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Canada Mortgage and Housing Corporation

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ACTIVITY PICKS UP MODESTLY ON RESIDENTIAL JOB SITES FOLLOWING HOLIDAY PERIOD

Following the annual construction holiday, activity picked up more modestly than last year on residential job sites in the Montréal census metropolitan area (CMA). In fact, according to our latest surveys, there were 2,221 housing starts in August 2004, or 3 per cent fewer than during the same period in 2003. This slight slowdown particularly came from the suburban sectors formed by the South Crown (-47 per cent), Vaudreuil-Soulanges (-37 per cent) and the North Crown (-8 per cent). However, the Island of Montréal partly offset the downturn in the outlying area, with a gain of 36 per cent in starts, for a total of 1,108 units.

The South Crown was the slowest to get going again after the holiday period. There were 290 starts enumerated in this sector, compared to 552 during the same period last year. This second consecutive monthly drop pushed the South Crown aside. In fact, this is the only geographic zone that now shows an overall decrease (-2 per cent) for the first eight months of 2004. It is much too soon to assert that a new trend is emerging in the South

Crown. However, we will be closely watching the changes on the market in this sector.

In Vaudreuil-Soulanges, 73 new foundations were laid this past August, or 37 per cent fewer than the 116 units enumerated in 2003. In this sector, the decline resulted mainly from a slowdown in the construction of freehold homes, which represent about nine in ten starts.

To complete our overview of the outlying area, the North Crown posted the following results. In August, 750 units were started there, for a decrease in activity of 8 per cent. This slowdown was due to the rental housing market, which, with 184 units, registered a major drop of 50 per cent. It was a 339-unit retirement home, built in the Saint-Jérôme area in August 2003, that had a negative impact on the latest results, as the other housing types were on the rise. In fact, construction got under way on 386 freehold homes, for a gain of 8 per cent. Condominium construction, for its part, went up by 112 per cent, reaching 180 starts.

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On the Island of Montréal, activity on job sites took up where it left off before the construction holiday, as 1,108 starts were enumerated. This performance represents a gain of 36 per cent over the 814 units recorded in August 2003. On the Island of Montréal, freehold homes are not numerous. We registered 71 such new dwellings in August, for an increase of 14 per cent. Rental housing was the segment that posted the best results, with 526 starts, or 78 per cent more than last year. The intense activity observed in the rental housing construction sector was largely attributable to dwellings intended for clients aged 65 years or older, which accounted for 72 per cent of the rental housing units started on the Island during the past month. The aging of the population, better profitability and a strong demand are greatly stimulating this market. Condominiums still hold a significant place in the Montréal area landscape, as 511 new units of this type were started in August this year, or 12 per cent more than during the same period last year. ■

New CMHC Report:

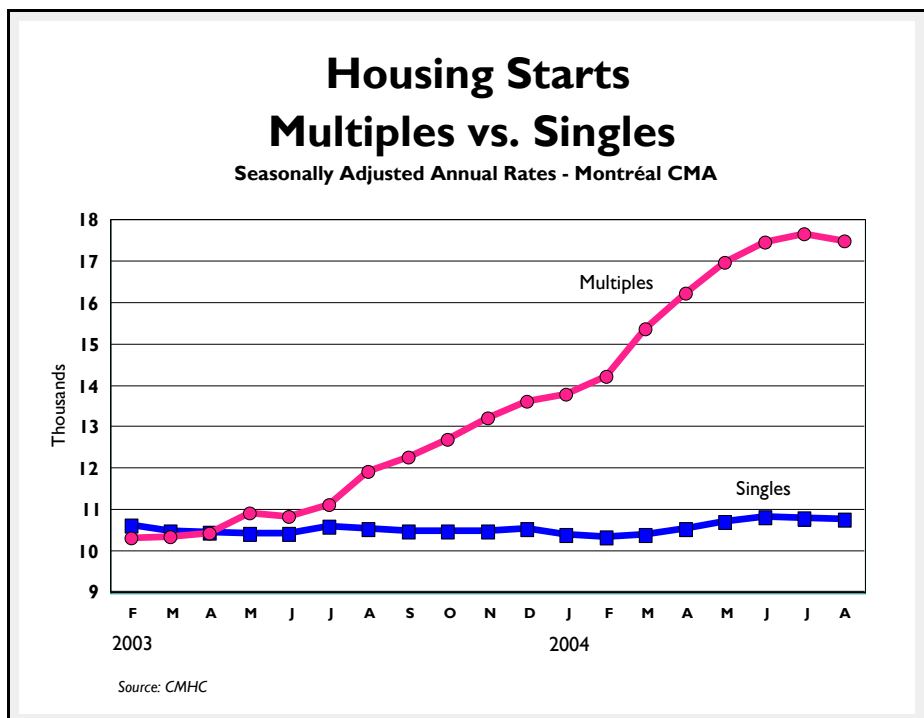
Housing and Demographic Trends: Spotlight on the Montréal Area.

What are the demographic changes having marked the Montréal area housing market in recent years ?

What issues will influence this market over the next two decades ?

