



HOUSING NOW

New Brunswick

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

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FOURTH QUARTER 2003

New Home Market Strong

2003 Banner Year for Residential Construction in New Brunswick

- ✓ Residential construction activity in the fourth quarter reached 1,198 units, a near-13 per cent decline when compared to the previous year. Despite the drop, housing starts in the fourth quarter remained strong in historical terms.
- ✓ In fact, 1,198 units represents the second-best fourth quarter for new home construction since 1975, when builders started a high of 1,807 units.
- ✓ The drop in new home construction in the fourth quarter was due to a decline in housing starts in both urban and rural areas of the province.
- ✓ In urban areas, housing starts reached 792 units in the fourth quarter, a near-17 per cent drop when compared to 2002. However, this represents the second-best fourth quarter since 1975. In rural areas, housing starts declined slightly, dropping from 426 units in the fourth quarter of 2002 to 406 units in 2003. This represents the second-best fourth quarter in rural areas since 1989.
- ✓ Despite the slowdown in housing starts in the fourth quarter, 2,630 units were still under construction in New Brunswick at the end of December, a near-18 per cent increase when compared to 2002.

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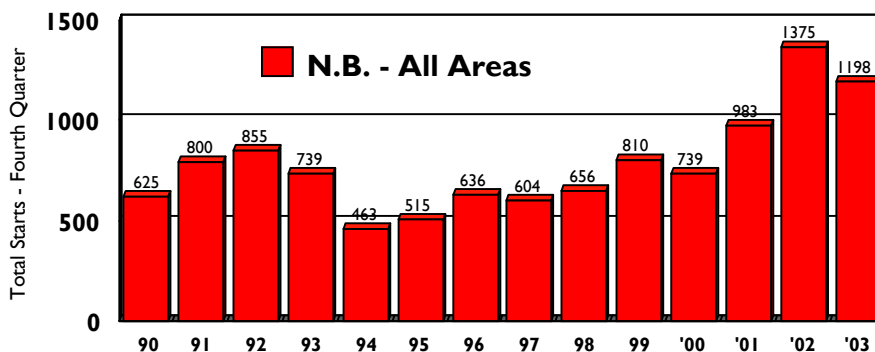
- 1 2003: Banner year for residential construction in New Brunswick
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MLS® is a registered certification mark of the Canadian Real Estate Association

Fourth Quarter Housing Starts Remained Strong in Historical Terms



Source: CMHC



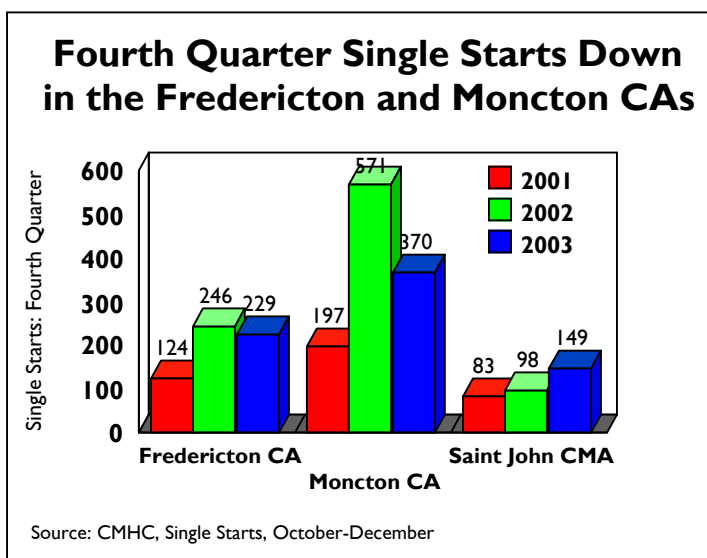
HOME TO CANADIANS
Canada

FREDERICTON MONCTON SAINT JOHN

Housing Market Overview

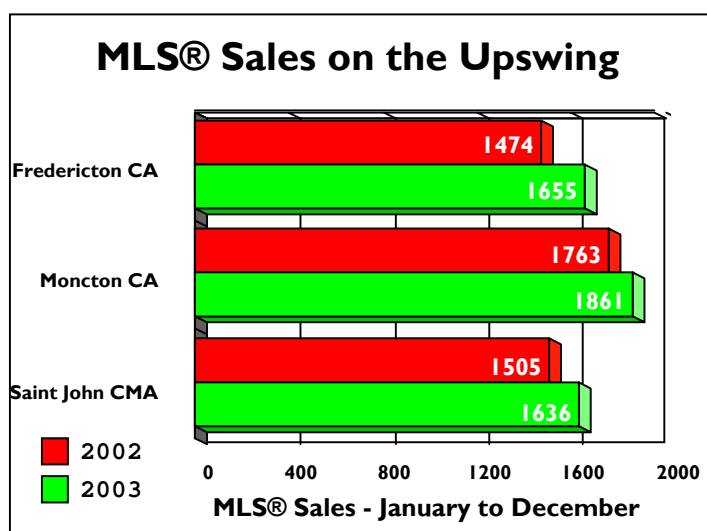
Fewer single-family homes started in southern New Brunswick

