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HOUSING NOW

London

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

ISSUE 18
FIRST QUARTER 2003

New Homes

New residential construction activity at brisk pace in the 1st quarter 2003

Construction starts on new single-detached homes in the London CMA (census metropolitan area) were down just 6 per cent compared to the 335 units underway in the opening quarter of 2002. The 315 units started in Q1 were more than 50 per cent higher than the 208 unit annual average recorded between 1997 and 2001.

Total housing starts reached 654 units in the first quarter, up an impressive 80 per cent. This strength can be traced to the rental apartment sector where 301 units were started compared to no activity at this point last

year. Annual rental apartment starts totaled 318 units in 2002.

Highrise rental apartments boost total starts in 2003

A continuing vibrant new and resale housing market in 2003 has been propelled by a solid short and medium term employment outlook, low mortgage rates, rising prices and rebounding consumer confidence.

For the second consecutive year, Northeast London retains the top spot for single new home starts with 64 foundations poured in Q1. This is more than 25% of London's 235 units. London West (49 singles) and London North (44) was followed closely by

IN THIS ISSUE

New Homes

1 Rental apartments push total starts up.

3 Starts by market and type.

4 Map of single starts

6 New home prices rising.

Housing Price Bubble?

2 Canada /London area.

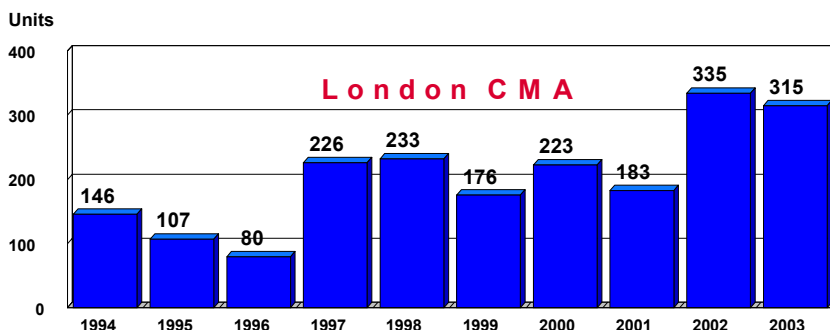
Resale Market

7 MLS sales robust.

Economic Indicators

8 All signs positive for employment, mortgage rates and consumer confidence.

Single starts post strong 1st quarter 2003



Source: CMHC, 1st quarter single-detached starts 1994-2003

the 37 singles started in St. Thomas. There were 344 singles completed in the London CMA in Q1 with an average selling price of almost \$225,000.

Sellers' market conditions prevail in the resale market with the gap widening between the number of homes sold and the supply of homes available for sale. Sales were off 7.5% from last year's torrid pace but the average sales price broke through the \$150,000 price barrier in March.

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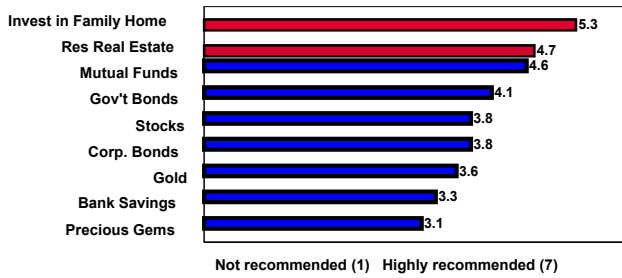
HOME TO CANADIANS
Canada

The market remains hot, but no bubble on the horizon*

Many observers wonder if there is a bubble in the housing market. It is understandable that the question would arise given the record-setting activity in the housing market over the past year as consumer sentiment shifted to the real estate sector. However, there is no bubble in the market.

Home buying in vogue?

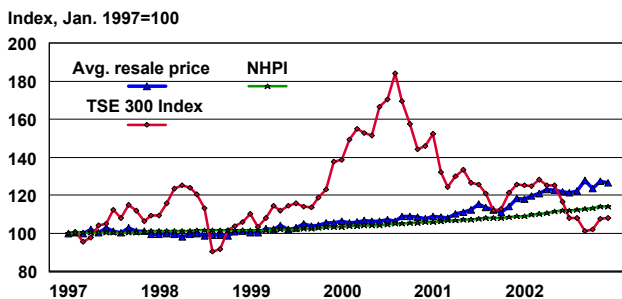
Canadians recommend investing in the housing market



Source: National Post/Global Television Poll, 2002

A bubble occurs when an asset experiences price increases well in excess of historical norms for sustained periods of time and is mainly based on the expectation of rising prices rather than supportable long-term trends in the demand for and the supply of an asset. Thus, the rapid price increase, which causes speculative buying to occur, is followed by a sudden and rapid decline in prices (the bubble bursting) and then an extended period of weakness. An example is the stock market from 1999 to present and the house price bubble of the late 1980's.

Housing market vs. Stock market



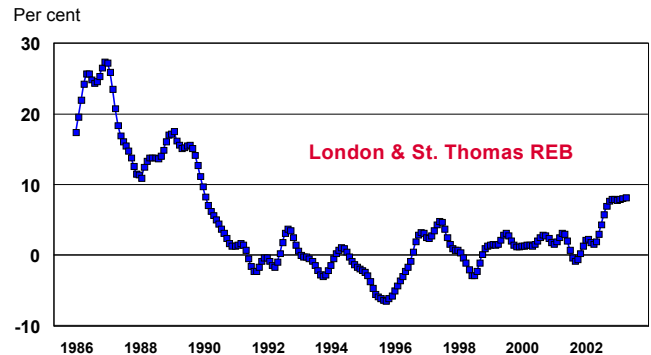
Source: CMHC, CREA, Statistics Canada

There are several indications that we are not experiencing the same situation as seen in the late 1980's. One such indicator is the growth in house prices, which is nowhere near the rate of growth seen in the late 1980's. Year-over-year price increases in the London & St. Thomas Real Estate Board area are running at less than 10 per cent which is less than

half the growth rate of the late 1980's price bubble. Furthermore, the New Housing Price Index (NHPI) calculated by Statistics Canada has just moved above a 3 per cent year over year growth rate in the London CMA. This is less than one third of the average annual increase in the NHPI between 1985 and 1989 when new home prices rose 55 per cent.

