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HOUSING NOW *Montréal*

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Canada Mortgage and Housing Corporation

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GREATER MONTRÉAL: EARLY WINTER NOT SLOWING DOWN RESIDENTIAL CONSTRUCTION IN THE SUBURBS

Although residential construction slowed down somewhat on the Island of Montréal in November, as it sustained a decrease of 37 per cent from November 2001, it still posted spectacular results in the suburbs, where increases in activity exceeding 100 per cent were observed. According to Canada Mortgage and Housing Corporation (CMHC), a total of 1,899 new housing units were started this past month in the Greater Montréal area, up by 57 per cent over November 2001. So far this year, 18,928 new dwellings have been added to the Montréal housing stock, or 61 per cent more than during the same period in 2001.

Single-family home building continued to account for the bulk of this activity (46 per cent), as the 880 starts of this type represented a solid gain of 69 per cent over November 2001. The suburbs garnered almost all these new constructions (92 per cent). In terms of volume, the northern suburbs contributed significantly to this increase, with over half of these units having been started on its territory. As for growth, Vaudreuil-Soulanges came in well ahead of the other sectors, as its 118 new dwellings corresponded to a hike of 168 per cent.

In the multiple housing segment, this past month, condominium construction posted an exceptional gain. There were twice as many dwellings of this type built than in November 2001. It should be noted that two thirds of these new constructions got under way in the suburbs. These starts more than quadrupled in the southern suburbs (148 units) and more than doubled in the northern suburbs (246 units), while the growth on the Island of Montréal was limited to 15 per cent (194 units). As for semi-detached and row home construction, it was not outdone, as such starts showed an increase of 123 per cent. Like for the other housing types, this growth took place in the suburbs. The persistently limited supply and rising prices of existing homes are prompting households to opt for the construction of their future residence. Issues of affordability and land availability are quite naturally leading them to the suburbs. As well, the 265 rental housing starts represented a decrease of 17 per cent. The year-to-date results remain positive, however, as this is the market segment that shows the greatest advance. In all, the 2,960 new rental dwellings correspond to a gain of 122 per cent over the same period in 2001 and are pointing to a recovery in this market segment.

IN THIS ISSUE

Greater Montréal : Early winter not slowing down residential construction in the suburbs **1**

Graphical Analysis **2**

Tables

1. Summary of Activity by Intended Market **3**

2. Housing Starts by Zone and by Intended Market **4**

3. Summary of Activity by Large Zone and by Intended Market **6**

4. Housing Supply **7**

5. Economic Overview **7**

Definitions and Concepts 8

Montréal Metropolitan Area Zones 8

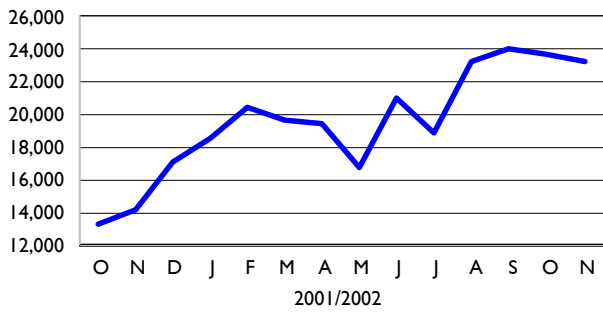


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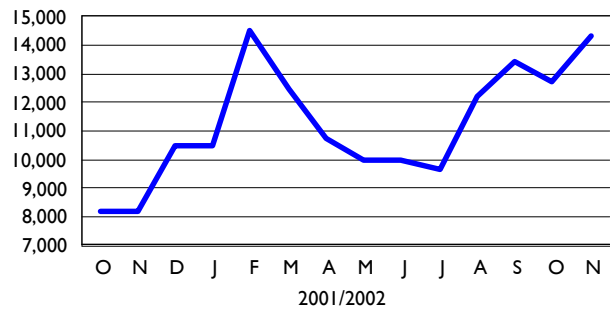
Housing Starts - October 2001 to November 2002

