	506	90	71	0	0	124	0	0	791
September 2001	528	76	69	0	5	114	0	14	806
<b>3. COMPLETIONS</b>									
Third Quarter 2002	508	82	42	0	0	57	4	10	703
Third Quarter 2001	466	74	25	0	0	55	0	0	620
% Change	9.0	10.8	68.0	N/A	N/A	3.6	N/A	N/A	13.4
Jan-Sep. 2002	1,252	178	89	0	11	132	4	44	1,710
Jan-Sep. 2001	1,119	172	50	0	0	55	10	4	1,410
% Change	11.9	3.5	78.0	N/A	N/A	140.0	-60.0	1000.0	21.3
<b>4. COMPLETED &amp; NOT ABSORBED</b>									
September 2002	13	4	4	0	0	42	0	0	63
September 2001	38	25	1	0	0	1	0	0	65
<b>5. TOTAL SUPPLY: 2. + 4.</b>									
September 2002	519	94	75	0	0	166	0	0	854
September 2001	566	101	70	0	5	115	0	14	871
<b>6. ABSORPTIONS</b>									
Jan-Sep. 2002	1,275	180	87	0	11	91	4	48	1,696
Jan-Sep. 2001	1,133	160	52	0	0	69	10	4	1,428
September 2002	200	45	7	0	0	0	0	0	252
3-month Average	156	25	14	0	4	13	1	7	220
12-month Average	144	20	12	0	1	12	0	4	193

Source: CMHC Market Analysis - Western Ontario

## Definitions

**Pending Start:** refers to dwelling units where a building permit has been issued, but construction has not started.

**Start:** generally refers to the stage of construction when the footing has been installed. For multiple dwelling developments, (e.g. row housing) the definition of a start applies to the individual structure or block of units rather than to the project as a whole.

**Under Construction:** those units which have been started but which are not complete.

**Completion:** for single-detached and 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.

**Completed and not absorbed:** all completed units of new construction which have never been occupied, sold or leased.

**Absorption:** the sale or lease of completed units.

**Duration of Supply:** the number of months required to absorb the number of singles currently under construction or completed and not absorbed.

**TABLE 3: SINGLE-DETACHED SUPPLY BY AREA  
WINDSOR CENSUS METROPOLITAN AREA (CMA)**

<b>Zone</b>	<b>Complete &amp; Unoccupied</b>	<b>Under Construction</b>	<b>Total Supply</b>	<b>Duration of Supply (months)</b>
<b>Windsor City</b>				
September 2002	10	267	277	2.9
September 2001	28	314	342	4.6
<b>LaSalle Town</b>				
September 2002	1	53	54	3.9
September 2001	5	62	67	2.2
<b>Lakeshore Township*</b>				
September 2002	2	124	126	3.3
September 2001	4	83	87	2.9
<b>Amherstburg Twp</b>				
September 2002	0	37	37	3.7
September 2001	1	40	41	3.7
<b>Essex Town</b>				
September 2002	0	8	8	1.3
September 2001	0	8	8	4.0
<b>Tecumseh Town</b>				
September 2002	0	17	17	3.4
September 2001	0	21	21	3.0
<b>WINDSOR CMA</b>				
September 2002	13	506	519	3.1
September 2001	38	528	566	3.7

Note: - Lakeshore Twp includes Belle River Town, Maidstone Twp, and Rochester Twp.  
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Source: CMHC Market Analysis - Western Ontario

## Ontario Retirement Homes Report

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**TABLE 4: SINGLE-DETACHED NEW HOME SALES  
(COMPLETED AND SOLD) BY PRICE RANGE  
WINDSOR CENSUS METROPOLITAN AREA (CMA)**