The recent price gains are seen as sustainable since they are backed by the solid fundamental of low mortgage rates. Rates are not expected to jump dramatically, and therefore, continue to support a high level of housing demand. As well, employment and income growth have been healthy over the past few years and continue to be strong. This evidence argues that the London and area market and Canada is not experiencing a housing market bubble.

House prices rising, but not like the late 1980's (percentage change, year over year)



Source: CMHC/ LSTREB, MLS average resale price, moving average, 1986 - April 2003.

The above article is adapted from the April 2003 monthly issue of CMHC's national market analysis publication HOUSING FACTS. To subscribe to this electronic pdf 8-page monthly report call 1-800-668-2642 or www.cmhc.ca/mktinfo/store



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**Table I: Starts by Area and by Intended Market
London Census Metropolitan Area (CMA)**

	Ownership								Rental		Total
	Single-detached units			Freehold		Condominium		Private			
	Freehold	Condo	All	Semi	Row	Semi	Row	Row	Apt.		
LONDON CMA											
First Quarter 2003	306	9	315	2	17	0	19	0	301	654	
First Quarter 2002	323	12	335	0	6	0	23	0	0	364	
London City											
First Quarter 2003	228	7	235	2	17	0	19	0	301	574	
First Quarter 2002	226	12	238	0	6	0	18	0	0	262	
St. Thomas City											
First Quarter 2003	35	2	37	0	0	0	0	0	0	37	
First Quarter 2002	42	0	42	0	0	0	5	0	0	47	
Central Elgin											
First Quarter 2003	4	0	4	0	0	0	0	0	0	4	
First Quarter 2002	8	0	8	0	0	0	0	0	0	8	
Middlesex Centre											
First Quarter 2003	19	0	19	0	0	0	0	0	0	19	
First Quarter 2002	20	0	20	0	0	0	0	0	0	20	
Southwold Township											
First Quarter 2003	1	0	1	0	0	0	0	0	0	1	
First Quarter 2002	1	0	1	0	0	0	0	0	0	1	
Strathroy-Caradoc Township											
First Quarter 2003	11	0	11	0	0	0	0	0	0	11	
First Quarter 2002	12	0	12	0	0	0	0	0	0	12	
Thames Centre											
First Quarter 2003	8	0	8	0	0	0	0	0	0	8	
First Quarter 2002	14	0	14	0	0	0	0	0	0	14	

Source: CMHC

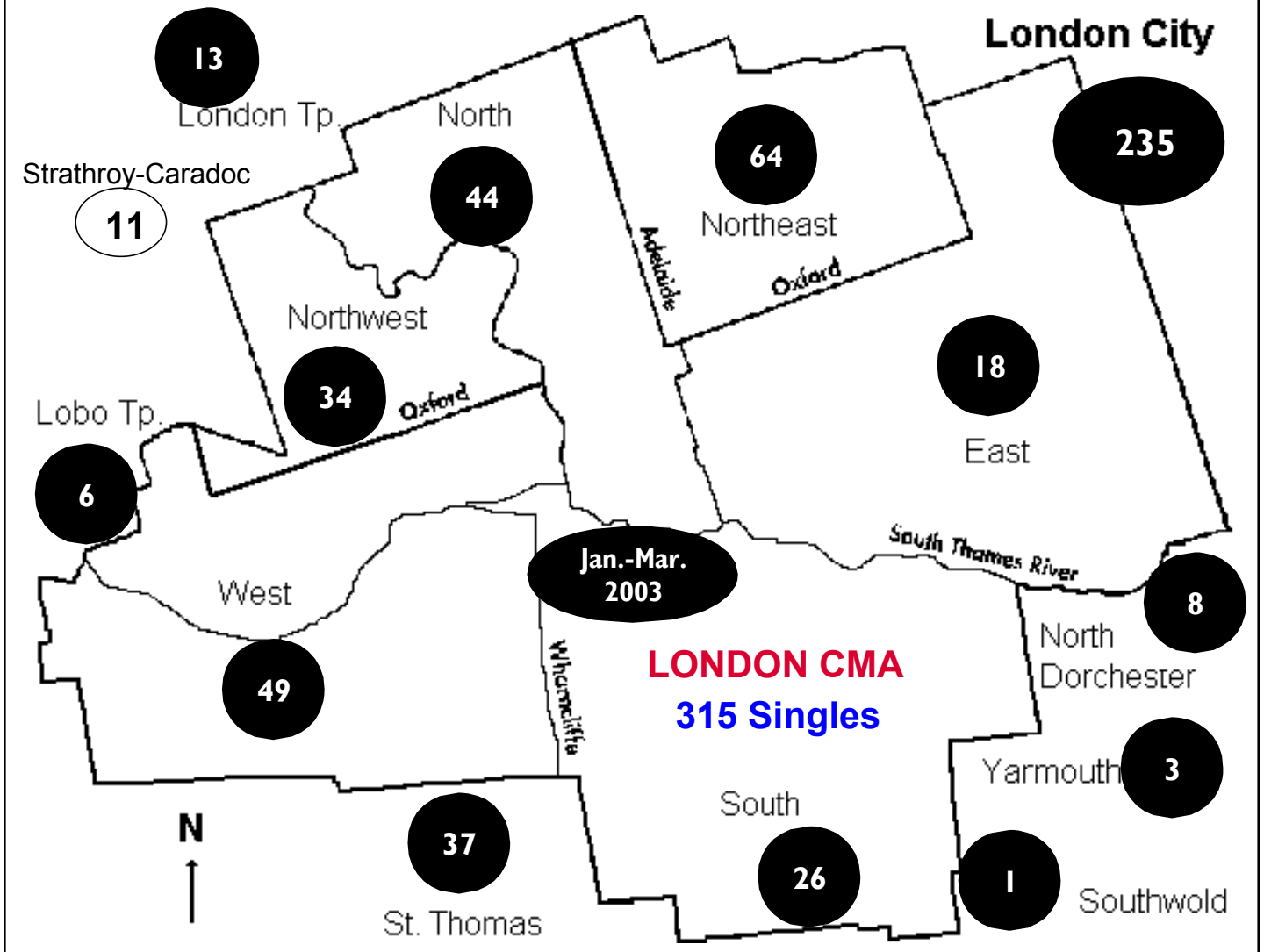
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Note: Municipal amalgamations resulted in the creation of the Municipality of Central Elgin (formerly Belmont, Port Stanley and Yarmouth Township); the Municipality of Thames Centre (formerly the Townships of North Dorchester and West Nissouri); and, the Township of Middlesex Centre (formerly the Townships of Delaware, Lobo, and London). The amalgamated centre of Strathroy-Caradoc Township was first surveyed as component of the London Census Metropolitan Area (CMA) in 2002. The change in the components of the London CMA was based on the results of the 2001 Census of Canada.