Seasonally Adjusted Data at Annual Rate

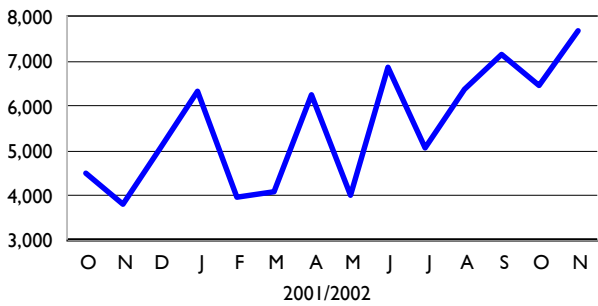
Total Residential



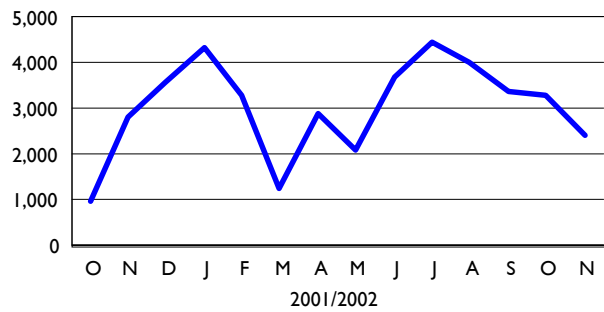
Total Single-Family



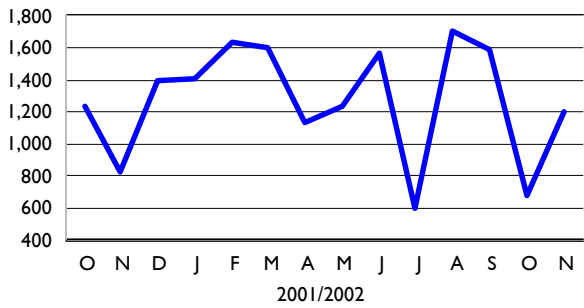
Total Condominium



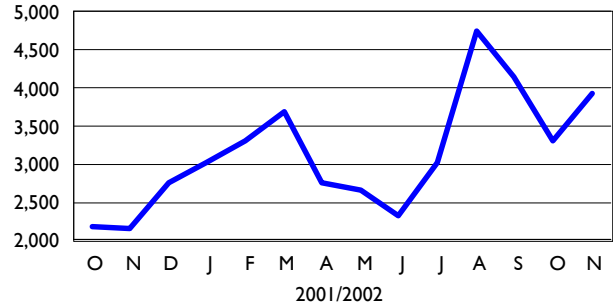
Total Rental



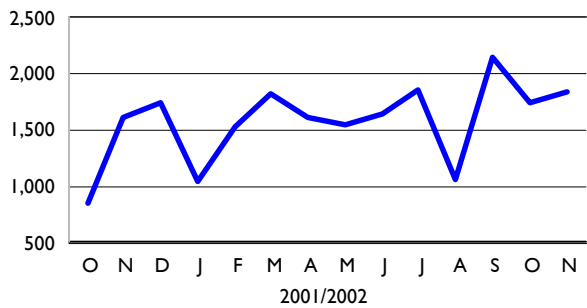
Single-Family - Montreal Island



Single-Family - South-Shore



Single-Family - Laval



Single-Family - North-Shore

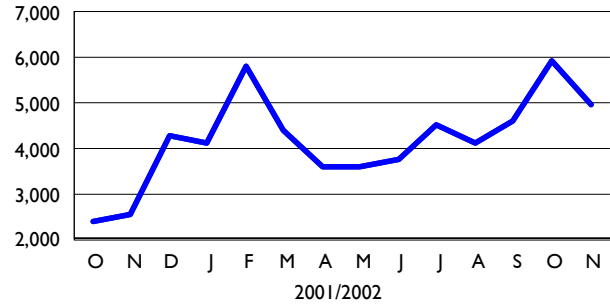


Table I
Summary of Activity by Intended Market
Montréal Metropolitan Area

| <i>Activity / Period</i> | <i>Freehold (Single-Family)</i> | <i>Condominium</i> | <i>Rental</i> | <i>Total</i> |
|------------------------------------------|-------------------------------------|--------------------|---------------|--------------|
| Housing Starts | | | | |
| November 2002 | 1,034 | 600 | 265 | 1,899 |
| November 2001 | 590 | 299 | 321 | 1,210 |
| Cumulative 2002 | 10,784 | 5,184 | 2,960 | 18,928 |
| Cumulative 2001 | 7,169 | 3,240 | 1,333 | 11,742 |
| Under Construction* | | | | |
| November 2002 | 3,704 | 3,627 | 2,108 | 9,439 |
| November 2001 | 2,117 | 1,991 | 1,152 | 5,260 |
| Completions | | | | |
| November 2002 | 930 | 313 | 354 | 1,597 |
| November 2001 | 627 | 521 | 298 | 1,446 |
| Cumulative 2002 | 9,409 | 3,707 | 1,891 | 15,007 |
| Cumulative 2001 | 7,170 | 3,731 | 1,510 | 12,411 |
| Unoccupied* | | | | |
| November 2002 | 504 | 492 | 338 | 1,334 |
| November 2001 | 733 | 647 | 149 | 1,529 |
| Absorption | | | | |
| November 2002 | 892 | 319 | 330 | 1,541 |
| November 2001 | 530 | 433 | 254 | 1,217 |
| Cumulative 2002 | 9,648 | 3,892 | 1,878 | 15,418 |
| Cumulative 2001 | 7,183 | 3,645 | 1,467 | 12,295 |
| Duration of Inventory (in months) | | | | |
| November 2002 | 0.6 | 1.4 | 1.9 | 1.0 |
| November 2001 | 1.2 | 2.1 | 1.2 | 1.4 |

* As at the end of the period shown

Source: CMHC

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Table 2
