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# HOUSING NOW

Windsor

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Canada Mortgage and Housing Corporation  
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### Weak start to 2006

Total housing starts have been trending lower since mid 2004 in the Windsor Census Metropolitan Area (CMA). New home construction continued to slow in the first quarter of 2006, dropping one per cent to 310 units from one year earlier. This was the lowest first quarter in eleven years.

Single detached home starts were down in three of the five municipalities of the CMA. Only LaSalle and Lakeshore had

stronger activity than the first quarter of 2005. With fewer starts, the number of homes completed and sold is also down. Absorptions are 26 per cent lower compared to one year earlier, but the available supply is under control with only seven homes for sale in March 2006.

Multiple family home starts were up eight per cent for the first three months of the year to 135 units due to the beginning of construction of a 118-unit

### FIRST QUARTER 2006

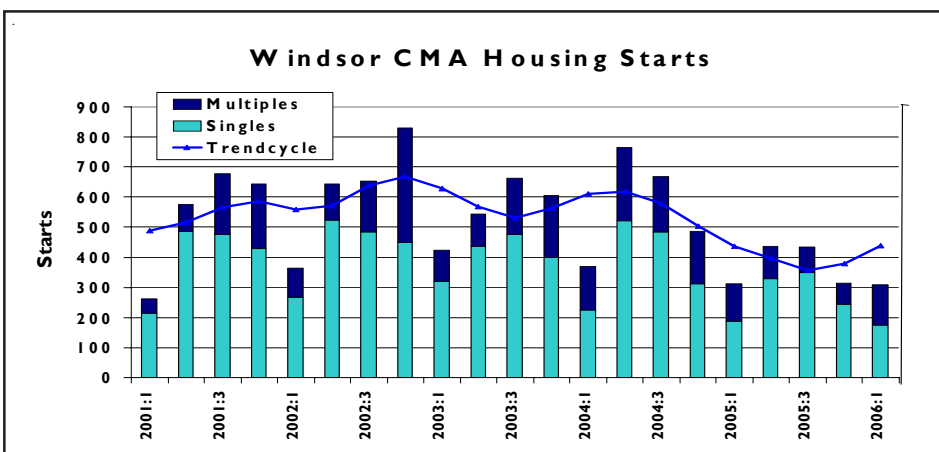
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apartment condominium building in Windsor City. The maintenance free lifestyle offered by condominium ownership is becoming more attractive to ageing boomers.

The average price of newly completed and sold homes jumped 22 per cent in the first quarter of 2006 to just over \$255,000. The strongest increase was in LaSalle with an average price of \$334,280.



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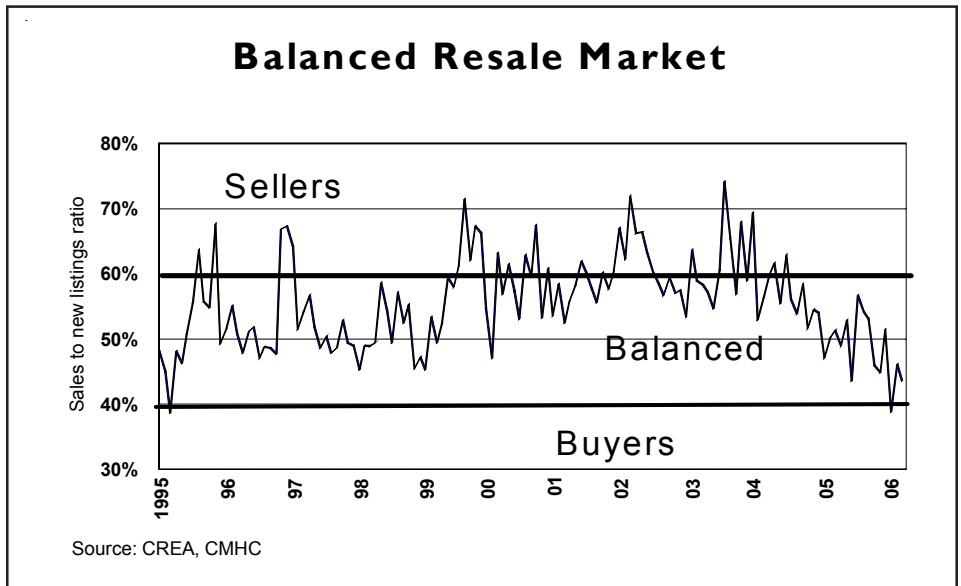
This 35 per cent price jump over the past twelve months reflects the increased activity in the move-up market. Significant changes by price range were seen in the increase share of homes priced at \$300,000 or more. In both LaSalle and Lakeshore this price range represents over 45 per cent of the market compared to less than 20 per cent last year.

