

H

OUSING NOW

YOUR LINK TO THE HOUSING MARKET Trois-Rivières

Canada Mortgage and Housing Corporation

www.cmhc.ca

VOLUME 7, EDITION 4
FOURTH QUARTER 2004

Trois-Rivières posts strongest growth in residential construction across Quebec in 2004

According to the survey conducted in December by Canada Mortgage and Housing Corporation (CMHC), residential construction ended the year on a strong note in the Mauricie. In fact, 280 housing starts were enumerated in the Trois-Rivières census metropolitan area (CMA) during the last quarter of 2004, for an increase of 45 per cent over the same period in 2003. The fourth quarter results brought the annual total for the CMA to 874 starts, or 38 per cent more than in 2003. This

was the strongest increase among all CMAs across Quebec. Residential construction in Trois-Rivières therefore posted its third consecutive year of growth, and starts surpassed the 800-unit mark for the first time since 1994.

Housing activity for the period from October to December 2004 reflected the year overall, as the rental segment was the engine of growth for residential construction. The number of starts in this market approximately doubled in relation to 2003 (130

continued on next page

IN THIS ISSUE

1 Trois-Rivières posts strongest growth in residential construction across Quebec in 2004

2 Resales down in the fourth quarter of 2004

STATISTICAL TABLES: Trois-Rivières CMA

3 Summary of Activity by Intended Market

4 Housing Starts by Zone and by Intended Market

5 Housing Starts in Outlying Area - Freehold Market

5 Summary of Activity by Large Zone and by Intended Market

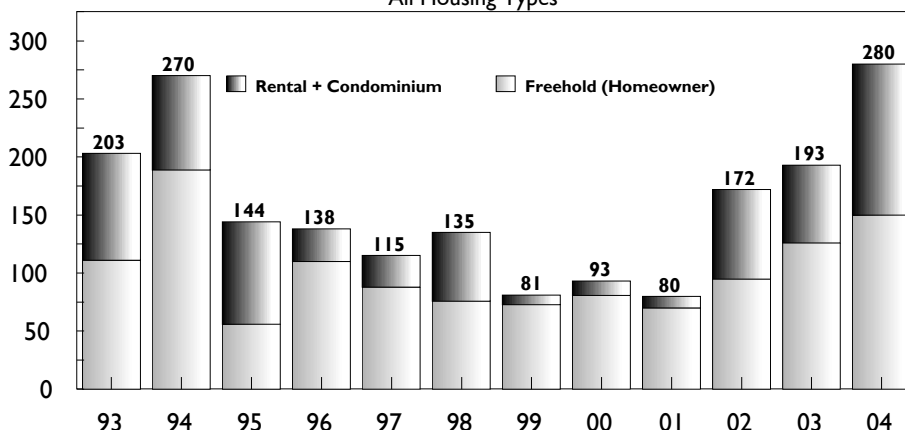
6 Housing Supply

6 Economic Overview

7 Definitions and Concepts

8 Trois-Rivières Metropolitan Area Zones

Units
Housing Starts - Fourth Quarter
All Housing Types



Source : CMHC

units, compared to 61), and the same held true for the year overall (354 units, compared to 180). In the context of a tight rental market, since renters prefer newer, good quality units, developers/builders favoured this segment, rather than the condominium market. It was surprising to see, however, that this last housing type was absent from the surveys this past year. It should be noted that 82 rental housing units intended for seniors were added to an existing retirement home during the fourth quarter of 2004.

The homeowner housing segment was not outdone and continued to garner more than half of all housing starts, both in the last quarter and throughout the year. The number of new single-detached homes remained unchanged in relation to 2003 (98 units). However, there was a marked increase in semi-detached housing

starts (50 new units, compared to 28 in the last quarter of 2003). Given the price increases, semi-detached homes gained in popularity, which resulted in a stronger gain for this housing type than for single-detached houses, which are usually preferred by consumers. The annual result effectively shows that single-detached homes registered an increase of 11 per cent, compared to 38 per cent for semi-detached houses.