WHERE'S THE HAMMERING BY SUB-MARKET

Single-detached starts in the London CMA were at a high level in the 1st quarter but down 6% from the 335 units started in Q1:2002



Sub-markets not shown on the map (Belmont - 1, Port Stanley - 0, West Nissouri - 0) accounted for 1 of the 315 single-detached units that were started in the London CMA (census metropolitan area) during the 1st quarter of 2003.



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Table 2: Housing Activity Summary
London Census Metropolitan Area (CMA)

	Single-detached units			Ownership			Condominium			Private Rental		Total
	Freehold	Condo	All	Semi	Row		Semi	Row	Apt.	Row	Apt.	
I. STARTS												
First Quarter 2003	306	9	315	2	17		0	19	0	0	301	654
First Quarter 2002	323	12	335	0	6		0	23	0	0	0	364
% Change	-5%	-25%	-6%	NA	183%		NA	-17%	NA	NA	NA	80%
2. UNDER CONSTRUCTION												
March 2003	460	31	491	6	38		2	159	0	0	599	1,295
March 2002	417	31	448	6	6		2	84	0	3	48	597
3. COMPLETIONS												
First Quarter 2003	330	14	344	8	9		0	66	0	0	0	427
First Quarter 2002	297	13	310	2	3		0	29	0	14	2	360
% Change	11%	8%	11%	300%	200%		NA	128%	NA	-100%	-100%	19%
4. COMPLETED & NOT ABSORBED												
March 2003	55	6	61	1	8		0	56	0	0	3	129
March 2002	103	8	111	2	2		3	73	0	17	30	238
5. TOTAL SUPPLY: 2. + 4.												
March 2003	515	37	552	7	46		2	215	0	0	602	1,424
March 2002	520	39	559	8	8		5	157	0	20	78	835
6. ABSORPTIONS												
First Quarter 2003	332	12	344	7	5		0	54	0	0	2	412
First Quarter 2002	285	13	298	0	6		0	47	0	2	36	389
March 2003	125	9	134	1	2		0	14	0	0	1	152
Previous 3-month Average	134	4	138	2	1		0	16	0	0	2	159
Previous 12-month Average	155	6	161	2	2		1	17	0	2	8	193

Source: CMHC

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.

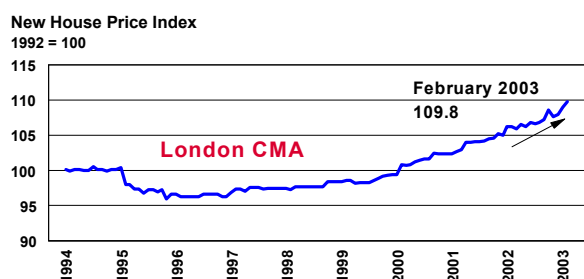
3. Completions - Single-detached/semi-detached units: this generally is the stage at which all proposed construction work is complete. A unit may be completed at the 90% stage where the remaining work is largely cosmetic. **Row housing/ Apartment:** completions means that 90% or more of the dwelling 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. Total Supply: refers to the number of units under construction at month end plus the number of units completed in the current month or previous months that have not been leased or sold (excludes model homes not available for sale).

6. Absorptions: the number of completed units (excluding model homes) that have been sold or leased.

Year-over year new home price index up 3.3% in February



Source: Statistics Canada, Jan. 1994 - Feb. 2003

House prices moving up

On the heels of the 2.9 per cent average annual increase in Statistics Canada's New Home Price Index in the London CMA, February 2003 prices were up 3.3% over the same month last year.

Not only are prices increasing, we are seeing a shift in demand to relatively higher priced homes. In 1999, almost 35% of homes sold were priced under \$150,000 and less than 12% were above \$250,000. Last year, only 14% of single-detached homes in the London CMA were purchased for less than \$150,000 while nearly 23%, or almost 1 in 4 homes topped \$250,000.