## Resale Market

### Homebuyers have a lot of choice

Windsor-Essex MLS home sales began the year on a weak note. With the warmer than usual winter, sales picked up steam by the end of the first quarter and concluded less than two per cent behind the phenomenal activity of last year.

The slightly lower pace can be attributed to more cautious consumers. A combination of a high dollar, which affects exports, and reduced demand in the auto

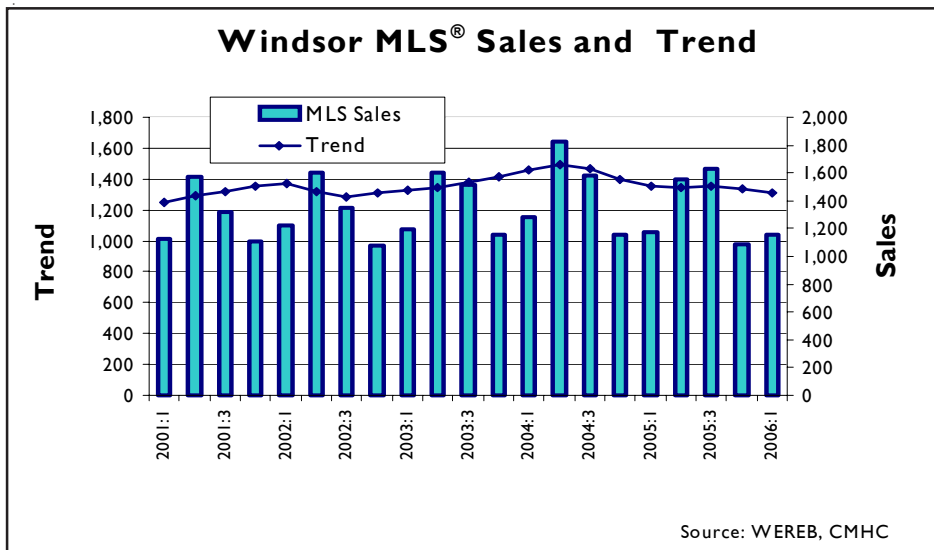


sector have contributed to slow job growth over the past several years. The cost of carrying a \$100,000 mortgage was up \$12 in March to \$667 compared to \$655 one year earlier due to higher interest rates. Principal and interest payment assumes a five year mortgage rate and 25 year amortization period.

Fewer people will be able to enter the homeownership market as a result of high home prices and rising mortgage rates.

While the average resale home price came in at \$158,000, in the first quarter, down less than three per cent from the first quarter of 2005, high home prices as a result of the strong price growth over previous years has encouraged many homeowners to realize equity gains by listing and selling their homes. In the first quarter of 2006, 3,246 homes were listed for sale in the Windsor-Essex market up 12 per cent from first quarter 2005. January, February and March set new records for listings for those particular months. As price growth slows, fewer listings will enter the market.

The resale home market remains in a balanced position where neither the buyer nor the seller has an advantage in price negotiations. The sales-to-new listings ratio, a measure of market state, finished the quarter at 42 per cent, well within the 40-60 per cent range of a balanced market.