<b>Zone</b>	<b>Under \$150,000</b>	<b>\$150,000 \$174,999</b>	<b>\$175,000 \$219,999</b>	<b>\$220,000 \$249,999</b>	<b>\$250,000+</b>	<b>Total</b>
<b>Windsor City</b>						
Third Quarter 2002	47	164	44	3	27	285
Share (%)	16.5	57.5	15.4	1.1	9.5	100.0
Third Quarter 2001	44	118	34	2	26	224
Share (%)	19.6	52.7	15.2	0.9	11.6	100.0
<b>LaSalle Town</b>						
Third Quarter 2002	9	12	11	1	10	43
Share (%)	20.9	27.9	25.6	2.3	23.3	100.0
Third Quarter 2001	43	23	8	3	11	88
Share (%)	48.9	26.1	9.1	3.4	12.5	100.0
<b>Lakeshore Township</b>						
Third Quarter 2002	3	50	27	9	26	115
Share (%)	2.6	43.5	23.5	7.8	22.6	100.0
Third Quarter 2001	9	24	14	10	32	89
Share (%)	10.1	27.0	15.7	11.2	36.0	100.0
<b>Amherstburg Twp</b>						
Third Quarter 2002	4	11	6	1	9	31
Share (%)	12.9	35.5	19.4	3.2	29.0	100.0
Third Quarter 2001	7	9	7	2	7	32
Share (%)	21.9	28.1	21.9	6.3	21.9	100.0
<b>Essex Town</b>						
Third Quarter 2002	11	3	3	0	2	19
Share (%)	57.9	15.8	15.8	0.0	10.5	100.0
Third Quarter 2001	3	1	1	0	1	6
Share (%)	50.0	16.7	16.7	0.0	16.7	100.0
<b>Tecumseh Town</b>						
Third Quarter 2002	0	4	4	4	4	16
Share (%)	0.0	25.0	25.0	25.0	25.0	100.0
Third Quarter 2001	2	8	7	1	4	22
Share (%)	9.1	36.4	31.8	4.5	18.2	100.0
<b>WINDSOR CMA</b>						
Third Quarter 2002	74	244	95	18	78	509
Share (%)	14.5	47.9	18.7	3.5	15.3	100.0
Third Quarter 2001	108	183	71	18	81	461
Share (%)	23.4	39.7	15.4	3.9	17.6	100.0

Note: - Lakeshore Twp includes Belle River Town, Maidstone Twp, and Rochester Twp.

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- Essex Town now includes Essex Town and Colchester North Twp

- Tecumseh Twp includes St. Clair Beach V., Sandwich South Twp, and Tecumseh Town.

Source: CMHC Market Analysis - Western Ontario

**TABLE 5: AVERAGE NEW SINGLE-DETACHED SALE PRICE  
WINDSOR CENSUS METROPOLITAN AREA (CMA)**

<b>Zone</b>	<b>Third Quarter 2002</b>	<b>Third Quarter 2001</b>	<b>Per Cent Change</b>
Windsor City	\$178,206	\$179,222	-0.6
LaSalle Town	\$215,485	\$172,702	24.8
Lakeshore Township	\$206,303	\$225,471	-8.5
Amherstburg Township	\$222,919	\$207,781	7.3
Essex Town	\$168,183	\$174,967	-3.9
Tecumseh Town	\$219,031	\$193,560	13.2
<b>WINDSOR CMA</b>	<b>\$191,336</b>	<b>\$189,476</b>	<b>1.0</b>

Note: - Lakeshore Twp includes Belle River Town, Maidstone Twp, and Rochester Twp.  
 - Amherstburg Township includes Anderdon Twp, Amherstburg Town, and Malden Twp.  
 - Essex Town now includes Essex Town and Colchester North Twp  
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Source: CMHC Market Analysis - Western Ontario

## RENTAL MARKET SURVEY 2002

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Table 6: MLS\* Resale Activity - Actual and Seasonally Adjusted (SA)

Month	Number of Sales	% Change	Sales SA	New Listings	2001		Active Listings	SA Active Listings	Average Price
					SA New Listings	SA Sales/SA New Listings			
January	317	25.8%	510	773	720	70.4%	2,068	2,340	\$134,642
February	368	-11.3%	400	771	770	52.1%	2,317	2,410	\$130,403
March	445	-9.0%	400	808	710	56.8%	2,500	1,500	\$137,000
April	494	7.4%	430	849	700	60.7%	2,494	2,370	\$143,407
May	570	10.3%	460	886	760	60.4%	2,589	2,350	\$141,651
June	504	1.4%	430	755	710	60.6%	2,615	2,320	\$144,038
July	432	-1.6%	410	746	720	56.8%	2,503	2,320	\$138,620
August	476	-2.5%	410	775	760	54.4%	2,345	2,240	\$136,245
September	410	-5.3%	400	653	690	57.4%	2,458	2,430	\$136,424
October	385	6.4%	420	663	710	59.2%	2,315	2,370	\$136,299
November	402	3.6%	440	658	760	57.7%	2,327	2,360	\$140,203
December	324	42.1%	460	400	750	61.7%	1,745	2,240	\$137,936
1st Quarter	1,130	-2.2%							\$134,190
2nd Quarter	1,568	6.3%							\$142,971
3rd Quarter	1,318	-3.1%							\$137,079
4th Quarter	1,111	13.6%							\$138,189
<b>Total 2001</b>	<b>5,127</b>	<b>3.1%</b>							<b>\$138,485</b>