Table 3: Absorbed (Completed and Sold) Single-detached units by Price Range
London Census Metropolitan Area (CMA)

	Annual 2002		4th Quarter 2002		1st Quarter 2002		1st Quarter 2003	
	Units	Percent	Units	Percent	Units	Percent	Units	Percent
London CMA								
<\$130,000	49	2.6%	8	1.4%	5	1.7%	3	0.9%
\$130 to \$149,999	221	11.7%	63	11.0%	55	18.5%	30	8.7%
\$150 to \$174,999	367	19.4%	109	19.0%	63	21.1%	75	21.8%
\$175 to \$189,999	193	10.2%	47	8.2%	37	12.4%	51	14.8%
\$190 to \$219,999	382	20.1%	114	19.8%	57	19.1%	55	16.0%
\$220 to \$249,999	250	13.2%	75	13.0%	33	11.1%	49	14.2%
\$250 to \$299,999	249	13.1%	83	14.4%	28	9.4%	50	14.5%
\$300,000+	185	9.8%	76	13.2%	20	6.7%	31	9.0%
Total	1,896	100.0%	575	100.0%	298	100.0%	344	100.0%
Median Price		\$197,000		\$203,000		\$185,000		\$200,000
Average Price		\$212,835		\$222,264		\$202,872		\$224,652
London City								
<\$130,000	22	1.7%	7	1.7%	4	2.2%	1	0.4%
\$130 to \$149,999	129	10.1%	34	8.4%	26	14.1%	18	7.8%
\$150 to \$174,999	223	17.4%	70	17.2%	36	19.5%	41	17.7%
\$175 to \$189,999	136	10.6%	36	8.9%	21	11.4%	37	15.9%
\$190 to \$219,999	246	19.2%	74	18.2%	39	21.1%	32	13.8%
\$220 to \$249,999	178	13.9%	58	14.3%	24	13.0%	38	16.4%
\$250 to \$299,999	199	15.5%	68	16.7%	23	12.4%	40	17.2%
\$300,000+	148	11.6%	59	14.5%	12	6.5%	25	10.8%
Total	1,281	100.0%	406	100.0%	185	100.0%	232	100.0%
Median Price		\$202,360		\$210,000		\$195,000		\$209,700
Average Price		\$220,386		\$228,439		\$206,861		\$237,007
St. Thomas								
<\$130,000	18	7.7%	0	0.0%	0	0.0%	1	3.0%
\$130 to \$149,999	46	19.7%	15	19.7%	16	40.0%	3	9.1%
\$150 to \$169,999	65	27.8%	23	30.3%	3	7.5%	12	36.4%
\$170 to \$189,999	26	11.1%	9	11.8%	7	17.5%	8	24.2%
\$190 to \$219,999	41	17.5%	15	19.7%	7	17.5%	6	18.2%
\$220 to \$249,999	18	7.7%	6	7.9%	4	10.0%	2	6.1%
\$250 to \$299,999	10	4.3%	2	2.6%	0	0.0%	0	0.0%
\$300,000+	10	4.3%	6	7.9%	3	7.5%	1	3.0%
Total	234	100.0%	76	100.0%	40	100.0%	33	100.0%
Median Price		\$169,500		\$174,500		\$179,000		\$175,000
Average Price		\$179,787		\$189,865		\$182,360		\$177,636

Source: CMHC

MLS* Resale Activity - Actual and Seasonally Adjusted (SA)

Month	2002								
	Number of Sales	% Change	Sales SA	New Listings	SA New Listings	SA Sales/SA New Listings	Active Listings	SA Active Listings	Average Price
January	501	46.9%	750	1,120	1,060	70.3%	2,578	2,950	\$131,581
February	703	32.1%	720	1,079	1,030	69.7%	2,742	2,850	\$141,275
March	763	14.2%	660	1,128	950	69.6%	2,762	2,700	\$136,800
April	931	28.9%	770	1,376	1,110	69.4%	2,969	2,670	\$141,743
May	852	3.9%	640	1,246	1,010	63.4%	2,959	2,640	\$147,046
June	779	0.4%	630	1,062	960	65.6%	2,775	2,450	\$141,981
July	746	10.2%	660	1,125	1,050	63.1%	2,700	2,530	\$142,701
August	695	3.3%	660	981	1,020	65.1%	2,533	2,490	\$141,702
September	591	5.9%	660	935	1,010	65.1%	2,356	2,320	\$144,654
October	601	4.3%	660	1,017	1,160	57.5%	2,347	2,540	\$143,401
November	558	3.9%	680	740	940	72.5%	2,189	2,340	\$141,022
December	379	-11.2%	630	474	970	64.8%	1,753	2,170	\$145,410
1st Quarter	1,967	27.6%							\$137,070
2nd Quarter	2,562	10.5%							\$143,579
3rd Quarter	2,032	6.5%							\$142,927
4th Quarter	1,538	0.1%							\$143,033
Total 2002	8,099	10.8%							\$141,731
Total 2002**	8,097								\$142,106

Month	2003								
	Number of Sales	% Change	Sales SA	New Listings	SA New Listings	SA Sales/SA New Listings	Active Listings	SA Active Listings	Average Price
January	479	-4.4%	710	963	910	77.8%	1,964	2,240	\$144,916
February	619	-11.9%	630	961	920	68.3%	2,101	2,180	\$148,644
March	722	-5.4%	630	1,172	990	63.7%	2,214	2,170	\$152,399
April									
May									
June									
July									
August									
September									
October									
November									
December									
1st Quarter	1,820	-7.5%							\$149,159

*Multiple Listing Service (MLS) is a registered certification mark owned by The Canadian Real Estate Association.