Housing Starts by Zone and by Intended Market
Montréal Metropolitan Area

| <i>Zone / Period</i> | <i>Freehold (Single-Family)</i> | <i>Condominium</i> | <i>Rental</i> | <i>Total</i> |
|----------------------------------------------|-------------------------------------|--------------------|---------------|--------------|
| Zone 1: West Island | | | | |
| November 2002 | 61 | 16 | 0 | 77 |
| November 2001 | 33 | 0 | 225 | 258 |
| Cumulative 2002 | 688 | 93 | 234 | 1,015 |
| Cumulative 2001 | 561 | 35 | 387 | 983 |
| Zone 2: West-Centre | | | | |
| November 2002 | 12 | 68 | 16 | 96 |
| November 2001 | 24 | 107 | 0 | 131 |
| Cumulative 2002 | 158 | 1,335 | 493 | 1,986 |
| Cumulative 2001 | 173 | 585 | 19 | 777 |
| Zone 3: East-Center | | | | |
| November 2002 | 20 | 100 | 15 | 135 |
| November 2001 | 9 | 45 | 66 | 120 |
| Cumulative 2002 | 146 | 1,231 | 271 | 1,648 |
| Cumulative 2001 | 124 | 1,272 | 280 | 1,676 |
| Zone 4: East-End | | | | |
| November 2002 | 22 | 10 | 0 | 32 |
| November 2001 | 15 | 17 | 0 | 32 |
| Cumulative 2002 | 197 | 94 | 31 | 322 |
| Cumulative 2001 | 149 | 70 | 3 | 222 |
| Zone 5: South-Laval | | | | |
| November 2002 | 42 | 52 | 16 | 110 |
| November 2001 | 21 | 9 | 0 | 30 |
| Cumulative 2002 | 417 | 345 | 45 | 807 |
| Cumulative 2001 | 306 | 300 | 50 | 656 |
| Zone 6: North-Laval | | | | |
| November 2002 | 106 | 34 | 10 | 150 |
| November 2001 | 104 | 28 | 0 | 132 |
| Cumulative 2002 | 1,113 | 339 | 97 | 1,549 |
| Cumulative 2001 | 831 | 259 | 15 | 1,105 |
| Zone 7: MRC Deux-Montagnes | | | | |
| November 2002 | 107 | 11 | 32 | 150 |
| November 2001 | 48 | 24 | 11 | 83 |
| Cumulative 2002 | 1,175 | 161 | 143 | 1,479 |
| Cumulative 2001 | 676 | 98 | 43 | 817 |
| Zone 8: MRC Ste-Thérèse-de-Blainville | | | | |
| November 2002 | 132 | 76 | 30 | 238 |
| November 2001 | 94 | 13 | 0 | 107 |
| Cumulative 2002 | 1,021 | 285 | 224 | 1,530 |
| Cumulative 2001 | 821 | 73 | 146 | 1,040 |