## Table I: Housing Activity Summary for Windsor CMA

	OWNERSHIP					RENTAL		GRAND **TOTAL
	FREEHOLD		CONDOMINIUM			ROW	APT	
	*SINGLE	*SEMI	ROW	ROW	APT			
<b>STARTS</b>								
Q1 2006	175	10	4	0	118	0	3	310
Q1 2005	187	6	41	0	74	4	0	312
% Change	-6.4	66.7	-90.2	NA	59.5	-100.0	NA	-0.6
Year-to-date 2006	175	10	4	0	118	0	3	310
Year-to-date 2005	187	6	41	0	74	4	0	312
% Change	-6.4	66.7	-90.2	NA	59.5	-100.0	NA	-0.6
<b>UNDER CONSTRUCTION</b>								
March 2006	223	12	38	0	118	0	12	403
March 2005	219	24	56	0	74	4	8	385
<b>COMPLETIONS</b>								
Q1 2006	233	14	38	0	0	0	0	285
Q1 2005	319	40	144	0	88	8	89	688
% Change	-27.0	-65.0	-73.6	NA	-100.0	-100.0	-100.0	-58.6
Year-to-date 2006	233	14	38	0	0	0	0	285
Year-to-date 2005	319	40	144	0	88	8	89	688
% Change	-27.0	-65.0	-73.6	NA	-100.0	-100.0	-100.0	-58.6
<b>COMPLETE &amp; NOT ABSORBED</b>								
March 2006	7	0	3	0	0	0	0	10
March 2005	5	7	0	0	0	0	0	12
<b>ABSORPTIONS</b>								
Q1 2006	238	18	35	0	0	0	0	291
Q1 2005	321	37	152	0	88	8	89	695
% Change	-25.9	-51.4	-77.0	NA	-100.0	-100.0	-100.0	-58.1
Year-to-date 2006	238	18	35	0	0	0	0	291
Year-to-date 2005	321	37	152	0	88	8	89	695
% Change	-25.9	-51.4	-77.0	NA	-100.0	-100.0	-100.0	-58.1

\*Includes all market types

\*\* Year-over-year change greater than 200 per cent.

Source: CMHC



Table 2A: Starts by Area and by Intended Market - Current Quarter

Sub Market Area	SINGLES			MULTIPLES			TOTAL		
	Q1 2005	Q1 2006	% change	Q1 2005	Q1 2006	% change	Q1 2005	Q1 2006	% change
<b>Windsor CMA</b>	187	175	-6.4	125	135	8.0	312	310	-0.6
Windsor City	108	89	-17.6	65	128	96.9	173	217	25.4
LaSalle Town	9	17	88.9	17	2	-88.2	26	19	-26.9
Lakeshore Township	52	56	7.7	0	3	NA	52	59	13.5
Amherstburg Township	14	12	-14.3	0	2	NA	14	14	0.0
Tecumseh Town	4	1	-75.0	43	0	-100.0	47	1	-97.9

Table 2B: Starts by Area and by Intended Market - Year-to-Date

Sub Market Area	SINGLES			MULTIPLES			TOTAL		
	YTD 2005	YTD 2006	% change	YTD 2005	YTD 2006	% change	YTD 2005	YTD 2006	% change
<b>Windsor CMA</b>	187	175	-6.4	125	135	8.0	312	310	-0.6
Windsor City	108	89	-17.6	65	128	96.9	173	217	25.4
LaSalle Town	9	17	88.9	17	2	-88.2	26	19	-26.9
Lakeshore Township	52	56	7.7	0	3	NA	52	59	13.5
Amherstburg Township	14	12	-14.3	0	2	NA	14	14	0.0
Tecumseh Town	4	1	-75.0	43	0	-100.0	47	1	-97.9

Table 3: Average Price of Completed and Absorbed Single-Detached Dwellings (\$)

Sub Market Area	Q1 2005	Q1 2006	% Change	YTD 2005	YTD 2006	% Change
<b>Windsor CMA</b>	209,144	255,456	22.1	209,144	255,456	22.1
Windsor City	193,501	224,021	15.8	193,501	224,021	15.8
LaSalle Town	246,934	334,280	35.4	246,934	334,280	35.4
Lakeshore Township	239,691	304,446	27.0	239,691	304,446	27.0
Amherstburg Township	200,433	242,783	21.1	200,433	242,783	21.1
Tecumseh Town	207,633	NA	NA	207,633	NA	NA

\*\* Year-over-year change greater than 200 per cent.

