

# H

# HOUSING NOW

Gatineau

YOUR LINK TO THE HOUSING MARKET

[www.cmhc.ca](http://www.cmhc.ca)

Canada Mortgage and Housing Corporation

## Strong growth on the new home market to celebrate the arrival of spring

### Residential construction continues to soar

With a total of 673 dwellings started during the first quarter, the new home market posted 319 more new constructions than in 2003, for a gain of 91 per cent.

These results for the first three months of the year beat all levels of activity ever recorded in the area.

Construction therefore seems to be pointing to another year of significant activity. In fact, even with half the number of new units for the first quarter, the new home market had reached very high levels of activity in 2003.

However, a more detailed analysis of the results for the first quarter of 2004 reveals different trends depending on the housing types and sectors.

*continued on next page*

VOLUME 7, NUMBER 1,  
FIRST QUARTER 2004

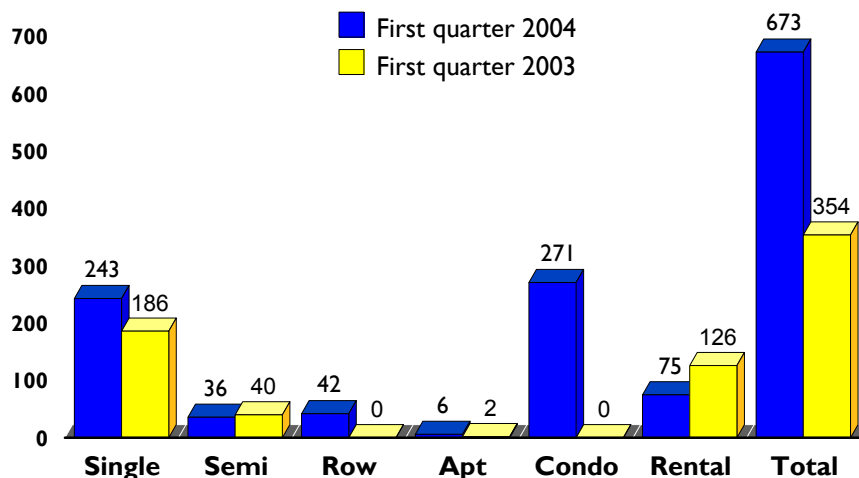
### IN THIS ISSUE

- 1 Residential construction continues to soar
- 2 Condominium invasion
- 2 Change of vocation for Gatineau?

### Tables

- 3 Summary of Activity by Intended Market
- 4 Housing Starts by Zone and by Intended Market
- 5 Single-Detached and Semi-Detached Houses Absorbed by Price Range and by Zone
- 6 Housing Supply and Demand
- 6 Economic Overview
- 7 Definitions and Concepts
- 8 Publications
- 8 Gatineau CMA Zones

Starts by Housing Type



HOME TO CANADIANS  
Canada

## Condominium invasion

As far back as our starts surveys date (1980), it is impossible to find a level of activity similar to that recorded in the first quarter of 2004. For condominiums, in particular, the current results are unprecedented for a first quarter. While it may be true that this housing type has been back on the market since last year, the growth in the last three months remains impressive. In fact, no new constructions of this type had been recorded in the first quarter of 2003, compared to 271 units during the same period in 2004. This is almost as many as all the condominium starts registered since 1994 (295 units from 1995 to 2003), the year when this type of housing started being built. Last year ended with a total of 209 starts, but the first quarter of 2004 seems to be sending a clear message: condominiums are set to take the new home market by storm.

In general, this type of housing is rather urban, hence particular to zones where land is scarcer and costlier. It is therefore no surprise to see that this housing type has top billing in Montréal. In the Outaouais area, however, condominiums are now found in both Aylmer and Gatineau. In this last sector, where there is even more available space, certain districts still seem to offer an environment that is conducive to this type of housing.

For example, there is the district near the hospital, which is close to the shopping centre, but also to

the highway. In fact, accessibility to Hull and even to Ottawa remains one the determining factors in the decision to buy.

Single-detached homes, for their part, did not do too poorly at all. They even posted an increase of 31 per cent. As for rental housing, this segment sustained a decrease of 40 per cent, with 75 starts.

## Change of vocation for Gatineau?

The Gatineau sector, where 317 dwellings (+50 per cent) were started, led all the others. Usually dominated by single-detached home building, this sector posted a surprising 143 new condominiums. These units accounted for over 45 per cent of all housing starts in this sector. With just 134 starts, single-detached houses were consequently dethroned, as they garnered a market share of only 42 per cent.

In terms of growth, however, it was the Hull sector that stood out with its 186 starts, for a gain of

332 per cent. Of course, condominiums got top honours here (51 per cent of all starts), while only 13 single-detached houses were enumerated. In Aylmer, on the other hand, such houses saw their numbers increase considerably, as there were 49 more starts of this type than during the same period in 2003.