Month	Number of Sales	% Change	Sales SA	New Listings	2002		Active Listings	SA Active Listings	Average Price
					SA New Listings	SA Sales/SA New Listings			
January	357	12.6%	570	815	750	76.4%	2,005	2,270	\$146,385
February	420	14.1%	460	669	670	68.4%	2,166	2,260	\$144,650
March	449	0.9%	400	692	600	67.1%	2,095	2,100	\$149,280
April	551	11.5%	480	860	720	66.5%	2,153	2,060	\$148,322
May	562	-1.4%	450	868	740	60.7%	2,278	2,070	\$147,394
June	493	-2.2%	420	737	690	60.5%	2,092	1,850	\$146,858
July	449	3.9%	430	760	740	57.9%	2,213	2,050	\$144,374
August	486	2.1%	420	800	770	54.2%	2,184	2,080	\$152,622
September	417	1.7%	410	680	730	55.7%	2,171	2,140	\$148,685
1st Quarter	1,226	8.5%							\$146,851
2nd Quarter	1,606	2.4%							\$147,548
3rd Quarter	1,352	2.6%							\$148,669
<b>Jan-Sep. 2002</b>	<b>4,184</b>	<b>4.2%</b>							<b>\$147,706</b>

Housing Now is published four times yearly for the Windsor metropolitan market. A four page Forecast Summary supplements is included with the 1st Quarter and 3rd Quarter reports. An annual subscription to the Windsor Housing Now is \$55.00 plus GST. To order, please contact Ontario customer service at 1-800-493-0059.

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# FORECAST

*Windsor*

## SUMMARY

Canada Mortgage and Housing Corporation

### New Homes

#### 2003 another good year

With single detached starts reaching 1,429 units during the first ten months of 2002, the Windsor CMA is set to surpass the 1,600 unit level for the fifth year in a row. Factors contributing to this strong activity include the brisk resale market with limited number of listings from which to choose, low mortgage rates, job growth, and strong immigration.

With these key components in place single-detached new construction will reach 1,700 homes in 2002, an annual increase of 6 per cent. While other markets in Southern Ontario showed

greater growth in 2002, they will also experience slower levels of construction in 2003. The steady pace of economic growth in Windsor combined with ongoing job creation and affordable borrowing costs will maintain starts at the 1,700 unit level in 2003.

As of October 2002 the number of homes complete and not yet sold was only 9 homes compared to 38 in October 2001. This suggests that new home demand will continue to be met by new construction and not from inventory.

ISSUE:  
FALL 2002

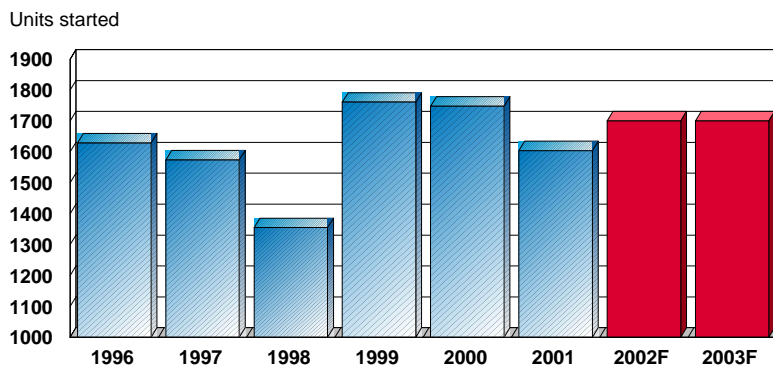
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Semi-detached construction has recovered this year after falling 25 per cent in 2001 and will come in at 320 units this year and 280 units in 2003. This style of housing provides an affordable choice for those buyers entering the market and wanting new housing.

Construction of homeownership apartments and townhouses will maintain a steady pace in 2002, hitting 250 units, just down from the 289 units started in 2001. A growing 55+ age group segment will continue to look towards this type of maintenance-free accommodation and demand will result in the start of 300 row and apartment units in 2003. Rental units are forecast at only 30 units in 2003 due to a higher vacancy rate.