Note: NA may appear where CMHC data suppression rules apply

Source: CMHC

Table 4: Completed and Absorbed Single-Detached Units by Price Range

AREA	PRICE RANGES										TOTAL
	<\$149,999		\$150-\$174,999		\$175-\$249,999		\$250-\$299,999		\$300,000+		
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	
<b>Windsor CMA</b>											
Q1 2006	0	0.0	23	9.7	136	57.1	29	12.2	50	21.0	238
Q1 2005	7	2.2	142	44.2	113	35.2	22	6.9	37	11.5	321
YTD 2006	0	0.0	23	9.7	136	57.1	29	12.2	50	21.0	238
YTD 2005	7	2.2	142	44.2	113	35.2	22	6.9	37	11.5	321
<b>Windsor City</b>											
Q1 2006	0	0.0	21	13.6	108	70.1	10	6.5	15	9.7	154
Q1 2005	6	3.3	102	55.4	53	28.8	7	3.8	16	8.7	184
YTD 2006	0	0.0	21	13.6	108	70.1	10	6.5	15	9.7	154
YTD 2005	6	3.3	102	55.4	53	28.8	7	3.8	16	8.7	184
<b>LaSalle Town</b>											
Q1 2006	0	0.0	0	0.0	8	36.4	4	18.2	10	45.5	22
Q1 2005	1	4.2	2	8.3	10	41.7	6	25.0	5	20.8	24
YTD 2006	0	0.0	0	0.0	8	36.4	4	18.2	10	45.5	22
YTD 2005	1	4.2	2	8.3	10	41.7	6	25.0	5	20.8	24
<b>Lakeshore Township</b>											
Q1 2006	0	0.0	0	0.0	15	34.1	9	20.5	20	45.5	44
Q1 2005	0	0.0	21	28.4	35	47.3	6	8.1	12	16.2	74
YTD 2006	0	0.0	0	0.0	15	34.1	9	20.5	20	45.5	44
YTD 2005	0	0.0	21	28.4	35	47.3	6	8.1	12	16.2	74
<b>Amherstburg Township</b>											
Q1 2006	0	0.0	2	12.5	5	31.3	6	37.5	3	18.8	16
Q1 2005	0	0.0	17	53.1	10	31.3	1	3.1	4	12.5	32
YTD 2006	0	0.0	2	12.5	5	31.3	6	37.5	3	18.8	16
YTD 2005	0	0.0	17	53.1	10	31.3	1	3.1	4	12.5	32
<b>Tecumseh Town</b>											
Q1 2006	0	0.0	0	0.0	0	0.0	0	0.0	2	100.0	2
Q1 2005	0	0.0	0	0.0	5	71.4	2	28.6	0	0.0	7
YTD 2006	0	0.0	0	0.0	0	0.0	0	0.0	2	100.0	2
YTD 2005	0	0.0	0	0.0	5	71.4	2	28.6	0	0.0	7

Source: CMHC

Note: N/A may appear where CMHC data suppression rules apply

## Table 5: Resale Housing Activity for Windsor Real Estate Board

		Number of Sales	Yr/Yr %	Number of New Listings	Average Price (\$)	Yr/Yr %
2005	January	297	9.6	960	144,757	0.0
	February	398	2.6	938	152,978	0.0
	March	482	-22.8	1,008	154,335	0.0
	April	536	-12.6	1,214	157,942	0.0
	May	396	-27.1	938	161,803	0.0
	June	618	-8.0	1,232	166,588	0.0
	July	521	2.2	1,004	160,394	0.0
	August	600	17.6	1,161	171,179	0.0
	September	508	-9.1	993	167,550	0.0
	October	459	7.0	1,044	155,157	0.0
	November	384	-10.3	886	151,140	0.0
	December	249	-17.8	461	159,201	0.0
2006	January	268	-9.8	1,069	151,974	5.0
	February	389	-2.3	999	159,401	4.2
	March	498	3.3	1,178	160,241	3.8
	April					
	May					
	June					
	July					
	August					
	September					
	October					
	November					
	December					
Q1 2005		1,177	-8.3	2,906	162,005	6.7
Q1 2006		1,155	-1.9	3,246	158,040	-2.4
YTD 2005		1,177	-8.3	2,906	162,005	6.7
YTD 2006		1,155	-1.9	3,246	158,040	-2.4

	Annual Sales	Yr/Yr %	Annual New Listings	Annual Average Price (\$)	Yr/Yr %
1996	5,171	12.7	9,938	121,088	3.2
1997	5,045	-2.4	9,875	124,631	2.9
1998	5,015	-0.6	9,853	130,523	4.7
1999	5,077	1.2	8,778	134,490	3.0
2000	4,968	-2.1	8,664	136,318	1.4
2001	5,127	3.2	8,737	138,485	1.6
2002	5,265	2.7	8,757	147,218	6.3
2003	5,472	3.9	9,451	151,948	3.2
2004	5,850	6.9	11,233	159,618	5.0
2005	5,448	-6.9	11,839	162,482	1.8