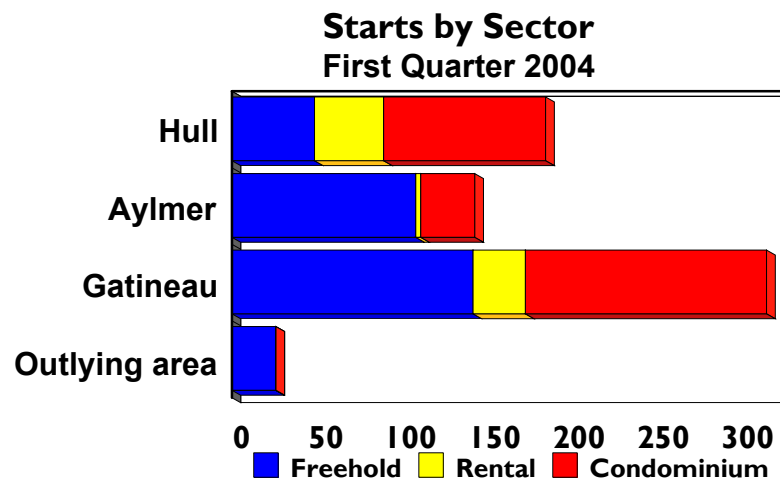
The outlying sector did not manage as well, with 26 new dwellings started (-38 per cent).

*For more information about this publication, please contact our:*

**Customer Service**  
at  
**1 866 855-5711**

or by email:

**cam\_qc@cmhc.ca**



**Table I**  
**Summary of Activity by Intended Market**  
**Gatineau Metropolitan Area\***

Activity / Period	Ownership		Rental	Total
	Freehold**	Condominium		
<b>Starts</b>				
First quarter 2004	327	271	75	673
First quarter 2003	228	0	126	354
Year-to-date 2004	327	271	75	673
Year-to-date 2003	228	0	126	354
<b>Under construction</b>				
March 2004	304	456	204	964
March 2003	674	30	556	1,260
<b>Completions</b>				
First quarter 2004	576	24	143	743
First quarter 2003	483	0	17	500
Year-to-date 2004	576	24	143	743
Year-to-date 2003	483	0	17	500
<b>Unoccupied</b>				
March 2004	8	0	7	15
March 2003	211	0	28	239
<b>Absorption</b>				
First quarter 2004	575	24	136	735
First quarter 2003	404	0	15	419
Year-to-date 2003	575	24	136	735
Year-to-date 2002	404	0	15	419
<b>Duration of inventory (months)</b>				
March 2004	0.2	0.0	0.6	0.2
March 2003	6.3	NA	22.4	6.8

Source: CMHC

\* As per former delimitation

\*\* Refers to single-family houses (single-detached, semi-detached and row homes) owned under freehold tenure and owner-occupied duplexes

**Table 2**  
**Housing Starts by Zone and by Intended Market**  
**Gatineau Metropolitan Area\***

Zone / Period	Ownership					Rental	Total
	Freehold				Condo-minium		
	Single	Semi	Row	Apt.**			
<b>Zone 1: Hull</b>							
First quarter 2004	13	0	34	2	96	41	186
First quarter 2003	28	0	0	0	0	15	43
Year-to-date 2004	13	0	34	2	96	41	186
Year-to-date 2003	28	0	0	0	0	15	43
<b>Zone 2: Aylmer</b>							
First quarter 2004	72	32	3	2	32	3	144
First quarter 2003	33	24	0	0	0	0	57
Year-to-date 2004	72	32	3	2	32	3	144
Year-to-date 2003	33	24	0	0	0	0	57
<b>Zone 3: Gatineau</b>							
First quarter 2004	134	4	5	0	143	31	317
First quarter 2003	95	6	0	0	0	111	212
Year-to-date 2004	134	4	5	0	143	31	317
Year-to-date 2003	95	6	0	0	0	111	212
<b>Zone 4: Buckingham</b>							
First quarter 2004	2	0	0	0	0	0	2
First quarter 2003	1	0	0	0	0	0	1
Year-to-date 2004	2	0	0	0	0	0	2
Year-to-date 2003	1	0	0	0	0	0	1
<b>Zone 5: Masson-Angers</b>							
First quarter 2004	1	0	0	0	0	0	1
First quarter 2003	1	10	0	0	0	0	11
Year-to-date 2004	1	0	0	0	0	0	1
Year-to-date 2003	1	10	0	0	0	0	11
<b>Zone 6: Outlying area</b>							
First quarter 2004	21	0	0	2	0	0	23
First quarter 2003	28	0	0	2	0	0	30
Year-to-date 2004	21	0	0	2	0	0	23
Year-to-date 2003	28	0	0	2	0	0	30
<b>TOTAL - GATINEAU METROPOLITAN AREA</b>							
First quarter 2004	243	36	42	6	271	75	673
First quarter 2003	186	40	0	2	0	126	354
Year-to-date 2004	243	36	42	6	271	75	673
Year-to-date 2003	186	40	0	2	0	126	354

