# HOUSING NOW

Windsor

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

ISSUE 19
SECOND QUARTER 2003

## Housing starts lose steam

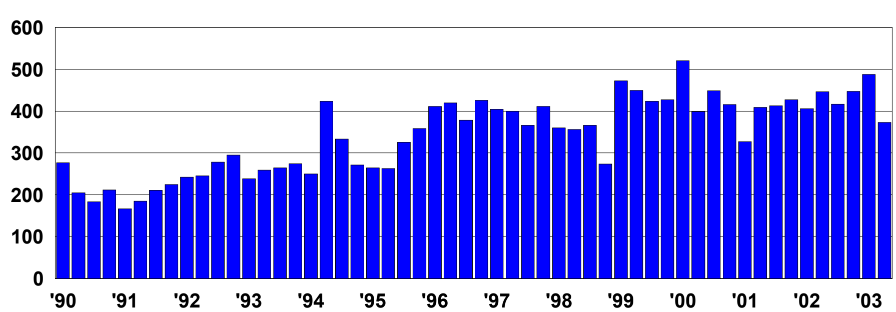
- Single-detached housing starts in the Windsor Census Metropolitan Area (CMA) declined 17 per cent in the second quarter of 2003 to 437 units compared to the same period a year earlier.
- Starts are coming off of record highs level for the past several years. The latest quarter's starts activity, while lower, represents a still healthy new housing market
- Single-detached starts in the City of Windsor fell by 22 per cent to 220 units for second quarter activity. Amherstburg was the only submarket showing an increase in single starts both for the second quarter and the first half of the year.
- Employment levels in the Windsor CMA increased by 2.4 per cent or 3,800 jobs between June 2002 and June 2003. The labour force did not grow as rapidly and as such the unemployment rate dropped from 8.4 per cent one year ago to 6.9 per cent in June 2002.
- Total starts were down 16 per cent on a year-over-year basis during the second quarter in 2003, and 4 per cent for the first six months of the year.
- Demand for new homes has resulted in a dwindling supply of homes completed and available for sale. Only 4 new homes were complete and available for sale in the month of June compared to 14 homes in June 2002.

**IN THIS ISSUE**



- Low borrowing costs have enabled people to buy larger homes. As such the average price of new homes completed and sold in the second quarter rose 7.3 per cent to $206,136 compared to year earlier levels. Price gains were strongest in Amherstburg at 39.2 per cent.
- Consumer confidence remains solid as demand for new homes priced over $250,000 rose to 20.4 per cent of all units completed and absorbed in the second quarter.

### Single-detached starts decline




CMHC, Windsor CMA quarterly starts seasonally adjusted

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# Resale Market

## Demand for resale homes remains healthy in Windsor

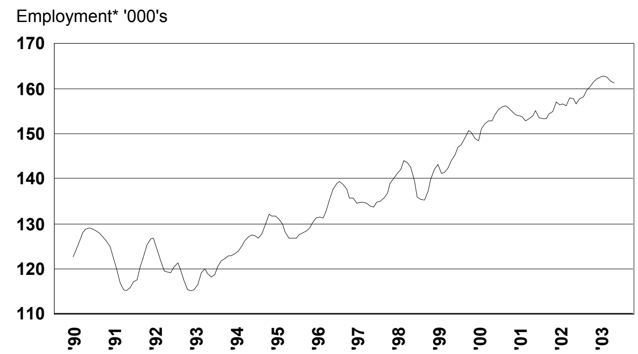
•The pace of sales recovered slightly in the second quarter to be right on par with second quarter 2002 activity at 1,606 homes. Persistant low borrowing rates kept sales bouyant despite global uncertainties.

•An all time high of 594 sales for the month of June contributed to the stellar performance. Second quarter sales were just off the record of 1,618 homes sold in 1994. On a seasonally adjusted basis, quarterly sales increased by 3.4 per cent in Q2 to 1,293 sales, the third consecutive quarterly increase.

•The supply of new listings was also stronger, reaching a 5 year peak and driving the sales to new listings ratio to average 55.4 per cent seasonally adjusted during the second quarter of 2003, down from 62.8 per cent in the second quarter of 2002.