By sector, Trois-Rivières came in first with 39 per cent of total annual starts. Notably, in 2004, the level of rental housing starts (181 units) there surpassed the number of new dwellings for homeowner households (157 units). In Trois-Rivières, starts more than doubled, from 128 units in 2003 to 338 this past year. In terms of growth, the Cap-de-la-Madeleine sector came in second place, with 134 new units, for a gain of 58 per cent.

While Trois-Rivières-Ouest garnered almost one quarter of the starts (207 units), the decrease observed in the homeowner segment (-30 per cent) affected the overall performance of this sector (-16 per cent). The outlying area continued to gain some ground, accounting for 22 per cent of the new constructions and posting an increase of 11 per cent over 2003.

The vigorous activity in the residential construction sector extended to other areas in the Mauricie. In the agglomeration of Shawinigan, 125 starts were recorded, for a gain of 28 per cent in relation to 2003. It should be noted that construction got under way on 16 rental housing units in this area. Activity on the new home market remained relatively limited La Tuque, where 9 housing starts were enumerated in 2004, compared to 5 during 2003 overall.

Resales down in the fourth quarter of 2004

According to Multiple Listing Service® / Service inter-agences® (MLS® / S.I.A.®) data, sales of existing properties were down in the fourth quarter of 2004 in the Trois-Rivières census metropolitan area (CMA). After posting a solid performance one year earlier, transactions fell by 17 per cent to 155 units. The property price increase in recent years and a less vigorous job market were not extraneous to this phenomenon. For 2004 overall, the CMA still registered 816 resales (+2 per cent), compared to 799 for the year 2003.

As for property listings, the greater Trois-Rivières area finally hit a low point in 2004. Since the second quarter of 2004, a slight increase in the number of properties for sale has been noted. In the last quarter, there were 279 active listings, a number comparable to the level recorded for the same period in 2003 (277). This rise in listings during the year allowed the seller-to-buyer ratio to edge back up slightly to 4 to 1.

The central sector of Trois-Rivières continued to post the tightest market with a seller-to-buyer ratio of 3.1 to 1. The average price of a single-family home there reached \$106,274, up by 8.4 per cent in the

last quarter of 2004. However, despite a higher seller-to-buyer ratio (5.5 to 1), the outlying area registered a price hike of 14.6 per cent, which brought the average price to \$94,182.