#### Single detached housing starts rebound



Source: CMHC

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HOME TO CANADIANS  
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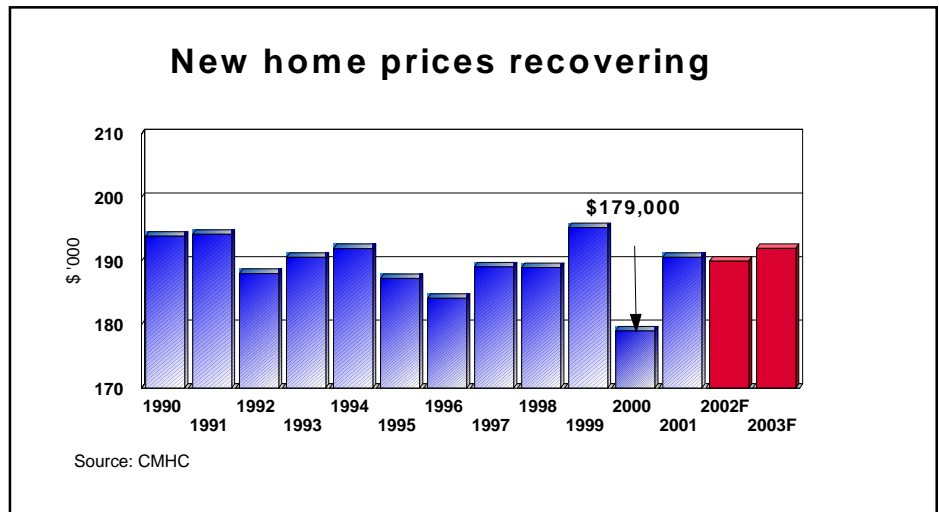
## New Home Prices

The average price of a new home completed and sold in the Windsor CMA was \$191,336 in the third quarter, a rise of 1 per cent from third quarter 2001 figures. While the average price has not gained much, the increases from 2001 were maintained. In 2003 a modest increase of \$2,000 is expected. The \$150-\$175,000 price range still commands the lion's share of activity accounting for 44 per cent of sales in the first three quarters. This segment is the most popular because it caters to those entering homeownership as well as those moving-up for the first time.

The split-level style home has taken over as the most popular style being built in the Windsor CMA this year with 36 per cent of the units completed and sold during the first three quarters. Last year during this period the bungalow was king with 44 per cent of the market, now slipping to second place with 33 per cent this year. Split-levels offer more house space and alternative room breakdowns. The average cost of a split-level is \$157,152, slightly lower than the bungalow style at \$165,258.

## Resale Market Price gains will carry through to 2003

Windsor's resale market started off 2002 with a bang. Sales were at a seasonally adjusted annual rate in January of 6,500 homes. This pace could not be sustained and has slowly declined to a more sustainable level around the 4,500 mark in the third quarter. Last year anticipation for 2002 was cautious due to expectations of interest rate increases, poor consumer confidence and lack of economic growth. Meanwhile the consumer



surprised every one by continuing to spend. The outlook for 2003 is for slightly lower sales volume of 5,100 homes as a rise in interest rates in the second half of the year reduce the number of homeowners that can afford to purchase.

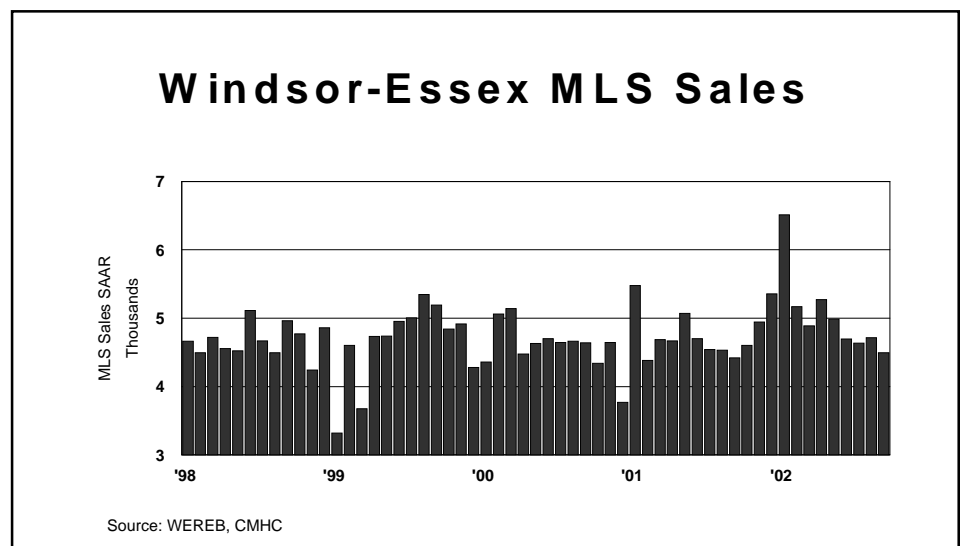
The supply of new listings was very tight in the spring market, leading to upward pressure on prices as consumers dealt with the shortage by paying full listing price and driving the sales to new listings ratio in sellers territory. An increase in listings has brought the market back into a very strong balanced position in the third quarter. Ranch style homes remain the most sold style however in 2003 2 storey homes will gain market share as people gain confidence and incomes continue to rise.

