

# H

# HOUSING NOW

## YOUR LINK TO THE HOUSING MARKET Trois-Rivières

Canada Mortgage and Housing Corporation

www.cmhc.ca

### RESIDENTIAL CONSTRUCTION SECTOR ENDS 2005 ON A HIGH NOTE IN TROIS-RIVIÈRES

Residential construction maintained its momentum in the Trois-Rivières census metropolitan area (CMA) during the last quarter of 2005. In fact, according to the latest statistics released by Canada Mortgage and Housing Corporation (CMHC), housing starts held a good pace and rose by 10 per cent over the fourth quarter of 2004. While this gain may have been smaller than the hike registered in the third quarter (+23 per cent), activity on residential job sites still remained significant. In all, 307 dwellings were started in the last quarter of 2005, compared to 280 during the corresponding quarter of 2004.

The rise in starts during the last quarter was largely attributable to the

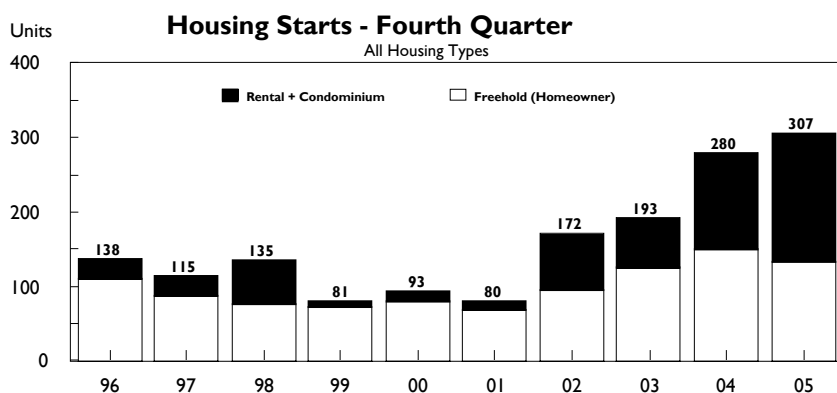
single-detached home and rental housing segments. In fact, these market segments posted increases in activity of 16 per cent and 34 per cent, respectively. In all, 98 detached houses were started in the fourth quarter of 2004, compared to 114 during the last quarter of 2005. As for rental housing, 44 more units were built in the last quarter of 2005 than in the corresponding quarter of 2004, for a total of 174 new dwellings.

Starts of other types of freehold homes\* (semi-detached, row and apartments), for their part, sustained a considerable decrease, falling by more than half in the last quarter of 2005, in relation to the last quarter of 2004. In fact, 19 such new dwellings were enumerated in the

VOLUME 8, EDITION 4  
FOURTH QUARTER 2005

### IN THIS ISSUE

- 1 Residential construction sector ends 2005 on a high note in Trois-Rivières
  - 2 Sales down slightly in 2005
- 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



Source: CMHC

\* The freehold housing market comprises detached, semi-detached and row homes, as well as duplexes.

fourth quarter of 2005, compared to 52 during the same quarter of 2004. This decline was not sufficient, however, to bring down the quarterly results. In fact, the increase in rental housing starts more than offset this decrease.

From January to December 2005, the Trois-Rivières CMA registered a gain of 5 per cent in its level of housing starts over 2004. In all, 919 dwellings were started, up from 874 in 2004, for a ten-year high. This rise was attributable only to rental housing starts. The increase in starts of this type (+24 per

cent) managed to offset the decreases registered in the single-detached home segment (-4 per cent) and the freehold semi-detached, row and apartment housing segment (-17 per cent).

Elsewhere in the Mauricie area, housing starts fell by close to 13 per cent in the agglomeration of Shawinigan, between the months of January and December 2005. In all, 109 dwellings were started during 2005, or 16 fewer than in 2004. La Tuque, for its part, sustained a slightly greater decrease, with 6 starts in 2005, compared to 9 in 2004.

In all urban centres with 10,000 or more inhabitants across Quebec, the anticipated slowdown in residential construction effectively occurred in 2005. In fact, 41,252 housing starts were enumerated during the year, for a decrease of 12 per cent in relation to 2004 (46,721 units). Apart from Saguenay, the only other CMA where starts went up was Trois-Rivières (+5 per cent). Decreases in activity were recorded in Québec (-6 per cent), Montréal (-12 per cent), Sherbrooke (-21 per cent) and Gatineau (-34 per cent).