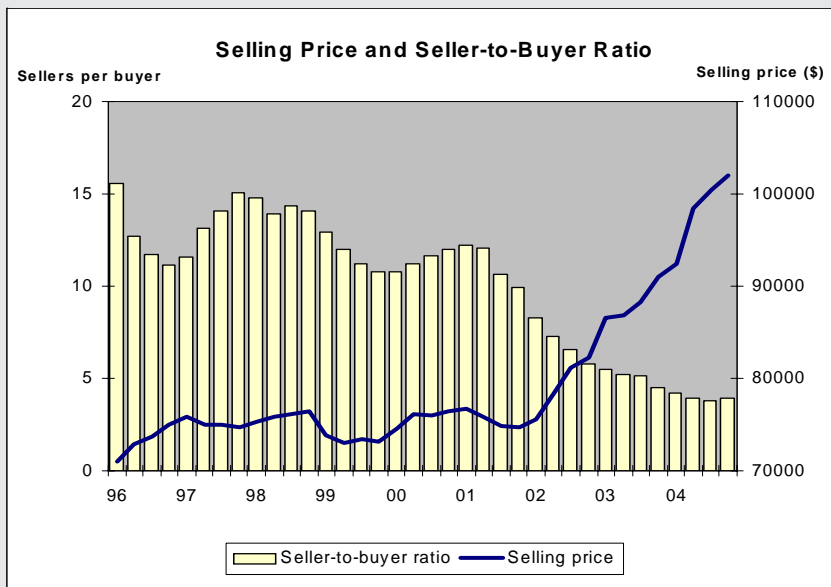


Table I
Summary of Activity by Intended Market
Trois-Rivières Metropolitan Area

Activity / Period	Ownership					Rental	Total
	Freehold*				Condo-minium		
	Single	Semi	Row	Apt.			
Starts							
Fourth quarter 2004	98	50	0	2	0	130	280
Fourth quarter 2003	98	28	0	0	6	61	193
Year-to-date 2004 (Jan.-Dec.)	384	130	0	6	0	354	874
Year-to-date 2003 (Jan.-Dec.)	346	94	7	2	6	180	635
Under construction**							
Fourth quarter 2004	39	24	0	2	6	69	140
Fourth quarter 2003	36	30	0	0	6	66	138
Completions							
Fourth quarter 2004	86	36	0	0	0	136	258
Fourth quarter 2003	80	6	7	0	0	28	121
Year-to-date 2004	381	136	0	4	0	351	872
Year-to-date 2003	323	78	7	8	6	357	779
Unoccupied***							
Fourth quarter 2004	2	11	0	0	0	28	41
Fourth quarter 2003	6	3	0	0	2	7	18
Absorption							
Fourth quarter 2004	85	29	0	0	0	119	233
Fourth quarter 2003	79	6	7	0	0	51	143
Year-to-date 2004	385	128	0	4	2	330	849
Year-to-date 2003	322	84	7	8	6	351	778
Duration of inventory (months)							
Trend 2004	0.1	1.0	n.a.	n.a.	n.a.	1.0	0.6
Trend 2003	0.2	0.4	n.a.	n.a.	4.0	0.2	0.3

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

** At the end of the period shown

Source: CMHC

**Interested by the Vacancy Rates and Average Rents of the rented apartments,
following the October 2004 Survey?**

You can find them and more in the:

RENTAL MARKET REPORTS

which provide a more in-depth and detailed study of the data collected

Table 2
Housing Starts by Zone and by Intended Market
Trois-Rivières Metropolitan Area

Zone / Period	Ownership					Rental	Total
	Freehold				Condo-minium		
	Single	Semi	Row	Apt.			
Zone 1: Trois-Rivières							
Fourth quarter 2004	22	26	0	0	0	112	160
Fourth quarter 2003	19	2	0	0	0	27	48
Year-to-date 2004	87	70	0	0	0	181	338
Year-to-date 2003	57	8	0	0	0	63	128
Zone 2: Trois-Rivières-Ouest							
Fourth quarter 2004	11	24	0	0	0	0	35
Fourth quarter 2003	24	20	0	0	0	18	62
Year-to-date 2004	60	54	0	2	0	91	207
Year-to-date 2003	81	78	7	0	0	81	247
Zone 3: Cap-de-la-Madeleine							
Fourth quarter 2004	15	0	0	0	0	18	33
Fourth quarter 2003	9	4	0	0	6	12	31
Year-to-date 2004	73	0	0	0	0	61	134
Year-to-date 2003	55	6	0	0	6	18	85
Centre (zones 1 to 3)							
Fourth quarter 2004	48	50	0	0	0	130	228
Fourth quarter 2003	52	26	0	0	6	57	141
Year-to-date 2004	220	124	0	2	0	333	679
Year-to-date 2003	193	92	7	0	6	162	460
Zone 4: Outlying area (Bécancour, Champlain, Pointe-du-Lac, etc.)							
Fourth quarter 2004	50	0	0	2	0	0	52
Fourth quarter 2003	46	2	0	0	0	4	52
Year-to-date 2004	164	6	0	4	0	21	195
Year-to-date 2003	153	2	0	2	0	18	175
TOTAL - TROIS-RIVIÈRES METROPOLITAN AREA							
Fourth quarter 2004	98	50	0	2	0	130	280
Fourth quarter 2003	98	28	0	0	6	61	193
Year-to-date 2004	384	130	0	6	0	354	874
Year-to-date 2003	346	94	7	2	6	180	635

Source: CMHC

Table 3
Housing Starts in Outlying Area - Freehold Market
Trois-Rivières Metropolitan Area

Zones	Fourth Quarter		Year-to-Date (Jan.-Dec.)	
	2004	2003	2004	2003
Bécancour	9	12	43	32
Champlain	1	0	2	3
Pointe-du-Lac	20	11	57	58
Saint-Louis-de-France	9	12	21	27
Sainte-Marthe-du-Cap	10	12	41	33
Saint-Maurice	3	1	10	4