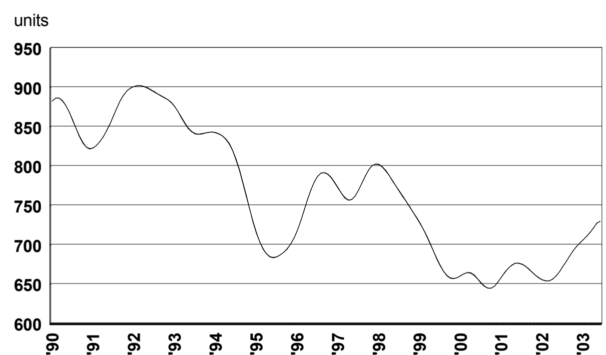
• The overall supply of resale homes has increased as sellers place their homes on the market. Higher resale prices, particularily gains experienced in early 2002, have encouraged additional Winsor homeowners to list. Seasonally adjusted active listings have been rising each quarter since Q2: 2002, culminating in a 20 per cent rise in the second quarter 2003 versus second quarter 2002. Consequently price increases came in at a more subdued 4.2 per cent gain to $153,669 during the second quarter compared to Q2:2002. The increased supply will help lessen the upward pressure on average prices going forward.

### Employment levels in Windsor CMA flatten out



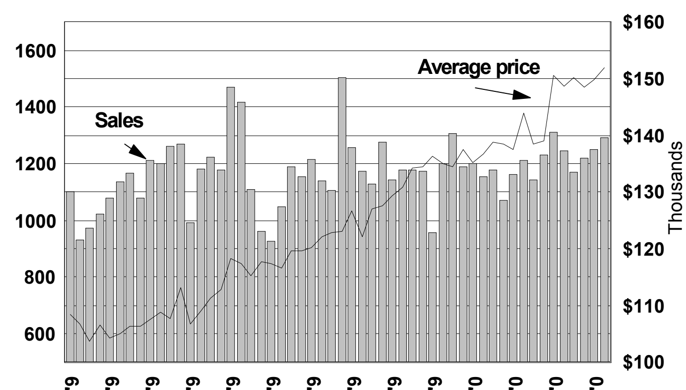

*seasonally-adjusted 3-month moving averages ending June 2003
Source: Statistics Canada