Source: Windsor-Essex County Real Estate Board

Table 6: Economic Indicators

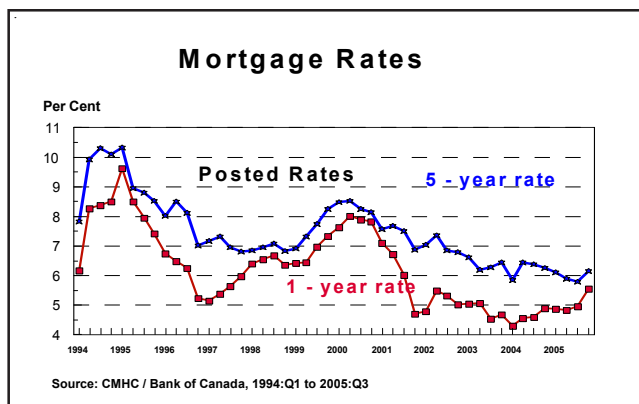
		Interest and Exchange Rates			Inflation Rate (%)	N-HPI*** % chg.	Windsor CMA Labour Market			
		P & I* Per \$100,000	Mortgage Rate (%)		Exch. Rate (\$US/\$Cdn)	Ontario 1996=100	Windsor CMA 1997=100	Employment SA** (,000)	Employment SA m/m (%)	Unemployment Rate (%) SA
			1 Yr. Term	5 Yr. Term						
2005	January	642.78	4.8	6.1	0.806	1.6	2.4	160.0	-0.9	9.8
	February	642.78	4.8	6.1	0.811	2.2	3.1	159.5	-0.3	9.2
	March	654.74	5.1	6.3	0.827	2.3	2.9	160.1	0.4	8.8
	April	642.78	4.9	6.1	0.795	2.3	2.8	161.7	1.0	8.1
	May	636.84	4.9	6.0	0.797	1.5	3.5	161.3	-0.2	8.2
	June	622.08	4.8	5.7	0.816	1.9	3.6	160.4	-0.6	8.3
	July	627.97	4.9	5.8	0.817	1.9	3.6	160.1	-0.2	8.3
	August	627.97	5.0	5.8	0.842	2.7	2.9	160.1	0.0	7.8
	September	627.97	5.0	5.8	0.860	3.3	2.7	160.9	0.5	7.6
	October	639.81	5.3	6.0	0.847	2.5	2.6	161.5	0.4	7.4
	November	648.75	5.6	6.2	0.857	2.0	2.6	162.1	0.4	7.1
	December	657.75	5.8	6.3	0.860	2.1	2.4	163.7	1.0	6.8
2006	January	657.75	5.8	6.3	0.878	3.0	1.4	163.9	0.1	8.1
	February	666.80	5.9	6.5	0.880	2.0	0.7	165.0	0.7	8.9
	March	666.80	6.1	6.5	0.856	2.3		163.3	-1.0	9.4
	April									
	May									
	June									
	July									
	August									
	September									
	October									
	November									
	December									

\* Principal and Interest Payment assumes a five year mortgage rate and 25 year amortization period.

\*\* Seasonally Adjusted

\*\*\* New Housing Price Index

Source: CMHC, Statistics Canada Labour Force Survey



## Definitions

- 1. Starts:** refers to units where construction has advanced to a stage where full (100%) footings are in place. For multiple dwellings (semi-detached, row housing and apartments) the definition of a start applies to the structure or block of row units rather than to the project as a whole.
- 2. Under Construction:** those units which have been started but which are not complete.
- 3. Completions - Single-detached/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. **Row housing/ Apartment:** completions means that 90% or more of the dwelling units within a block of row units or an apartment structure are completed and ready for occupancy
- 4. Completed and Not Absorbed:** all completed units of new construction (excluding model homes not available for sale) which have never been sold or leased.
- 5. Absorptions:** the number of completed units (excluding model homes) that have been sold or leased.
- 6. Seasonally Adjusted (SA):** Actual monthly (or quarterly) figures adjusted to remove normal seasonal variation.
- 7. Seasonally Adjust Annual Rates (SAAR):** Seasonally adjusted monthly figures multiplied by 12 (or quarterly figures multiplied by 4) to reflect annualized levels of activity.
- 8. Definitions for CMA, NHPI, CPI, and Inflation Rate** can be found in the Statistics Canada website - <http://www.statcan.ca>



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