Source: CMHC

Table 4
Summary of Activity by Large Zone and by Intended Market
Trois-Rivières Metropolitan Area

Zone	Ownership				Rental	
	Freehold		Condominium		4th Q 2004	4th Q 2003
	4th Q 2004	4th Q 2003	4th Q 2004	4th Q 2003		
Starts						
Centre	98	78	0	6	130	57
Suburbs	52	48	0	0	0	4
Under construction*						
Centre	61	61	6	6	69	62
Suburbs	4	5	0	0	0	4
Completions						
Centre	72	42	0	0	121	24
Suburbs	50	51	0	0	15	4
Unoccupied*						
Centre	13	9	0	2	16	7
Suburbs	0	0	0	0	12	0
Absorption						
Centre	64	41	0	0	116	43
Suburbs	50	51	0	0	3	8
Duration of inventory (months)**						
Centre	0.5	0.4	0.0	4.0	0.6	0.3
Suburbs	0.0	0.0	n.a.	n.a.	11.1	0.0

* At the end of the period shown

** Trend

Source: CMHC

Table 5
Housing Supply
Trois-Rivières Metropolitan Area

<i>Intended Market</i>	<i>Under Construction</i>	<i>Unoccupied</i>	<i>Short-Term Supply</i>	<i>Duration of Supply (months)</i>
	December 2004			Trend 2004
Freehold	65	13	78	1.8
Condominium	6	0	6	30.0
Rental	69	28	97	3.5
	December 2003			Trend
Freehold	66	9	75	2.1
Condominium	6	2	8	16.0
Rental	66	7	73	2.5

Source: CMHC

Table 6
Economic Overview
Trois-Rivières Metropolitan Area

	<i>Fourth Quarter</i>		<i>Trend Jan.-Dec.</i>		<i>% Change</i>
	<i>2003</i>	<i>2004</i>	<i>2003</i>	<i>2004</i>	<i>Trend</i>
Labour market					
- Employment level	65.4	64.7	65.9	64.5	-2.2%
- Unemployment rate (%)	10.3%	9.4%	10.5%	10.4%	n.a.
Mortgage rates (%) (Canada)					
- 1-year	4.7	4.9	4.8	4.6	n.a.
- 5-year	6.5	6.3	6.4	6.2	n.a.
Annual inflation rate (%)	1.3	2.7	2.5	1.9	n.a.
Quebec consumer attitudes survey					
- Index of Consumer Attitudes (1991 = 100) (seasonally adjusted)	117.5	116.5	121.5	121.0	-0.4%

Sources: Statistics Canada, Conference Board of Canada

Definitions and Concepts

Intended Markets - There are three: the freehold market refers to Single-Family Houses (Detached, SemiDetached 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 a 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

National	Province of Quebec	Metropolitan Areas - Province of Quebec
<ul style="list-style-type: none"> • Housing Now • Housing Market Outlook • Monthly Housing Statistics • Housing Information Monthly • And many more 	<ul style="list-style-type: none"> • Housing Now • Rental Market Report - Highlights 	<ul style="list-style-type: none"> • Housing Market Outlook (1) • Rental Market Report (1) • Housing Now(1) • Analysis of the Resale Market (2) • Retirement Home Market (1) <p>(1) Available for all metropolitan areas: Saguenay, Gatineau, Montréal, Québec, Sherbrooke and Trois-Rivières (2) Available for Montréal, Québec and Saguenay</p>