Table 2 (Cont'd)
Housing Starts by Zone and by Intended Market
Montréal Metropolitan Area

| <i>Zone / Period</i> | <i>Freehold (Single-Family)</i> | <i>Condominium</i> | <i>Rental</i> | <i>Total</i> |
|---------------------------------------|-------------------------------------|--------------------|---------------|--------------|
| Zone 9: MRC des Moulins | | | | |
| November 2002 | 88 | 24 | 16 | 128 |
| November 2001 | 37 | 6 | 0 | 43 |
| Cumulative 2002 | 1,069 | 98 | 56 | 1,223 |
| Cumulative 2001 | 611 | 72 | 21 | 704 |
| Zone 10: MRC L'Assomption | | | | |
| November 2002 | 43 | 34 | 6 | 83 |
| November 2001 | 0 | 0 | 0 | 0 |
| Cumulative 2002 | 482 | 47 | 222 | 751 |
| Cumulative 2001 | 241 | 13 | 9 | 263 |
| Zone 11: South-Shore Centre | | | | |
| November 2002 | 77 | 92 | 87 | 256 |
| November 2001 | 54 | 36 | 2 | 92 |
| Cumulative 2002 | 738 | 740 | 508 | 1,986 |
| Cumulative 2001 | 558 | 336 | 26 | 920 |
| Zone 12: East South-Shore | | | | |
| November 2002 | 55 | 6 | 6 | 67 |
| November 2001 | 30 | 0 | 0 | 30 |
| Cumulative 2002 | 779 | 154 | 79 | 1,012 |
| Cumulative 2001 | 490 | 41 | 12 | 543 |
| Zone 13: South South-Shore | | | | |
| November 2002 | 27 | 0 | 0 | 27 |
| November 2001 | 25 | 0 | 0 | 25 |
| Cumulative 2002 | 449 | 12 | 18 | 479 |
| Cumulative 2001 | 207 | 18 | 55 | 280 |
| Zone 14: West South-Shore | | | | |
| November 2002 | 100 | 50 | 16 | 166 |
| November 2001 | 32 | 0 | 12 | 44 |
| Cumulative 2002 | 975 | 141 | 257 | 1,373 |
| Cumulative 2001 | 557 | 21 | 221 | 799 |
| Zone 15: Vaudreuil-Soulanges * | | | | |
| November 2002 | 122 | 12 | 6 | 140 |
| November 2001 | 44 | 0 | 3 | 47 |
| Cumulative 2002 | 1,088 | 50 | 52 | 1,190 |
| Cumulative 2001 | 696 | 12 | 36 | 744 |
| Zone 16: St-Jérôme | | | | |
| November 2002 | 20 | 15 | 9 | 44 |
| November 2001 | 20 | 14 | 2 | 36 |
| Cumulative 2002 | 289 | 59 | 230 | 578 |
| Cumulative 2001 | 168 | 35 | 10 | 213 |

Source: CMHC

* Including municipalities in the delimitations of Montreal metropolitan area.