## Sales down slightly in 2005

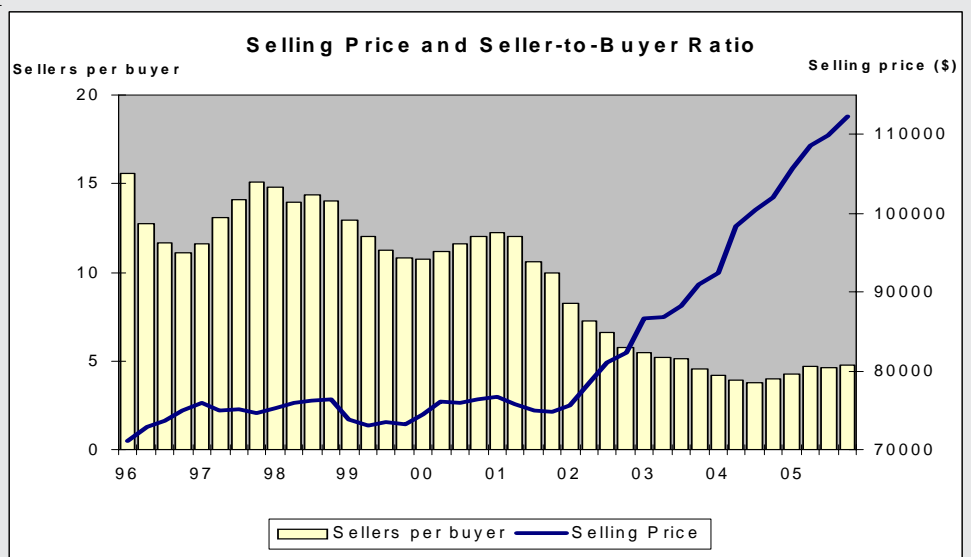
Activity on the resale market eased somewhat in the fourth quarter of 2005. According to Service inter-agences / Multiple Listing Service (S.I.A.® / MLS®) data, 152 transactions<sup>1</sup> were concluded in the Trois-Rivières census metropolitan area (CMA) in the last quarter of 2005. Sales of existing properties therefore fell by close to 2 per cent in relation to the corresponding quarter in 2004, when 155 sales had taken place. The annual results reflect this last quarter. In fact, 773 homes changed owners from January to December 2005, compared to 816 during 2004, for a small decrease of 5 per cent. The significant increase in property prices observed in recent years in the CMA is certainly not unrelated to this decrease in sales. In addition, the effects of the employment slowdown registered in the area in 2004 affected the resale market throughout 2005, and partly accounted for the weaker activity.

On the supply side, properties for sale were replenished and, at the end of the last quarter of 2005, there were "For Sale" signs on 313 homes. Listings therefore rose by 12 per cent over the same period in 2004. The decrease in sales combined with the increase in listings inevitably drove up the number of sellers per buyer. Given the forces at work on the market, the seller-to-buyer ratio consequently reached 4.8 to 1 in the fourth

quarter of 2005, up from 4 to 1 one year earlier — a sign that an easing trend is definitely under way on this market.

This easing was also felt on home prices, and they were subject to less intense pressure. While the seller-to-buyer ratio still remained below the balanced range<sup>2</sup>, the increase in the average price of single-family homes<sup>3</sup> in the Trois-Rivières CMA was less significant in the last quarter of 2005 (10 per cent) than during the last quarter of 2004 (12 per cent). The average price of single-family homes attained \$112,000 at the end of 2005, compared to \$102,000 at the end of 2004.

The central district of Trois-Rivières, where the seller-to-buyer ratio reached 4.1 to 1, was the sector with the tightest market. The average price of a single-family home there attained \$118,500 in the fourth quarter of 2005, up by close to 12 per cent over the same quarter in 2004. Conversely, the outlying sector had the least tight market conditions, with a seller-to-buyer ratio of 5.7 to 1. Single-family homes there were selling for an average price of \$103,500 in the last quarter of 2005, up by 10 per cent over the same quarter in 2004.



<sup>1</sup> Small farms, country homes, mobile homes and cottages are not included in the sales figures.

<sup>2</sup> The balanced range for the seller-to-buyer ratio is between 8 and 10 to 1, indicating a market where neither buyers nor sellers are favoured.

<sup>3</sup> Single-family homes include detached, semi-detached and row houses.

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

Activity / Period	Ownership					Rental	Total
	Freehold*				Condo-minium		
	Single	Semi	Row	Apt.			
<b>Starts</b>							
Fourth quarter 2005	114	16	3	0	0	174	307
Fourth quarter 2004	98	50	0	2	0	130	280
Year-to-date 2005 (Jan.-Dec.)	367	104	3	6	0	439	919
Year-to-date 2004 (Jan.-Dec.)	384	130	0	6	0	354	874
<b>Under construction**</b>							
Fourth quarter 2005	26	6	3	0	6	116	157
Fourth quarter 2004	39	24	0	2	6	69	140
<b>Completions</b>							
Fourth quarter 2005	106	24	0	6	0	93	229
Fourth quarter 2004	86	36	0	0	0	136	258
Year-to-date 2005	380	122	0	8	0	392	902
Year-to-date 2004	381	136	0	4	0	351	872
<b>Unoccupied***</b>							
Fourth quarter 2005	3	15	0	1	0	38	57
Fourth quarter 2004	2	11	0	0	0	28	41
<b>Absorption</b>							
Fourth quarter 2005	108	22	0	5	0	81	216
Fourth quarter 2004	85	29	0	0	0	119	233
Year-to-date 2005	379	118	0	7	0	382	886
Year-to-date 2004	385	128	0	4	2	330	849
<b>Duration of inventory (months)</b>							
Trend 2005	0.1	1.5	n.a.	1.7	n.a.	1.2	0.8
Trend 2004	0.1	1.0	n.a.	n.a.	n.a.	1.0	0.6