- ✓ 2003 fourth quarter single starts in urban centres of the province did not match 2002 levels due to a decline in activity in both Fredericton and Moncton. The slowdown in residential construction was particularly significant in Moncton, where single starts dropped to 370 units, compared to a high of 571 units in the fourth quarter of 2002. In Fredericton, single starts came only 17 units short of 2002 levels, with 229 units.
- ✓ In Saint John, single starts in the fourth quarter exceeded last year's levels. As a result, total annual single starts reached 405 units, a near-20 per cent increase when compared to the 338 units started in 2002.



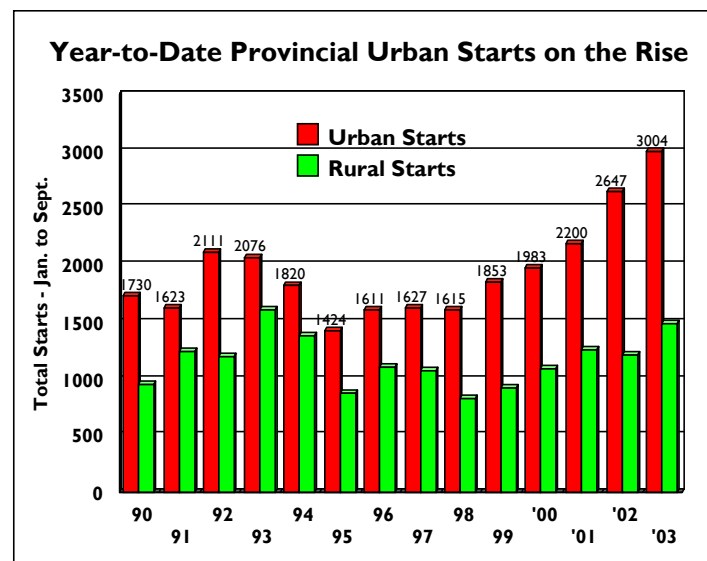
Record year for the resale market

- ✓ Fourth quarter MLS® sales were particularly strong in all regions of the province. As a result, MLS® sales reached a record high in Fredericton, Moncton and Saint John. Strong consumer confidence, positive net migration and near 50-year low interest rates are all key factors in stimulating the resale market in New Brunswick.
- ✓ The average sale price also rose to a record high in all three larger urban areas. Strong demand and low mortgage rates have caused a 9.5, 4.6 and 2.8 per cent increase in the average MLS® sales price in Fredericton, Moncton and Saint John, respectively. Rising new listings in these three regions will also continue to stimulate MLS® sales in 2004.



2003 starts on the upswing in all areas

- ✓ Thanks to a solid second half, provincial housing starts reached 4,489 units in 2003, a 16 per cent increase when compared to 2002 and the best year for residential construction in New Brunswick since 1976.
- ✓ A rise in residential activity in both urban and rural areas contributed to the new home market's phenomenal performance in 2003. With 3,004 units, urban starts reached a 28-year high and exceeded 2002 levels by more than 13 per cent. Besides employment growth and low mortgage rates, the urbanization and aging phenomena also contributed to the rise in urban starts. With 1,485 units, rural starts also had a strong year in historical terms, exceeding the 2002 levels by 22 per cent.



**TABLE 1
ACTIVITY SUMMARY BY AREA
New Brunswick**

Area	Starts						Completions						Under Construction As at December 31		
	Fourth Quarter			Year-to-Date			Fourth Quarter			Year-to-Date			2003	2002	% chg
	2003	2002	% chg	2003	2002	% chg	2003	2002	% chg	2003	2002	% chg			
Bathurst CA	24	17	41.2	57	45	26.7	13	10	30.0	45	37	21.6	33	21	57.1
Campbellton CA	3	1	--	14	11	27.3	7	4	75.0	14	8	75.0	4	4	0.0
Edmundston CA	13	7	85.7	58	46	26.1	17	20	-15.0	59	33	78.8	23	24	-4.2
Fredericton CA	229	246	-6.9	822	548	50.0	335	89	--	717	650	10.3	357	243	46.9
Miramichi CA	4	9	-55.6	38	50	-24.0	15	18	-16.7	48	35	37.1	12	22	-45.5
Moncton CA	370	571	-35.2	1,435	1,550	-7.4	335	308	8.8	1,048	1,145	-8.5	1,341	951	41.0
Saint John CMA	149	98	52.0	580	397	46.1	206	124	66.1	468	401	16.7	237	129	83.7
TOTAL URBAN AREAS	792	949	-16.5	3,004	2,647	13.5	928	573	62.0	2,399	2,309	3.9	2,007	1,394	44.0
TOTAL OTHER AREAS	406	426	-4.7	1,485	1,215	22.2	659	341	93.3	1,676	870	92.6	623	838	-25.7
TOTAL NEW BRUNSWICK	1,198	1,375	-12.9	4,489	3,862	16.2	1,587	914	73.6	4,075	3,179	28.2	2,630	2,232	17.8

Source: CMHC

NEED MORE DETAILED INFORMATION?