Table 3
Summary of Activity by Large Zone and by Intended Market
Montréal Metropolitan Area

| Activity / Zone | Freehold (Single-Family) | | Condominium | | Rental | |
|----------------------------------|-----------------------------|-----------|-------------|-----------|-----------|-----------|
| | Nov. 2002 | Nov. 2001 | Nov. 2002 | Nov. 2001 | Nov. 2002 | Nov. 2001 |
| Housing Starts | | | | | | |
| Island of Montréal (1 to 4) | 115 | 81 | 194 | 169 | 31 | 291 |
| Laval (zones 5 and 6) | 148 | 125 | 86 | 37 | 26 | 0 |
| North-Shore (zones 7 to 10 & 16) | 390 | 199 | 160 | 57 | 93 | 13 |
| South-Shore (zones 11 to 14) | 259 | 141 | 148 | 36 | 109 | 14 |
| Vaudreuil-Soul. *** (zone 15) | 122 | 44 | 12 | 0 | 6 | 3 |
| Under Construction* | | | | | | |
| Island of Montréal | 519 | 465 | 2,082 | 1,326 | 846 | 934 |
| Laval | 547 | 311 | 468 | 259 | 95 | 62 |
| North-Shore | 1,412 | 653 | 458 | 136 | 497 | 34 |
| South-Shore | 875 | 459 | 607 | 264 | 651 | 119 |
| Vaudreuil-Soulanges *** | 351 | 229 | 12 | 6 | 19 | 3 |
| Completions | | | | | | |
| Island of Montréal | 93 | 82 | 118 | 329 | 142 | 149 |
| Laval | 139 | 130 | 44 | 85 | 13 | 3 |
| North-Shore | 304 | 228 | 75 | 43 | 174 | 137 |
| South-Shore | 262 | 138 | 76 | 58 | 25 | 0 |
| Vaudreuil-Soulanges *** | 132 | 49 | 0 | 6 | 0 | 9 |
| Unoccupied* | | | | | | |
| Island of Montréal | 72 | 107 | 278 | 453 | 283 | 117 |
| Laval | 87 | 153 | 37 | 74 | 6 | 1 |
| Rive- Nord | 194 | 281 | 51 | 41 | 35 | 23 |
| South-Shore | 111 | 134 | 123 | 77 | 14 | 8 |
| Vaudreuil-Soulanges *** | 40 | 58 | 3 | 2 | 0 | 0 |
| Absorption | | | | | | |
| Island of Montréal | 95 | 65 | 130 | 311 | 136 | 107 |
| Laval | 142 | 103 | 62 | 49 | 11 | 2 |
| North-Shore | 282 | 196 | 62 | 32 | 158 | 132 |
| South-Shore | 249 | 131 | 59 | 35 | 25 | 4 |
| Vaudreuil-Soulanges *** | 124 | 35 | 6 | 6 | 0 | 9 |
| Duration of Inventory** | | | | | | |
| Island of Montréal | 0.7 | 1.3 | 1.4 | 2.1 | 3.4 | 3.4 |
| Laval | 0.7 | 1.5 | 0.7 | 1.7 | 0.7 | 0.5 |
| North-Shore | 0.6 | 1.3 | 1.5 | 1.9 | 0.7 | 0.4 |
| South-Shore | 0.5 | 0.8 | 2.1 | 2.3 | 0.4 | 0.2 |
| Vaudreuil-Soulanges *** | 0.5 | 1.0 | 0.8 | 2.4 | 0.0 | 0.0 |