** Year end adjusted figures reported by the London & St. Thomas Real Estate Board.

Notes: Active listings are as at month end.

Individual unit sales of condominium apartments and row houses are included in the residential sales figures shown above.

Residential Other e.g., sales of apartment buildings or townhouse projects are not included in the above numbers.

Source: LSTREB/ CMHC

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Thursday morning, October 30, 2003

New condensed 2-hour format, 8:30-10:30 including Full breakfast

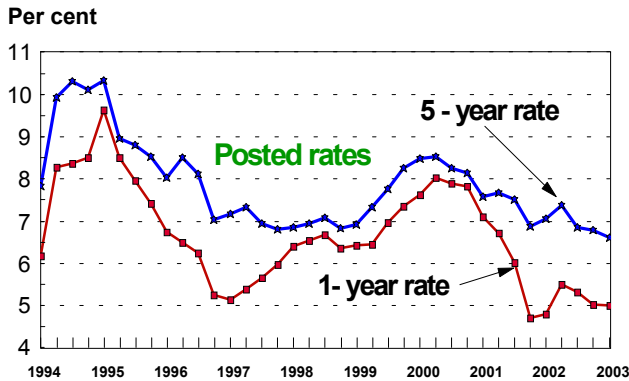
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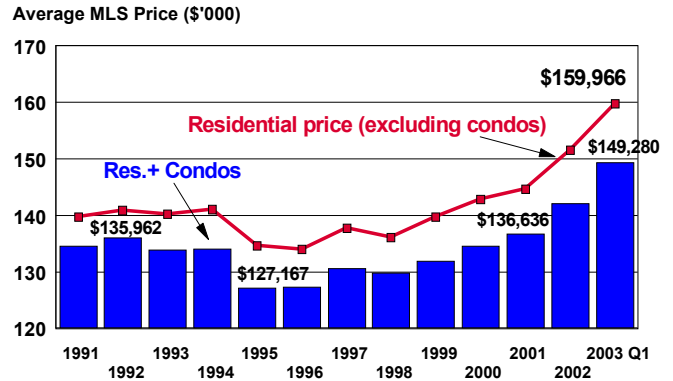
Economic and Price Indicators

Low mortgage rates boost housing sales



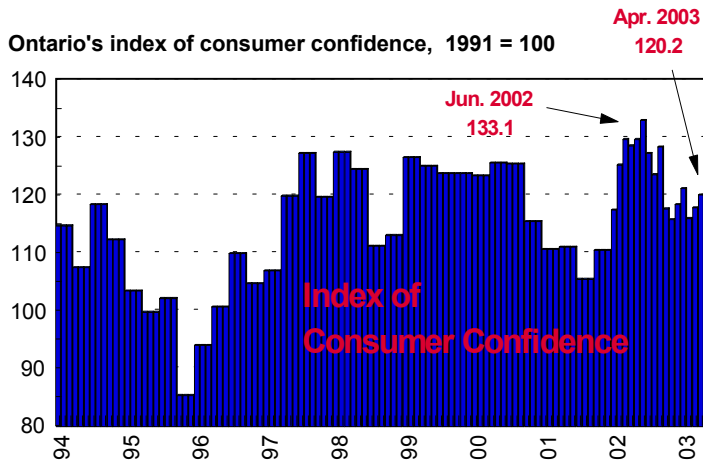
Source: CMHC/ Bank of Canada, 1994:Q1 to 2003:Q1

Resale home prices on the rise



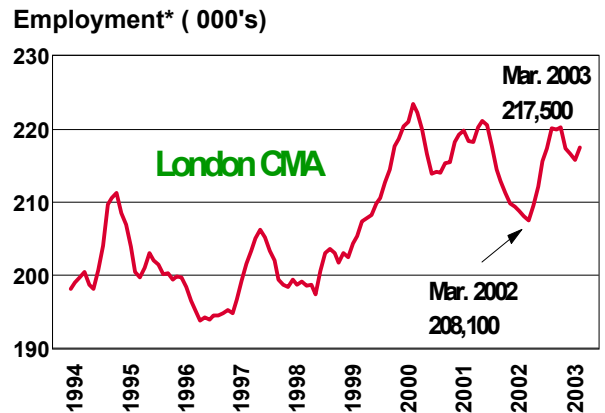
Source: LSTREB /CMHC, Annual 1991-2002, Jan-Mar 2003

Consumer confidence still solid but down from June 2002 peak



Source: The Conference Board of Canada, Jan. 1994 - Apr. 2003

First quarter 2003 employment up 9,000 over last year



* seasonally-adjusted 3-month moving avg. ending March, 2003
Source: Statistics Canada

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SUMMARY

Canada Mortgage and Housing Corporation

New Home Market

Residential construction activity still brisk in 2003

2002 was a break out year for housing in the London metropolitan area. Single-detached new home starts were up 50 per cent from 1,317 to 1,969 units and total housing starts rose more than 1,000 units to 2,604 units last year.

Accelerated demand for new homes were the result of low mortgage rates and stronger than expected local employment conditions. These economic factors when combined with the

dwindling supply of existing homes for sale and the opening up of new subdivisions spurred new home sales. The sales momentum has spilled over into 2003, but the pace of building activity is expected to throttle back slightly to about 1,700 new single-detached home starts. Total housing starts however, are expected to increase a further 6 per cent in 2003 on the strength of a resurgence in the construction of rental apartments.