\* 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 2005 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**

<b>Zone / Period</b>	<b>Ownership</b>					<b>Rental</b>	<b>Total</b>
	<b>Freehold</b>				<b>Condo- minium</b>		
	<b>Single</b>	<b>Semi</b>	<b>Row</b>	<b>Apt.</b>			
<b>Zone 1: Trois-Rivières</b>							
Fourth quarter 2005	20	14	3	0	0	20	57
Fourth quarter 2004	22	26	0	0	0	112	160
Year-to-date 2005	62	84	3	0	0	36	185
Year-to-date 2004	87	70	0	0	0	181	338
<b>Zone 2: Trois-Rivières-Ouest</b>							
Fourth quarter 2005	24	2	0	0	0	30	56
Fourth quarter 2004	11	24	0	0	0	0	35
Year-to-date 2005	57	16	0	4	0	169	246
Year-to-date 2004	60	54	0	2	0	91	207
<b>Zone 3: Cap-de-la-Madeleine</b>							
Fourth quarter 2005	16	0	0	0	0	73	89
Fourth quarter 2004	15	0	0	0	0	18	33
Year-to-date 2005	56	4	0	0	0	183	243
Year-to-date 2004	73	0	0	0	0	61	134
<b>Centre (zones 1 to 3)</b>							
Fourth quarter 2005	60	16	3	0	0	123	202
Fourth quarter 2004	48	50	0	0	0	130	228
Year-to-date 2005	175	104	3	4	0	388	674
Year-to-date 2004	220	124	0	2	0	333	679
<b>Zone 4: Outlying area (Bécancour, Champlain, Pointe-du-Lac, etc.)</b>							
Fourth quarter 2005	54	0	0	0	0	51	105
Fourth quarter 2004	50	0	0	2	0	0	52
Year-to-date 2005	192	0	0	2	0	51	245
Year-to-date 2004	164	6	0	4	0	21	195
<b>TOTAL - TROIS-RIVIÈRES METROPOLITAN AREA</b>							
Fourth quarter 2005	114	16	3	0	0	174	307
Fourth quarter 2004	98	50	0	2	0	130	280
Year-to-date 2005	367	104	3	6	0	439	919
Year-to-date 2004	384	130	0	6	0	354	874

Source: CMHC

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

Zones	Fourth Quarter		Year-to-Date (Jan.-Dec.)	
	2005	2004	2005	2004
Bécancour	14	9	49	43
Champlain	1	1	4	2
Pointe-du-Lac	20	20	55	57
Saint-Louis-de-France	6	9	31	21
Sainte-Marthe-du-Cap	10	10	42	41
Saint-Maurice	3	3	13	10

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 2005	4th Q 2004
	4th Q 2005	4th Q 2004	4th Q 2005	4th Q 2004		
<b>Starts</b>						
Centre	79	98	0	0	123	130
Suburbs	54	52	0	0	51	0
<b>Under construction*</b>						
Centre	32	61	6	6	65	69
Suburbs	3	4	0	0	51	0
<b>Completions</b>						
Centre	81	72	0	0	93	121
Suburbs	55	50	0	0	0	15
<b>Unoccupied*</b>						
Centre	19	13	0	0	35	16
Suburbs	0	0	0	0	3	12
<b>Absorption</b>						
Centre	80	64	0	0	80	116
Suburbs	55	50	0	0	1	3
<b>Duration of inventory (months)**</b>						
Centre	0.7	0.5	n.a.	0.0	1.1	0.6
Suburbs	0.0	0.0	n.a.	n.a.	4.0	11.1

\* 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>
	<b>December 2005</b>			<b>Trend 2005</b>
Freehold	35	19	54	1.3
Condominium	6	0	6	--
Rental	116	38	154	4.8
	<b>December 2004</b>			<b>Trend</b>
Freehold	65	13	78	1.8
Condominium	6	0	6	30.0
Rental	69	28	97	3.5