Source: CMHC

\* As per former delimitation

\*\* Owner-occupied duplexes

**Table 3**  
**Single-Detached and Semi-Detached Houses Absorbed by Price Range and by Zone**  
**Gatineau Metropolitan Area\* - First Quarter**

Type	Under \$90,000		\$90,000 to \$109,999		\$110,000 to \$129,999		\$130,000 to \$149,999		\$150,000 or over		Total	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
<b>Zone 1: Hull</b>												
Single	0	0	0	0	0	4	0	4	28	29	28	37
Semi	0	2	0	0	0	7	0	2	0	0	0	11
<b>Zone 2: Aylmer</b>												
Single	0	0	0	2	1	17	13	11	120	37	134	67
Semi	0	0	4	9	8	23	25	2	16	0	53	34
<b>Zone 3: Gatineau</b>												
Single	0	0	0	6	28	36	42	32	126	71	196	145
Semi	0	3	0	4	2	4	4	0	0	0	6	10
<b>Zone 4: Buckingham</b>												
Single	0	0	0	0	1	1	2	0	5	2	8	3
Semi	0	0	0	0	0	0	0	0	0	0	0	0
<b>Zone 5: Masson-Angers</b>												
Single	0	0	0	1	2	4	8	2	7	2	17	9
Semi	0	2	2	6	4	0	0	0	0	0	6	8
<b>Zone 4: Outlying area</b>												
Single	1	3	2	13	5	12	11	9	88	38	107	75
Semi	0	0	0	0	0	0	0	0	0	0	0	0
<b>TOTAL - GATINEAU METROPOLITAN AREA</b>												
Single	1	3	2	22	37	74	76	58	374	179	490	336
Semi	0	7	6	19	14	34	29	4	16	0	65	63

Source: CMHC

\* As per former delimitation

## *THE RETIREMENT HOME MARKET STUDY*

CMHC's Quebec Market Analysis Center publishes annual surveys of all private retirement homes in the province's six census metropolitan areas:

**Montreal, Quebec, Gatineau, Sherbrooke, Trois-Rivières and Saguenay.**

An indispensable source of information for all decision-makers, developers and investors interested in this promising real estate sector, the reports

(based on a survey conducted in October 2003) will be available at the end of May 2004.

**Order your copy now by calling our**

**Customer Service Department**

**at 1 866 855-5711**

**or by Email: [cam\\_qc@cmhc.ca](mailto:cam_qc@cmhc.ca)**

**Table 4**  
**Housing Demand and Supply**  
**Gatineau Metropolitan Area\* - March 2004**

<b>Type</b>	<b>Under Construction</b>	<b>Unoccupied</b>	<b>Short-Term Supply</b>	<b>Absorption (Trend**)</b>	<b>Supply / Absorption Ratio</b>
<b>Freehold</b>	304	8	312	241.3	1.3
<b>Condominium</b>	456	0	456	4.5	101.3
<b>Rental</b>	204	7	211	80.2	2.6

Source: CMHC

\* As per former delimitation

\*\* 12-month average

**Table 5**  
**Economic Overview**  
**Gatineau Metropolitan Area\***

	<b>First Quarter</b>		<b>Trend (Jan.-Mar.)</b>		<b>% Change Trend</b>
	<b>2002</b>	<b>2003</b>	<b>2002</b>	<b>2003</b>	
<b>Labour market</b>					
Population 15 years + (000)	213.8	219.5	213.8	219.5	2.6
Labour force (000)	146.7	149.7	146.7	149.7	2.0
Employment level - total (000)	135.8	139.7	135.8	139.7	2.9
Employment level - full-time (000)	113.1	116.8	113.1	116.8	3.3
Unemployment rate	7.4%	6.7%	7.4%	6.7%	n.a.
<b>Mortgage rates (1) (%)</b>					
1-year	5.1	4.3	5.1	4.3	n.a.
5-year	6.6	5.9	6.6	5.9	n.a.
<b>Annual inflation rate (2)</b>					
	4.2	0.8	4.2	0.8	n.a.
<b>Index of Consumer Confidence (1991=100) (2)</b>					
	124.0	125.3	124.0	125.3	n.a.