Apartment construction cranes underpin rise in housing starts

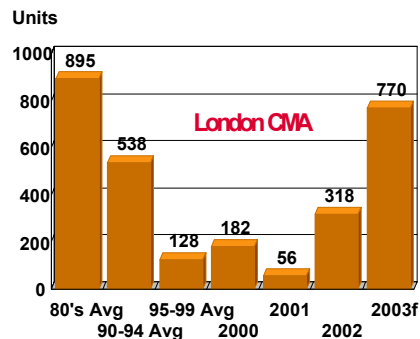
Apartment construction started to recover last year from the very low levels of production experienced since the mid-1990's. It was led by

ISSUE:
SPRING 2003

IN THIS ISSUE

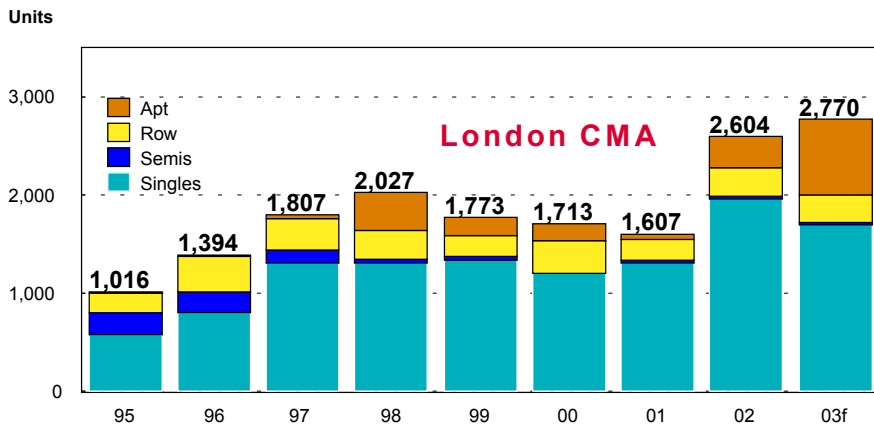
- 1 New Home Building
- 2 Sales of Existing Homes
- 3 Economic Conditions
- 4 Housing Outlook 2003

Rental Apartment Starts Soar



Source: CMHC Market Analysis

Rental apartment construction takes total starts to higher level in 2003



Source: CMHC Market Analysis, CMHC forecast (f)

the first of two 220-unit luxury high rise rental buildings at the eastern edge of downtown London and several private apartment complexes located near the University, targeting students. Excluded from the 318 apartment units started in 2002, are two student residences which will open this Fall at U.W.O. (445 beds) and Fanshawe College (400 beds). During the first 4-months of 2003 construction has

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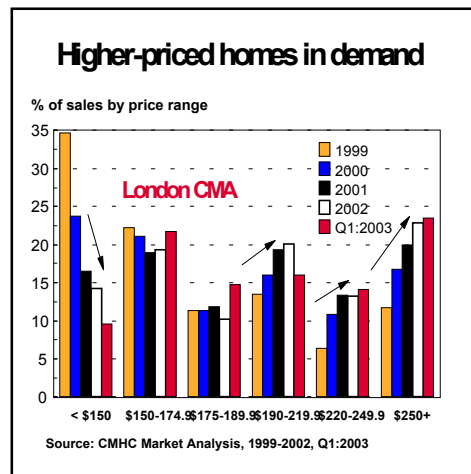


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commenced on three highrises totalling 441 units and 4-fourplexes located at the University entrance on Richmond Street. Rental apartment starts will easily double last years volume as local developers respond to an aging and higher income demographic; a relatively low vacancy rate (2.0% according to CMHC's October Survey); favourable financing; and, good short and medium term prospects for the local economy.

New home prices up

In the highly competitive new home market, prices as measured by Statistics Canada's New Housing Price Index have shown steady annual increases since 2000. Rising 1.5% that year; 2.5% in



2001; and, 2.9% in 2002. Prices are expected to rise a further 2.5-3.0% in 2003. During the past three years the average new home sales price has increased 17% or \$30,000 to \$212,835.

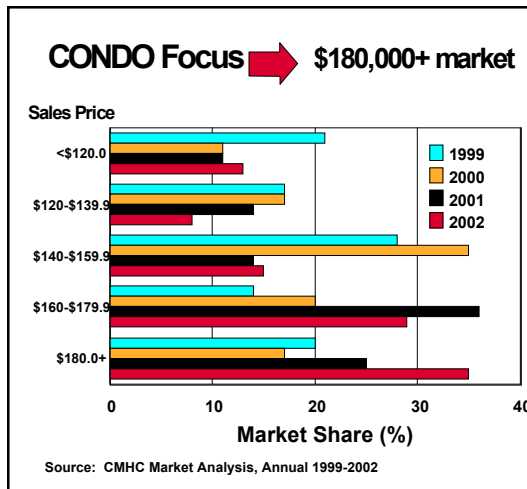
In addition to increases in price there has been a discernible shift in the price-point. As recently as 1999, almost 35% of single-detached homes completed and sold were under \$150,000 and just 12% sold above \$250,000. In 2002, the lower end of the market had shrunk to under 15% of sales while homes above \$250,000 inched nearer to a 25% market share. This reflects the increased presence of move-up and move down buyers in the market and the ability of first-time purchasers to buy 'more house' because of low mortgage rates.

The trend to a higher price point will continue this year as will the slight shift in preference toward 2 storey homes (51%) compared to one floor (38%).

Empty Nester Options

Builders and renovators are expected to tap further the growing market segment of households in the 55-64 age group. Many of these households have the income to make a lifestyle choice which could range from moving to a luxury rental apartment; locating to an adult/golf community; purchasing a one floor home or renovating there existing home.