Source: CMHC

* As at the end of the period shown

** Trend (in months)

*** Including municipalities in the delimitations of Montreal metropolitan area

Table 4
Housing Supply
Montréal Metropolitan Area

| <i>Intended Market</i> | <i>Under Construction</i> | <i>Units Unoccupied</i> | <i>Short-Term Supply</i> | <i>Monthly Absorption</i> | <i>Dur. of Supply (in months)</i> |
|------------------------|---------------------------|-------------------------|--------------------------|---------------------------|-----------------------------------|
| | November 2002 | | | Trend 2002 | |
| Freehold | 3,704 | 504 | 4,208 | 845 | 5.0 |
| Condominium | 3,627 | 492 | 4,119 | 344 | 12.0 |
| Rental | 2,108 | 338 | 2,446 | 180 | 13.6 |
| | November 2001 | | | Trend 2001 | |
| Freehold | 2,117 | 733 | 2,850 | 626 | 4.6 |
| Condominium | 1,991 | 647 | 2,638 | 310 | 8.5 |
| Rental | 1,152 | 149 | 1,301 | 127 | 10.3 |

Source: CMHC

Table 5
Economic Overview
Montréal Metropolitan Area

| | 2002 | | | | | | 2001 | | | | | |
|-----------------------------------------|-------------|-------------|--------------|-------------|-------------|-------------|-------------|-------------|--------------|-------------|-------------|-------------|
| | Nov. | Oct. | Sept. | Aug. | July | June | Nov. | Oct. | Sept. | Aug. | July | June |
| Labour Market* | | | | | | | | | | | | |
| Job Creation (Loss) - in thousands | 67 | 58 | 56 | 60 | 55 | 56 | 50 | -2 | 21 | 14 | 14 | 13 |
| Unemployment Rate (%) | 7.8 | 7.9 | 8.5 | 8.4 | 8.3 | 8.3 | 7.8 | 7.8 | 7.7 | 8.0 | 7.9 | 8.2 |
| Mortgage Rates (I) | | | | | | | | | | | | |
| 1-year | 4.9 | 5.3 | 5.3 | 5.3 | 5.3 | 5.5 | 4.6 | 7.9 | 5.5 | 6.2 | 6.5 | 6.7 |
| 5-year | 6.7 | 7.0 | 6.7 | 6.8 | 7.0 | 7.2 | 6.8 | 8.2 | 7.2 | 7.6 | 7.8 | 7.8 |
| Annual Inflation Rate (%) | 3.5 | 3.2 | 2.3 | 2.2 | 2.3 | 1.5 | 1.2 | 2.3 | 2.1 | 2.6 | 2.2 | 2.2 |
| New House Price Index (1992=100) | | | | | | | | | | | | |
| House | NA | 6.1 | 5.8 | 5.8 | 5.1 | 5.1 | 4.6 | 4.8 | 4.9 | 5.1 | 6.4 | 6.4 |
| Land | NA | 7.5 | 8.1 | 7.8 | 6.7 | 6.7 | 3.3 | 2.1 | 3.0 | 3.1 | 3.8 | 3.8 |
| Total | NA | 6.3 | 6.2 | 6.0 | 5.4 | 5.4 | 4.4 | 4.3 | 4.5 | 4.8 | 5.8 | 5.8 |
| MLS Sales - Single-Family Houses | 1,782 | 1,870 | 1,370 | 1,189 | 1,158 | 1,424 | 1,850 | 1,671 | 1,307 | 1,258 | 1,105 | 1,605 |

* Three-month average

Sources: Statistics Canada, Conference Board of Canada, GMREB

Definitions et Concepts

| | |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Intended Markets | The freehold market refers to single-family houses (detached, semi-detached and row) owned under freehold tenure; the condominium segment comprises houses and apartments held under divided co-ownership; and finally, the rental market encompasses apartment dwellings. |
| Housing Starts | Refer to the beginning of construction work on a building, usually when the concrete has been poured for the entire footing around the structure, or at an equivalent stage where a basement will not be a part of the structure. |
| Under Construction | Units started but not completed. The number of units under construction at the end of a period may take into account certain adjustments that took place, for various reasons, after the strats were reported. |
| Completions | Refer to units where all the proposed construction work has been performed or, in some cases, where ninety percent of all the construction work has been completed and the structure is fit for occupancy. |
| Unoccupied | Refer to new completed units that have remained unoccupied. |
| Absorptions | Newly completed units 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 month plus the completions for the current month minus the completed and unoccupied units for the current month. |
| Duration of Inventory | Refer to the period necessary for the absorption of the unoccupied units, that is, the ratio between unoccupied units and absorbed units (average for the last 12 months). This figure is expressed in month. |
| Short-Term Supply | Refer to the total supply of new units and includes units under construction and units that are completed but not occupied. |
| Duration of Supply | This is the period required to absorb the units under construction and unoccupied, that is, the ratio between the total supply and the absorbed units (average for the last 12 months). This figure is expressed in months. |