Sources: Statistics Canada, Conference Board of Canada

\* As per former delimitation

Notes: (1) Canada (2) Province of Quebec

## Definitions and Concepts

**NOTE TO READERS:** Prior to July 2002, the CMHC Starts and Completions Survey consisted of a monthly enumeration of new housing activity in urban centres with a population of 10,000 persons and over. As of July 2002, the survey will be conducted monthly in urban centres with a population of 50,000 persons and over and quarterly in urban centres with a population of 10,000 to 49,999 persons. Statistical models will be used to estimate provincial and national housing starts in urban centres with a population of 10,000 persons and over, on a monthly basis. The methodology is unchanged for estimating housing starts in rural areas (areas other than urban centres with a population of 10,000 persons and over). In these areas, a sample survey is used on a quarterly basis. As was the case in the past, statistical models continue to be used to estimate national housing starts in all areas on a monthly basis. This quarterly Housing Market publication provides statistical data and analysis of the trends in the Intended Markets for the Gatineau Metropolitan Area.

**Intended Markets** - There are three: the Freehold market refers to Single-Family Houses (Detached, Semi-Detached and Row) owned under freehold; the condominium segment comprises houses and apartments held under divided co-ownership; and finally the rental market encompasses apartments dwellings.

**Housing Starts** - Refer to the beginning of construction work on a building, usually when the concrete has been laid for the whole of the footing around the structure, or equivalent stage where basement will not be a part of the structure.

**Under Construction** - Refers to units that have started but are not complete. The number of the units under construction at the end of a period may take into account certain adjustment that took place, for various reasons, after the starts have been reported.

**Completions** - Refer to units where all proposed construction work has been performed or in some cases where ninety percent of all construction work is completed and the structure is fit for occupancy.

**Unoccupied Units** - Refer to new completed units that have remained unoccupied.

**Total Short Term Supply** - Refers to the total supply of new units and includes units under construction and units that are completed but not occupied.

**Total Medium Term Supply** - Refers to the total supply of new units and includes units under construction, units that are completed but not occupied and the permits issued but not started.

**Absorption** - Refers 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 presold or pre-leased are not included until the completion stage. The number of absorbed units is the number of completed and unoccupied units from the previous quarter plus completions for the current quarter minus completed and unoccupied units for the current quarter.

**Duration of inventory** - Refers to the period necessary for the absorption of unoccupied units, i. e. the ratio between unoccupied units and absorbed units (average for the last twelve months).

# CMHC Market Analysis Centre Publications

<b>National</b>	<b>Province of Quebec</b>	<b>Metropolitan Areas - Province of Quebec</b>
<ul style="list-style-type: none"> <li>• National Housing Market Outlook</li> <li>• Mortgage Market Trends</li> <li>• Canadian Housing Markets</li> <li>• and many more</li> </ul>	<ul style="list-style-type: none"> <li>• Housing Now</li> <li>• FastFax - Rental Market Report</li> </ul>	<ul style="list-style-type: none"> <li>• Housing Market Outlook (1)</li> <li>• Rental Market Report (1)</li> <li>• FastFax - Rental Market Report (3)</li> <li>• Analysis of the Resale Market (2)</li> <li>• Retirement Home Market (1)</li> </ul> <p>(1) Available for all metropolitan areas: Chicoutimi, Gatineau, Montréal, Québec, Sherbrooke and Trois-Rivières            (2) Available for Montréal and Québec only            (3) Available for all urban centres with population of more than 10,000 inhabitants</p>

**To subscribe, please contact our Customer Service Centre:**

For publications produced nationally or in other provinces, call 1 800 668-2642  
 For publications produced in Quebec, contact the Quebec Market Analysis Centre at 1 866 855-5711

**Obtain low cost data on the Gatineau market**

Each housing market is unique and it is impossible to meet all needs in a single publication. However, we can respond to specific requests to help you better understand your market  
 In addition to supplying long term statistical data, we can develop special compilations based on your own criteria.

**Contact us!**  
**Tel.: 1 (866) 855-5711**

## Gatineau Metropolitan Area Zones

<b>Zones</b>	<b>Municipalities or Sectors</b>	<b>Large zones</b>
1	Hull	Centre
2	Aylmer	Centre
3	Gatineau	Centre
4	Buckingham, Cantley, Chelsea, La Pêche, Masson-Angers, Pontiac, Val-des-Monts.	Peripheral Area

**Housing Now is published four times a year for the Gatineau Metropolitan Area. Annual Subscription to the Gatineau Housing Now is \$55.00 plus applicable taxes. For more information, or to subscribe, contact our Customer Service Centre at 1 866 855-5711.**

© 2004 Canada Mortgage and Housing Corporation. All rights reserved. No portion of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, mechanical, electronic, photocopying, recording or otherwise without the prior written permission of Canada

Mortgage and Housing Corporation. Without limiting the generality of the foregoing, no portion of this publication may be translated from English into any other language without the prior written permission of Canada Mortgage and Housing Corporation. The information, analyses and opinions contained in this

publication are based on various sources believed reliable, but their accuracy cannot be guaranteed. The information, analyses and opinions shall not be taken as representations for which Canada Mortgage and Housing Corporation or any of its employees shall incur responsibilities.