In the row home ownership sector (mostly condo, with some freehold and land lease) there were 286 units started in 2002, an above average year and another 240-250 will get underway in 2003. Last year, more than 85% of the activity took place in London with the



balance of the units in Arva, St. Thomas, Port Stanley and Strathroy. Prices for row condos have been moving higher with 35% of sales above \$180,000. In 2003 Q1, 90% of units absorbed were priced above \$180,000 as were most of the 70-100 'cluster single' condo units completed each year, a growing segment.

Resale Market

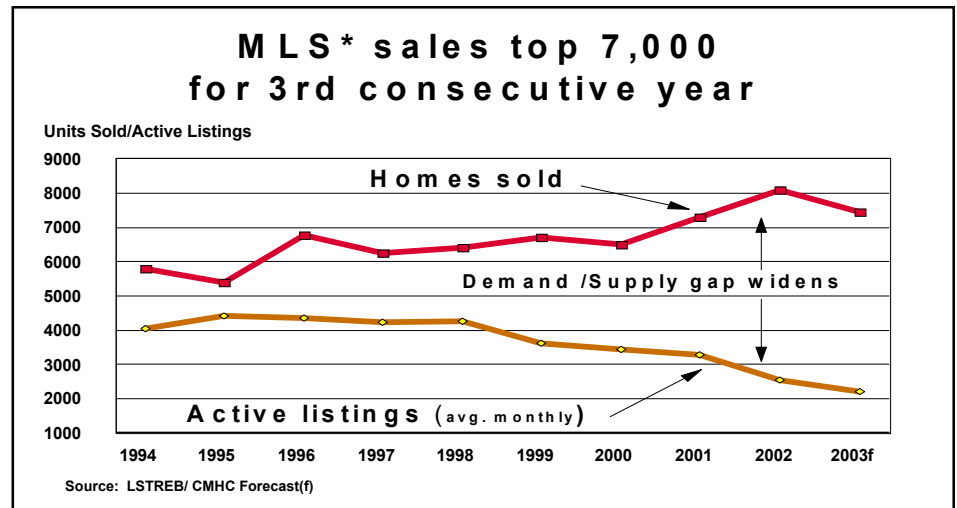
Resale market on a roll

Low mortgage rates have countered the impact of rising prices, expanding the opportunities for all potential buyers from first-time to move-down. Above-expected economic performance and the flight of funds from equity to the real estate sector combined forces to propel sales to 8,097 units in 2002, breaking through what previously was felt to be an unattainable threshold. Especially in light of the fact that 1988's record sales of 7,003 was finally eclipsed in 2001 with 7,307 sales!

The surge in demand has rolled into 2003. Sales in February and March were at a seasonally adjusted annual rate (SAAR) of 7,500 close to the annual rate we expect for the year. Sustained demand has cut into the supply of properties for sales as average month end active listings dropped from a peak of 4,400 homes in 1996 to 2,500 in 2002 and SAAR of 2,200 in the first quarter of 2003. The decline in available inventory will act to constrain sales in 2003 (more buyers are turning to the new home market). Mortgage rates are set to rise from historical lows but later in

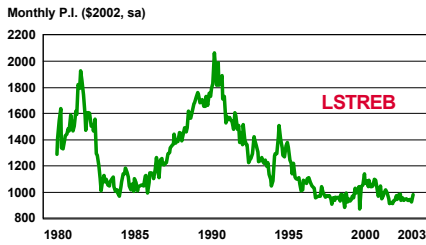
the year, minimizing impact on sales in 2003.

High sales relative to listings has produced Sellers' market conditions including above inflation price increases. The average sales price was up 4.0% in 2002 and is forecast to rise at least 4.4% in



*Multiple Listing Service(MLS) is a registered certification mark owned by The Canadian Real Estate Association.

Housing Affordability expands options



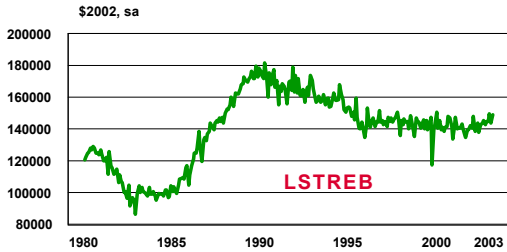
Source: CREA avg. MLS price, 5% dp, 5 yr rate, 25 yr am / CMHC

Price Bubble?

In light of the recent upward movement in prices and in an environment where multiple offers exist is the local market approaching a price bubble? The answer is no. The late 1980's was a period characterized by rapid growth in the price of existing homes and in the New Housing Price Index calculated by Statistics Canada. The recent price gains can be viewed as more sustainable since

they are backed by the solid fundamental of low mortgage rates. Rates are not expected to jump dramatically, and therefore, continue to support a high level of demand. As well employment and income growth have been healthy over the past few years and continue to be strong.

No Price Bubble Inflation adjusted average MLS price



Source: CREA average MLS price - LSTREB, / CMHC, CPI deflated, s.a.

2003 from \$142,100 to \$148,400. Indeed another barrier was broken in March with the average MLS residential sales price exceeding \$150,000 for the first time. And when we exclude condominiums from the figures the average sales price stood at \$164,207 in March and just shy of \$160,000 for 1st quarter sales. These prices are up an impressive 13.7% and 8.3%.

CMHC's 2003 Ontario Retirement Homes Report

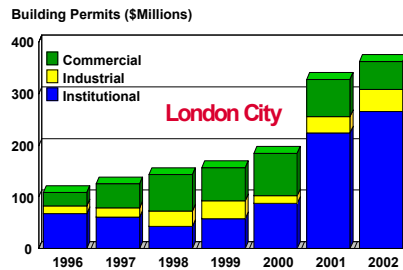
CMHC conducts an annual April survey of vacancies and rates in Ontario's supply of about 36,000 retirement home beds.