Montréal Metropolitan Area Zones

| Zones | <i>Municipalities, Boroughs or Sectors</i> |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Baie d'Urfé, Beaconsfield, Dollard-des-Ormeaux, Dorval, Kirkland, Pierrefonds, Pointe-Claire, Roxboro, Senneville, Ste-Anne-de-Bellevue, Ste-Geneviève, St-Raphaël-de-l'Île-Bizard |
| 2 | Centre-Ouest (Mtl), Côte-des-Neiges, Côte St-Luc, Hampstead, Lachine, LaSalle, Montréal-Ouest, Mont-Royal, Notre-Dame-de-Grâce, Outremont, St-Laurent, Saraguay/Cartierville, Sud-Ouest (Mtl), Verdun/Île-des-Soeurs, Ville St-Pierre, Westmount |
| 3 | Ahuntsic, Anjou, Centre (Mtl), Mercier/Hochelaga-Maisonneuve, Montréal-Nord, Petite-Patrie/Rosemont, Plateau Mont-Royal, St-Léonard, Villeray/St-Michel |
| 4 | Bout-de-l'Île (Mtl), Montréal-Est |
| 5 | Chomedey, Duvernay, Laval-des-Rapides, Pont-Viau, St-Vincent-de-Paul |
| 6 | Auteuil, Fabreville, Laval-Ouest, Laval-sur-le-Lac, Ste-Dorothée, St-François, Ste-Rose, Vimont |
| 7 | Deux-Montagnes, Mirabel, Oka, Pointe-Calumet, St-Eustache, St-Joseph-du-Lac, Ste-Marthe-sur-le-Lac, St-Placide, Gore, St-Colomban |
| 8 | Blainville, Boisbriand, Bois-des-Filion, Lorraine, Rosemère, Ste-Anne-des-Plaines, Ste-Thérèse |
| 9 | Lachenaie, La Plaine, Mascouche, Terrebonne |
| 10 | Charlemagne, L'Assomption, Lavaltrie, Le Gardeur, Repentigny, St-Antoine-Lavaltrie, St-Gérard-Majella, St-Sulpice |
| 11 | Boucherville, Brossard, Greenfield Park, LeMoine, Longueuil, St-Hubert, St-Lambert |
| 12 | Beloeil, McMasterville, St-Amable, St-Basile-le-Grand, St-Bruno-de-Montarville, Ste-Julie, St-Mathieu-de-Beloeil, Varennes |
| 13 | Carignan, Chambly, Mont-St-Hilaire, Notre-Dame-de-Bon-Secours, Otterburn Park, Richelieu, St-Mathias |
| 14 | Beauharnois, Candiac, Châteauguay, Delson, La Prairie, Léry, Maple Grove, Melocheville, Mercier, Ste-Catherine-d'Alexandrie, St-Constant, St-Isidore, St-Mathieu, St-Philippe |
| 15 | Notre-Dame-de-L'Île-Perrot, Pincourt, Pointe-des-Cascades, Vaudreuil-sur-le-Lac, St-Lazare, Terrasse-Vaudreuil, Vaudreuil-Dorion, Hudson, Île-Cadieux, Île-Perrot, Les Cèdres |
| 16 | Bellefeuille, Lafontaine, St-Antoine, St-Jérôme |

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