You'll find the answers to these questions in this new CMHC report.

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Major Housing Job Sites Started in August

The following are the major multiple housing job sites started so far in 2004 in Greater Montréal, along with the intended market segment announced for the projects at the time they got under way:

<u>Number of units</u>	<u>Street</u>	<u>Sector</u>	<u>Intended segment</u>
235	Pelletier	Mtl (Montréal-Nord)	Retirement Home
143	Beaubien	Mtl (Mercier)	Retirement Home
122	Éméréudes	Repentigny	Retirement Home
62	Laurentien	Mtl (Saraguay)	Rental
61	Sainte-Hélène	Mtl (Centre)	Condominiums
59	Christ.-Col.	Mtl(Ahuntsic)	Condominiums
49	Henri-Bour.	Mtl (Saraguay)	Condominiums
44	Towers	Mtl (Centre)	Condominiums
39	Sainte-Croix	Mtl (Saint-Laurent)	Condominiums
24	Ontario	Mtl (Centre-Est)	Condominiums
20	Hochelaga	Mtl (Mercier)	Condominiums
20	Carrefour	Laval (Chomedey)	Condominiums

Table I
Summary of Activity by Intended Market
Montréal Metropolitan Area

Activity / Period	Freehold (Single-Family)	Condominium	Rental	Total
Housing Starts				
August 2004	712	766	743	2,221
August 2003	731	731	831	2,293
Cumulative 2004	8,411	6,288	4,512	19,211
Cumulative 2003	7,756	4,612	2,682	15,050
Under Construction*				
August 2004	4,521	7,337	5,607	17,465
August 2003	4,026	4,734	3,252	12,012
Completions				
August 2004	1,152	972	248	2,372
August 2003	711	680	380	1,771
Cumulative 2004	8,083	4,698	3,066	15,847
Cumulative 2003	7,485	3,763	1,848	13,096
Unoccupied*				
August 2004	603	1,151	540	2,294
August 2003	527	662	268	1,457
Absorption				
August 2004	1,146	917	231	2,294
August 2003	712	646	344	1,702
Cumulative 2004	8,087	4,377	3,009	15,473
Cumulative 2003	7,514	3,619	1,907	13,040
Duration of Inventory (in months)				
August 2004	0.6	2.2	1.6	1.2
August 2003	0.6	1.7	1.2	1.0

* As at the end of the period shown

Source: CMHC

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CMHC'S 2004

Housing Outlook Conference :

Because the Panorama is Changing.

Montréal, November 30, 2004

Centre Mont-Royal

From 7:30 a.m. To 11:30 a.m.

Presentations will be delivered in French with simultaneous translation in English.

**For more information, please contact our Call Center at :
 1 800 668-2642 or visit : www.cmhc.ca**

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				
August 2004	35	74	36	145
August 2003	26	36	7	69
Cumulative 2004	289	278	497	1,064
Cumulative 2003	303	221	28	552
Zone 2: West-Centre				
August 2004	21	131	90	242
August 2003	19	33	0	52
Cumulative 2004	91	1,420	1,027	2,538
Cumulative 2003	105	903	3	1,011
Zone 3: East-Center				
August 2004	8	306	400	714
August 2003	11	376	245	632
Cumulative 2004	47	1,664	1,463	3,174
Cumulative 2003	85	1,294	865	2,244
Zone 4: East-End				
August 2004	7	0	0	7
August 2003	6	12	43	61
Cumulative 2004	126	109	259	494
Cumulative 2003	148	88	303	539
Zone 5: South-Laval				
August 2004	14	46	0	60
August 2003	39	26	0	65
Cumulative 2004	274	420	0	694
Cumulative 2003	265	347	64	676
Zone 6: North-Laval				
August 2004	61	34	8	103
August 2003	49	13	4	66
Cumulative 2004	981	445	24	1,450
Cumulative 2003	826	204	50	1,080
Zone 7: MRC Deux-Montagnes				
August 2004	100	32	14	146
August 2003	94	0	0	94
Cumulative 2004	971	159	66	1,196
Cumulative 2003	895	112	159	1,166
Zone 8: MRC Ste-Thérèse-de-Blainville				
August 2004	31	0	36	67
August 2003	32	15	0	47
Cumulative 2004	597	153	122	872
Cumulative 2003	582	88	42	712