Source: CMHC

**Table 6**  
**Economic Overview**  
**Trois-Rivières Metropolitan Area**

	<i>Fourth Quarter</i>		<i>Trend Jan.-Dec.</i>		<i>% Change</i>
	<i>2004</i>	<i>2005</i>	<i>2004</i>	<i>2005</i>	<i>Trend</i>
<b>Labour market</b>					
- Employment level	61.9	66.8	61.9	66.8	7.9%
- Unemployment rate (%)	11.0%	10.7%	11.0%	10.7%	n.a.
<b>Mortgage rates (%) (Canada)</b>					
- 1-year	4.3	4.9	4.3	4.9	n.a.
- 5-year	5.9	6.1	5.9	6.1	n.a.
<b>Annual inflation rate (%)</b>	0.8	2.1	0.8	2.1	n.a.
<b>Quebec consumer attitudes survey</b>					
- Index of Consumer Attitudes (1991 = 100) (seasonally adjusted)	125.3	123.3	125.3	123.3	-1.6%

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.

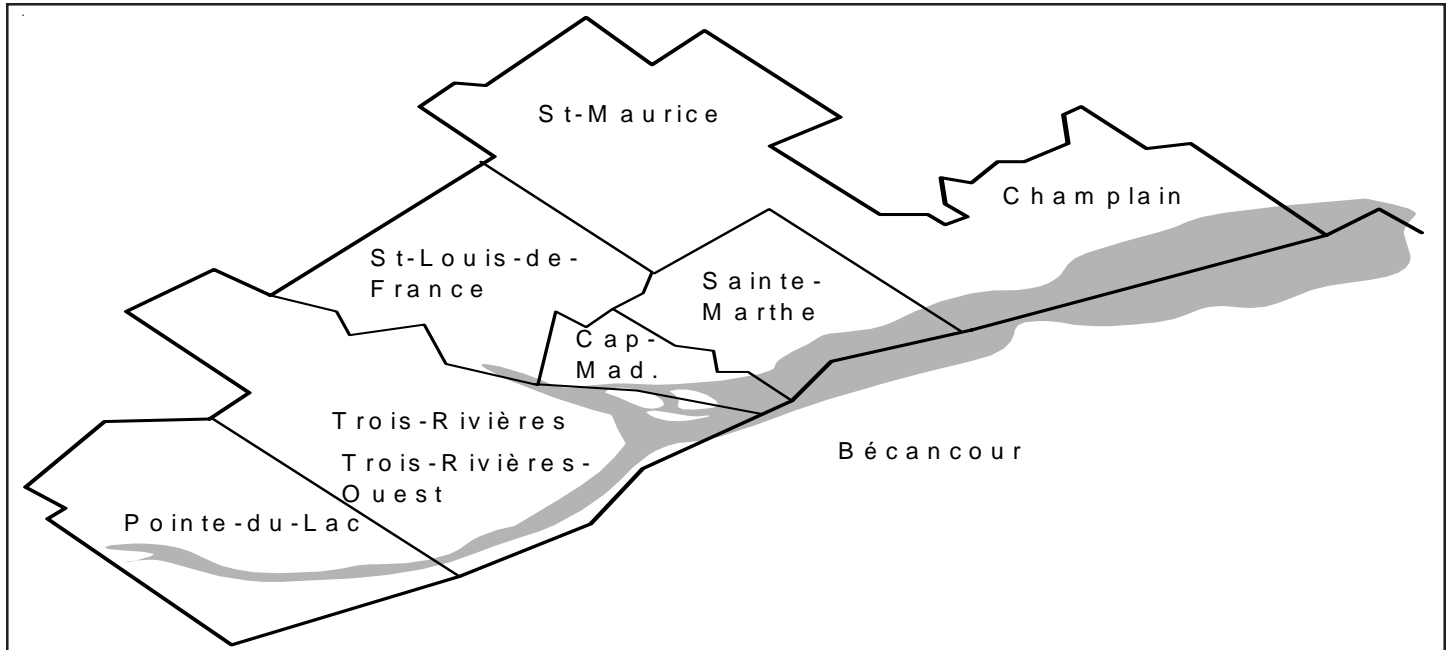
**Duration of inventory** - Refers to the period necessary for the absorption of unoccupied units, i. e. the ratio between unoccupied units and absorbed units (average for the last twelve months).

## CMHC Market Analysis Centre Publications

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

## 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



### Information and Subscriptions

For more information about this publication or any other questions on the Trois-Rivières housing market, please call our **Client Service Department** at (866) 855-5711 or (514) 283-8396 or e-mail us at [cam\\_qc@cmhc-schl.gc.ca](mailto:cam_qc@cmhc-schl.gc.ca).

To learn more about Market Analysis Centre products and services and subscribe on-line visit: [www.cmhc.ca/mktinfo/store/](http://www.cmhc.ca/mktinfo/store/)

For more information on other CMHC products and services visit: [www.cmhc.ca](http://www.cmhc.ca)

Cette publication est aussi disponible en français sous le titre: Actualités habitation

64223\_2005\_004.pdf