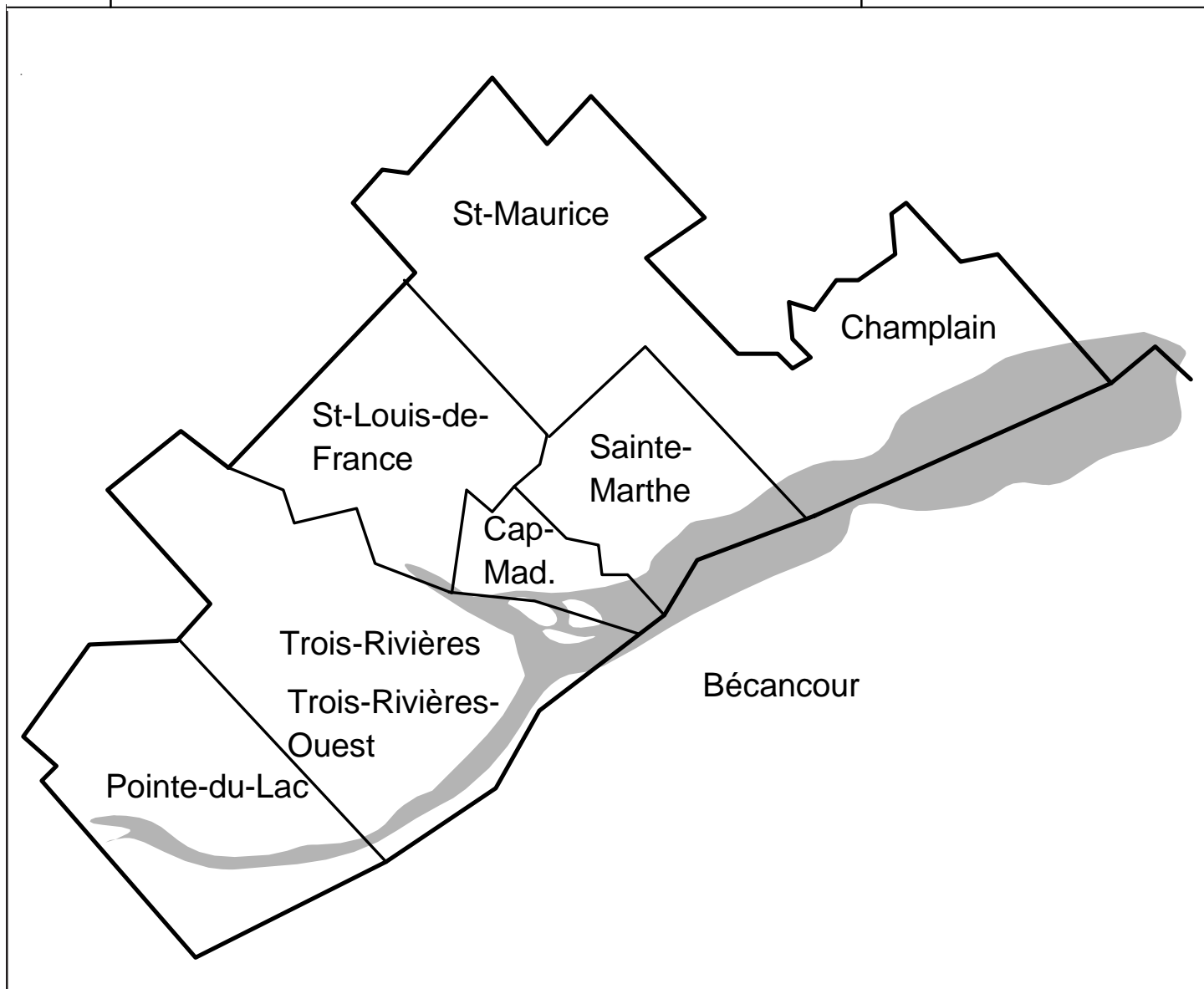
To subscribe, please contact our Customer Service Centre:

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

Trois-Rivières Metropolitan Area Zones

Zones	<i>Municipalities and Sectors</i>	<i>Large Zones</i>
1	Trois-Rivières Sector	Centre
2	Trois-Rivières-Ouest Sector	Centre
3	Cap-de-la-Madeleine Sector	Centre
4	Bécancour, Champlain, Pointe-du-Lac, St-Louis-de-France, St-Maurice, Ste-Marthe-du-Cap-de-la-Madeleine.	Outlying



Housing Now is published quarterly for the Trois-Rivières market. A one-year subscription to the *Trois-Rivières Housing Now* is \$55.00 plus taxes. For more information or to subscribe, please contact our customer service department at 1-866-855-5711.