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				
August 2004	100	24	4	128
August 2003	82	14	26	122
Cumulative 2004	1,220	191	94	1,505
Cumulative 2003	1,029	201	54	1,284
Zone 10: MRC L'Assomption				
August 2004	48	38	122	208
August 2003	24	0	0	24
Cumulative 2004	603	197	348	1,148
Cumulative 2003	414	92	12	518
Zone 11: South-Shore Centre				
August 2004	40	44	6	90
August 2003	39	90	0	129
Cumulative 2004	484	506	282	1,272
Cumulative 2003	547	536	373	1,456
Zone 12: East South-Shore				
August 2004	59	24	0	83
August 2003	82	69	124	275
Cumulative 2004	547	223	81	851
Cumulative 2003	529	254	153	936
Zone 13: South South-Shore				
August 2004	30	0	0	30
August 2003	22	12	6	40
Cumulative 2004	394	74	81	549
Cumulative 2003	358	42	57	457
Zone 14: West South-Shore				
August 2004	60	0	27	87
August 2003	71	6	31	108
Cumulative 2004	732	191	69	992
Cumulative 2003	707	66	117	890
Zone 15: Vaudreuil-Soulanges *				
August 2004	66	7	0	73
August 2003	98	12	6	116
Cumulative 2004	756	112	0	868
Cumulative 2003	676	32	52	760
Zone 16: St-Jérôme				
August 2004	32	6	0	38
August 2003	37	17	339	393
Cumulative 2004	299	146	99	544
Cumulative 2003	287	132	350	769

Source: CMHC

* Including only 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	
	August 2004	August 2003	August 2004	August 2003	August 2004	August 2003
Housing Starts						
Island of Montréal (1 to 4)	71	62	511	457	526	295
Laval (zones 5 and 6)	75	88	80	39	8	4
North-Shore (zones 7 to 10 & 16)	311	269	100	46	176	365
South-Shore (zones 11 to 14)	189	214	68	177	33	161
Vaudreuil-Soul. *** (zone 15)	66	98	7	12	0	6
Under Construction*						
Island of Montréal	480	518	4,406	2,933	3,924	1,719
Laval	735	627	794	421	216	112
North-Shore	1,801	1,494	896	504	994	577
South-Shore	1,062	989	1,086	850	408	798
Vaudreuil-Soulanges ***	443	398	155	26	65	46
Completions						
Island of Montréal	101	46	525	204	57	153
Laval	123	87	132	144	8	4
North-Shore	493	274	130	127	141	34
South-Shore	361	247	185	205	42	189
Vaudreuil-Soulanges ***	74	57	0	0	0	0
Unoccupied*						
Island of Montréal	67	90	705	331	199	43
Laval	108	93	136	94	9	6
Rive- Nord	262	196	147	98	78	74
South-Shore	122	112	163	138	254	144
Vaudreuil-Soulanges ***	44	36	0	1	0	1
Absorption						
Island of Montréal	97	49	496	245	62	168
Laval	132	87	138	123	1	2
North-Shore	482	271	92	83	66	27
South-Shore	361	251	190	195	102	147
Vaudreuil-Soulanges ***	74	54	1	0	0	0
Duration of Inventory**						
Island of Montréal	0.8	1.1	2.7	1.7	1.2	0.5
Laval	0.8	0.7	2.5	1.6	0.6	0.6
North-Shore	0.6	0.5	2.0	1.7	1.4	1.0
South-Shore	0.5	0.4	1.3	1.8	2.6	3.0
Vaudreuil-Soulanges ***	0.5	0.4	0.0	0.2	0.0	0.5

Source: CMHC

* As at the end of the period shown

** Trend (in months)

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

Table 4				
Housing Supply				
Montréal Metropolitan Area				
Intended Market	Under Construction	Units Unoccupied	Short-Term Supply	Monthly Absorption
	August 2004			Trend 2004
Freehold	4,521	603	5,124	981
Condominium	7,337	1,151	8,488	524
Rental	5,607	540	6,147	344
	August 2003			Trend 2003
Freehold	4,026	527	4,553	905
Condominium	4,734	662	5,396	396
Rental	3,252	268	3,520	228

Source: CMHC

Table 5													
Economic Overview													
Montréal Metropolitan Area													
	2004						2003						
	August	July	June	May	April	March	August	July	June	May	April	March	
Labour Market*													
Job Creation (Loss) - in thousands	46	48	56	50	35	18	6	9	10	20	37	58	
Unemployment Rate (%)	8.4	8.1	7.9	8.2	8.6	9	10.1	9.9	9.9	10.1	9.7	9.5	
Mortgage Rates (1)													
1-year	4.4	4.6	4.7	4.6	4.5	4.3	4.5	4.6	4.9	5.1	5.4	5.4	
5-year	6.3	6.6	6.7	6.5	6.2	5.7	6.3	6.2	5.8	6.2	6.7	6.9	
Annual Inflation Rate (%)													
	2.0	2.1	2.5	2.3	1.5	0.7	1.6	1.6	2.3	3.0	2.7	4.1	
New House Price Index (% change)													
House	NA	7.4	7.4	7.5	7.1	6.1	7.2	7.0	7.0	6.8	7.3	8.6	
Land	NA	5.8	5.8	5.7	5.7	6.2	7.0	5.7	5.7	5.8	6.0	7.5	
Total	NA	7.1	7.1	7.2	6.9	6.1	7.1	6.6	6.6	6.4	6.7	8.2	
MLS Sales - Single-Family Houses													
	1,360	1,358	1,807	2,195	2,581	3,009	1,267	1,561	1,637	2,077	2,238	2,437	

* Three-month average

Sources: Statistics Canada, Conference Board of Canada, GMREB

Definitions and 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 starts 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, LeMoyne, 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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