In 2002, the Ontario-wide vacancy rate for all bed types was 12.5%, much higher than the 7.8% rate in London-Middlesex. The average per diem for a private bed was \$69 compared to \$72 in London-Middlesex.

What is the current market situation in 2003?

Order your copy of the 2003 Ontario Retirement Homes Report by calling 1-800-493-0059. This comprehensive report will be available in June, either hardcopy or electronic pdf format.

Private and Public Investment Boost the economy

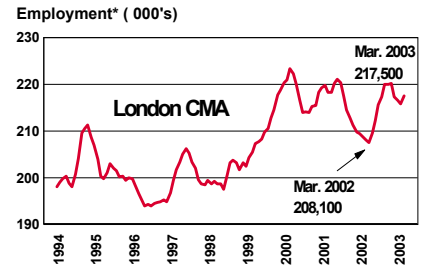


Strong levels of capital investment intentions in 2001 and 2002, especially from the Health care and Education and Research sectors and downtown revitalization developments in London has provided a boost to the London and area economy. Positive direct and indirect impacts will flow to the housing market in 2003-04.

High quality education and health care facilities pay dividends when for example a potential employer in the automotive sector looks to invest. Employers such as Magna in St. Thomas, Cami in Ingersoll (sole supplier of the new Equinox SUV) and recent announcements by parts plants to locate in London, including Intier Automotive, Magee-Reiter, Starlim-Sterner, Brose North America and

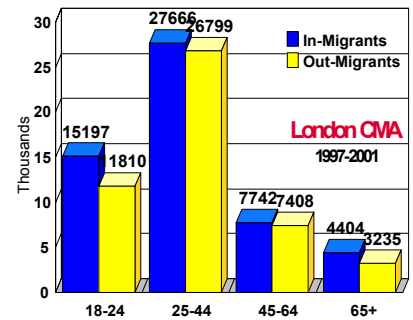
Thyssenkrupp will all have a positive employment multiplier affect on the local economy including demand for housing. These investments will help increase employment in 2003 by 1.6 per cent or 3,500 and encourage net positive migration of households to the London CMA.

First quarter 2003 employment up 9,000 over last year



* seasonally-adjusted 3-month moving avg. ending March, 2003 Source: Statistics Canada

Migration flows impact housing demand



Source: Statistics Canada

Mortgage rates to rise but low by historical standards

Short-term mortgage rates move in tandem with the prime rate while mid and long term mortgage rates vary in response to the cost of raising funds in the bond markets. Mortgage rates are forecast to rise as interest rates head up this year and next. Spreads between mortgage rates and comparable bond yields have remained at 200-250 basis points over the last couple of years, providing lenders with room to negotiate discounts of 50-150 basis points from posted rates. This year, more lenders are offering discounted rates up front. At the end of April, posted rates for closed mortgages ranged from 5.35% for a one-year term to 6.8% for 5-year money. In the 4th quarter, 1, 3 and 5 year rates are expected to be 6.25%, 7.25% and 7.75%.

FORECAST SUMMARY

London and area forecast completed April 30, 2003

RESALE MARKET	2000	2001	2002	2003(f)	Percentage change (%)	
					2002	2003
London & St. Thomas Real Estate Board						
MLS ¹ Sales	6,505	7,307	8,097	7,450	10.8%	-8.0%
MLS Average Price	\$134,594	\$136,636	\$142,106	\$148,400	4.0%	4.4%
MLS New Listings	12,929	12,781	12,283	12,400	-3.9%	1.0%
Sales-to-Listings Ratio	50%	57%	66%	60%		
NEW HOME MARKET						
London census metropolitan area (CMA)						
Starts						
1. Single-detached	1,198	1,317	1,969	1,700	50%	-14%
2. Multi-family	515	290	635	1,070	126%	68%
3. Total Starts [1+2]	1,713	1,607	2,604	2,770	62%	6%
Multi-family by Type						
Semi-detached	10	18	22	20	22%	-9%
Row housing - Owner/Rental	269/54	185/31	286/9	244/36	37%	-5%
Apartment - Rental	182	56	318	770	468%	142%
Average Single-detached Price (Jan.-Mar. 2003)						
Bungalow/Ranch	\$190,761	\$204,555	\$198,643	\$204,524		
Two-storey	\$215,882	\$218,614	\$225,887	\$227,802		
All single-detached units	\$202,054	\$213,315	\$212,835	\$224,652		
New House Price Index	101.5	104.0	107.0	109.8	2.9%	2.6%

RENTAL MARKET

Apartment Vacancy Rate	2.2%	1.6%	2.0%	2.3%		
Average Rent (2 bedroom)	\$657	\$683	\$705	\$725	3.2%	2.8%

ECONOMIC OVERVIEW

Mortgage Rate (1 year term)	7.85	6.14	5.17	5.45		
Mortgage Rate (5 year term)	8.35	7.40	7.02	7.01		
Employed (000's)	218.1	216.0	214.5	218.0	-0.7%	1.6%
Employment Growth (000's)	6.8	-2.1	-1.5	3.5		
Unemployment Rate (%) London /ONT.	6.0 /5.7	6.4 /6.3	7.0 /7.1	6.8 /6.8		

f = CMHC forecast. Consensus mortgage rate forecast January 6, 2003.

Sources: Statistics Canada, London & St. Thomas Real Estate Board, CMHC

1. Multiple Listings Service (MLS) is a registered certification mark own by the Canadian Real Estate Association (CREA)

Forecast Summary is CMHC's outlook for new home construction and sales of existing homes. The semi-annual housing market outlook is released in May and November.

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