In 2002 the average price will have gained 7.6 per cent to just under \$150,000. In 2003 the price will rise by

3.4 per cent and reach \$154,000 as homeowners encouraged by the equity gains list their houses. This increase in supply will lessen the pressure on prices.

## RENTAL MARKET Vacancy rate to remain up

Windsor's apartment vacancy rate rose to 2.9 per cent in October 2001 from 1.9 per cent in October 2000. The increase in available rental accommodation was due to a number of renters entering the homeownership market enticed by historically low mortgage rates. Throughout 2002 both the resale and new home markets have been hot in Windsor as rates continued to remain low. Many of these purchasers came from the rental market and as such an increase in the vacancy rate is anticipated.

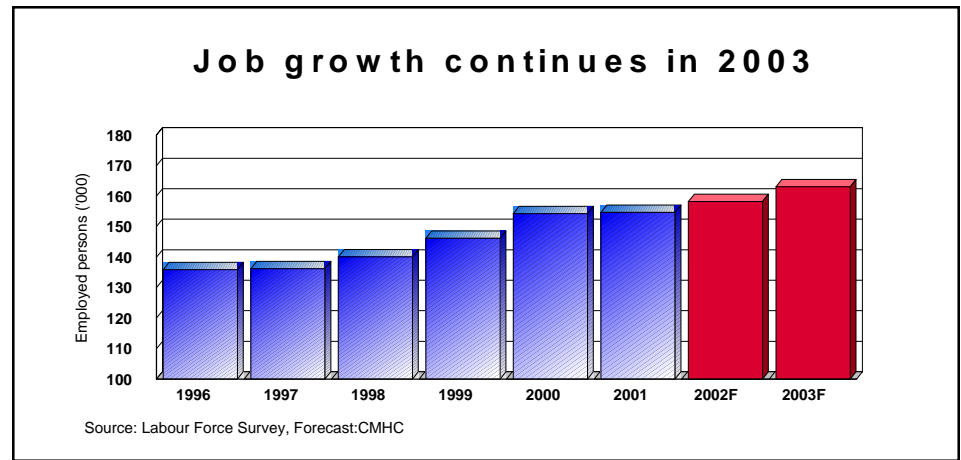


# Economic Overview

## Employment continues to expand

Job growth in the Windsor CMA has surged in the third quarter of the year. What appeared as a slow but steady start to the year has resulted in a new high for employment of 161,700 jobs. On a year over year basis there were an additional 7,000 workers in September or growth of 4.5 per cent. By year-end the employment rate will average 158,200 for 2002 or growth of 2.3 per cent. On the horizon will be further employment growth opportunities with the border crossing upgrades and auto sector capital investment. In 2003 employment will grow by a further 3 per cent to 163,000. The U.S economy is recovering slowly but will pick up steam throughout 2003 which will positively impact the auto parts sector in the Windsor-Essex region.

Locally, consumer confidence is strong, supported by recent settlements in the auto industry, the plans for a new plant, and construction of the new Hampton Hotel. The job growth situation has resulted in a number of people moving to the Windsor area. In 2001 Windsor had the second highest rate of growth of any major city in Canada, only



surpassed by Toronto. Net migration was slightly under 6,000. These new Windsorites have contributed to the healthy housing market.

## Mortgage Rates

Slower economic growth south of the border will help keep mortgage rates low over the next several months. However, concerns over accelerating pace of economic growth and inflation will lead to a less relaxed monetary policy and will push up bond yields and mortgage rates by the second half of 2003. While open and variable rate mortgages generally track lenders' prime rate, fixed rate mortgages move in tandem with the bond market.