Market Analysis Products and Services are designed to suit your needs. CMHC is the source for expert analysis and comprehensive data on housing. If you are in the housing industry, it is critical that you understand the trends and factors behind New Brunswick's housing markets. There is no substitute for the thorough, concise analysis of housing market developments that you get with CMHC's market data and analysis. Contact CMHC's Senior Market Analyst for New Brunswick:



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TABLE 2
STARTS BY AREA AND DWELLING TYPE
Fredericton / Moncton / Saint John

Area/ Period	Single	Semi	Row	Apartment & other	Total	Area/ Period	Single	Semi	Row	Apartment & other	Total
Fredericton City						Grand Bay-Westfield					
Oct. - Dec. 2003	52	8	40	46	146	Oct. - Dec. 2003	4	0	0	0	4
Oct. - Dec. 2002	41	0	0	6	47	Oct. - Dec. 2002	8	0	0	0	8
Jan. - Dec. 2003	130	18	44	187	379	Jan. - Dec. 2003	16	0	0	0	16
Jan. - Dec. 2002	165	17	4	104	290	Jan. - Dec. 2002	22	0	0	0	22
Total Fredericton						Quispamsis Town					
Oct. - Dec. 2003	127	0	0	6	133	Oct. - Dec. 2003	47	4	6	2	59
Oct. - Dec. 2002	126	2	4	0	132	Oct. - Dec. 2002	27	0	6	2	35
Jan. - Dec. 2003	419	17	4	108	548	Jan. - Dec. 2003	160	4	12	6	182
Jan. - Dec. 2002	277	7	4	14	302	Jan. - Dec. 2002	151	4	6	2	163
Moncton City						Rothesay Town					
Oct. - Dec. 2003	80	20	0	137	237	Oct. - Dec. 2003	15	0	0	0	15
Oct. - Dec. 2002	99	10	0	108	217	Oct. - Dec. 2002	6	2	4	0	12
Jan. - Dec. 2003	293	50	0	577	920	Jan. - Dec. 2003	50	2	3	0	55
Jan. - Dec. 2002	216	20	0	324	560	Jan. - Dec. 2002	25	2	7	0	34
Dieppe City						Saint John City					
Oct. - Dec. 2003	38	16	14	0	68	Oct. - Dec. 2003	26	8	6	0	40
Oct. - Dec. 2002	38	10	0	55	103	Oct. - Dec. 2002	19	1	0	0	20
Jan. - Dec. 2003	184	30	18	64	296	Jan. - Dec. 2003	90	18	17	109	234
Jan. - Dec. 2002	227	36	0	83	346	Jan. - Dec. 2002	92	17	21	0	130
Riverview Town						Saint John - Other outlying areas					
Oct. - Dec. 2003	20	0	0	0	20	Oct. - Dec. 2003	37	0	0	0	37
Oct. - Dec. 2002	20	0	0	0	20	Oct. - Dec. 2002	18	0	0	0	18
Jan. - Dec. 2003	61	10	0	38	109	Jan. - Dec. 2003	89	0	4	0	93
Jan. - Dec. 2002	93	22	9	8	132	Jan. - Dec. 2002	48	0	0	0	48
Total Moncton CA						Total Saint John CMA					
Oct. - Dec. 2003	304	52	18	161	535	Oct. - Dec. 2003	129	12	12	2	155
Oct. - Dec. 2002	191	30	0	200	421	Oct. - Dec. 2002	78	3	10	2	93
Jan. - Dec. 2003	586	112	22	345	1,065	Jan. - Dec. 2003	405	24	36	115	580
Jan. - Dec. 2002	755	110	9	676	1,550	Jan. - Dec. 2002	338	23	34	2	397

Note: Other outlying areas include Greenwich Parish, Kingston Parish, Musquash Parish, St. Martins Parish, St. Martins Village, Simonds Parish, Lepreau Parish, Petersville Parish, Hampton Town, Hampton Parish and Upham Parish.

Housing Now is published four times a year for the New Brunswick market. Annual subscriptions to **Housing Now** for New Brunswick are \$55 plus applicable taxes. This publication is also available in French. For more information, or to subscribe, contact Cynthia Way at the Atlantic Business Centre at (902) 426-4708.

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