Mortgage rates will continue to remain low by historical standards. The one-year closed mortgage rate is forecast to be in the 4.50-7.00 per cent range over the next fourteen months. The three-year and five-year term mortgage rates will be in the 5.50-8.00 and 6.50-8.50 per cent ranges, respectively for the rest of this year and next. However, there are risks to the forecasts such as the performance of the U.S. economy and further volatility in capital markets, which could result in

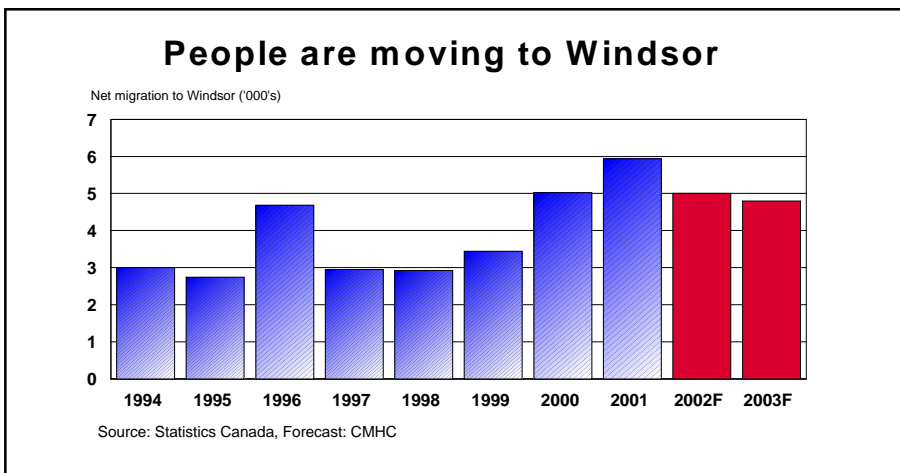
mortgage rates falling outside the forecast.

## 2001 Census Update

Statistics Canada has released data on families and dwelling statistics from the 2001 Census of Population. The total number of private dwellings increased by 8.5 per cent to 117,710 units in the Windsor CMA between 1996 and 2001. An average of 1,847 dwellings were formed annually between 1996 and 2001.

Of the total private dwellings, 71.8 per cent were owned with the remaining 28.2 per cent being rented. This compares to a 68.6 per cent ownership rate from the 1996 Census. Ownership rates vary between the local municipalities in the Windsor CMA. In LaSalle, 95 per cent of all dwelling units were owned. Tecumseh, Lakeshore and Amherstburg had 80-91 per cent homeownership rates, while Windsor City has the lowest percentage of units owned at 65 per cent.

The total number of rented dwellings decreased by 30 units between the 1996 and 2001 census while 224 rental units have been newly constructed. This suggests that a number of households have been able to move into the ownership market. It also suggests that rental dwellings found in condominium apartments, single family homes, and other low density housing types previously, are now being occupied by owners.



## FORECAST SUMMARY

### Windsor Census Metropolitan Area

RESALE MARKET	1999	2000	2001	2002(f)	2003(f)	%Change
MLS* Sales	5077	4968	5127	5250	5100	-2.9%
MLS Average Price	\$134,490	\$136,318	\$138,485	\$149,000	\$154,000	3.4%
MLS Active Listings (October)	2,178	2,221	2,315	2,228		

#### NEW HOME MARKET

Single-detached starts	1761	1748	1604	1700	1700	0%
Semi-detached starts	324	292	218	320	280	-12.5%
Row/Apt Ownership starts	290	261	289	270	300	11.1%
Apt Rental/Life-lease starts	12	81	46	30	30	0%
<b>Total Starts</b>	<b>2387</b>	<b>2382</b>	<b>2157</b>	<b>2320</b>	<b>2310</b>	<b>-0.4%</b>
Average New Home Price	\$195,300	\$179,000	\$190,600	\$191,000	\$193,000	1.0%

#### RENTAL MARKET

Apartment Vacancy Rate	2.7	1.9	2.9	3.6	3.1	
Average 2 Bedroom Rent	\$696	\$736	\$738	\$765	\$788	3.0%

#### ECONOMIC ASSUMPTIONS

Mortgage Rate (1-Year Term, %)	6.80	7.85	6.14	5.08	4.50-7.00	
Mortgage Rate (5-Year Term, %)	7.56	8.35	7.41	6.87	6.50-8.50	
Employment (000's)	146.2	154.2	154.6	158.2	163	3.0%
Net Migration	3441	5019	5940	5000	4800	-4.0%

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

Source: Windsor-Essex County Real Estate Board, HRDC, Bank of Canada, CMHC

**Forecast Summary** is CMHC's forecast for new home and resale markets. Issues are released in the Spring and Fall of each year.

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