### Supply of new listings continues to climb




Source: WEREB, CMHC -trend line

### MLS sales and average price Windsor-Essex




Source:WEREB, CMHC seasonal adjustment

# TABLE 1 : STARTS BY AREA AND BY INTENDED MARKET
# WINDSOR CENSUS METROPOLITAN AREA (CMA)

| | OWNERSHIP | | | | | | RENTAL | | |
|---|---|---|---|---|---|---|---|---|---|
| | Freehold | | | Condominium | | | Private | | |
| Zone | Single | Semi | Row | Semi | Row | Apt | Row | Apt | TOTAL |
| **Windsor City** | | | | | | | | | |
| Second Quarter 2003 | 220 | 28 | 49 | 0 | 0 | 0 | 0 | 0 | 297 |
| Second Quarter 2002 | 282 | 74 | 30 | 0 | 0 | 0 | 0 | 0 | 386 |
| Jan-June 2003 | 401 | 58 | 107 | 0 | 0 | 0 | 0 | 0 | 566 |
| Jan-June 2002 | 421 | 88 | 37 | 0 | 0 | 44 | 4 | 8 | 602 |
| **LaSalle Town** | | | | | | | | | |
| Second Quarter 2003 | 35 | 10 | 0 | 0 | 0 | 0 | 0 | 0 | 45 |
| Second Quarter 2002 | 43 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 45 |
| Jan-June 2003 | 66 | 16 | 0 | 0 | 0 | 0 | 0 | 0 | 82 |
| Jan-June 2002 | 75 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 81 |
| **Lakeshore Township** | | | | | | | | | |
| Second Quarter 2003 | 107 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 111 |
| Second Quarter 2002 | 120 | 0 | 8 | 0 | 0 | 0 | 0 | 0 | 128 |
| Jan-June 2003 | 190 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 196 |
| Jan-June 2002 | 178 | 4 | 13 | 0 | 0 | 0 | 0 | 0 | 195 |
| **Amherstburg Twp** | | | | | | | | | |
| Second Quarter 2003 | 56 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 56 |
| Second Quarter 2002 | 36 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 36 |
| Jan-June 2003 | 73 | 0 | 7 | 0 | 0 | 0 | 0 | 0 | 80 |
| Jan-June 2002 | 62 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 64 |
| **Essex Town** | | | | | | | | | |
| Second Quarter 2003 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 3 |
| Second Quarter 2002 | 26 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 26 |
| Jan-June 2003 | 5 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 5 |
| Jan-June 2002 | 33 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 33 |
| **Tecumseh Town** | | | | | | | | | |
| Second Quarter 2003 | 16 | 8 | 8 | 0 | 0 | 0 | 0 | 0 | 32 |
| Second Quarter 2002 | 17 | 6 | 0 | 0 | 0 | 0 | 0 | 0 | 23 |
| Jan-June 2003 | 22 | 8 | 8 | 0 | 0 | 0 | 0 | 0 | 38 |
| Jan-June 2002 | 23 | 10 | 0 | 0 | 0 | 0 | 0 | 0 | 33 |
| **WINDSOR CMA** | | | | | | | | | |
| Second Quarter 2003 | 437 | 50 | 57 | 0 | 0 | 0 | 0 | 0 | 544 |
| Second Quarter 2002 | 524 | 82 | 38 | 0 | 0 | 0 | 0 | 0 | 644 |
| Jan-June 2003 | 757 | 88 | 122 | 0 | 0 | 0 | 0 | 0 | 967 |
| Jan-June 2002 | 792 | 110 | 50 | 0 | 0 | 44 | 4 | 8 | 1,008 |

**Note: - Lakeshore Twp includes Belle River Town, Maidstone Twp, and Rochester Twp.**
**- Amherstburg Township includes Anderdon Twp, Amherstburg Town, and Malden Twp.**
**- Essex Town now includes Essex Town and Colchester North Twp**
**- Tecumseh Town includes St. Clair Beach V., Sandwich South Twp, and Tecumseh Town.**

**Source: CMHC Market Analysis - Western Ontario**

# TABLE 2: HOUSING ACTIVITY SUMMARY
# WINDSOR CENSUS METROPOLITAN AREA (CMA)

| Zone | OWNERSHIP | | | | | | RENTAL | | TOTAL |
|---|---|---|---|---|---|---|---|---|---|
| | Freehold | | | Condominium | | | Private | | |
| | Single | Semi | Row | Semi | Row | Apt. | Row | Apt. | |
| **1. STARTS** | | | | | | | | | |
| Second Quarter 2003 | 437 | 50 | 57 | 0 | 0 | 0 | 0 | 0 | 544 |
| Second Quarter 2002 | 524 | 82 | 38 | 0 | 0 | 0 | 0 | 0 | 644 |
| % Change | -16.6 | -39.0 | 50.0 | N/A | N/A | N/A | N/A | N/A | -15.5 |
| Jan-June 2003 | 757 | 88 | 122 | 0 | 0 | 0 | 0 | 0 | 967 |
| Jan-June 2002 | 792 | 110 | 50 | 0 | 0 | 44 | 4 | 8 | 1,008 |
| % Change | -4.4 | -20.0 | 144.0 | N/A | N/A | N/A | N/A | N/A | -4.1 |
| **2. UNDER CONSTRUCTION** | | | | | | | | | |
| June 2003 | 450 | 50 | 115 | 0 | 0 | 124 | 0 | 12 | 751 |
| June 2002 | 530 | 86 | 71 | 0 | 0 | 140 | 4 | 10 | 841 |
| **3. COMPLETIONS** | | | | | | | | | |
| Second Quarter 2003 | 376 | 60 | 31 | 0 | 0 | 0 | 0 | 0 | 467 |
| Second Quarter 2002 | 331 | 48 | 33 | 0 | 11 | 0 | 0 | 26 | 449 |
| % Change | 13.6 | 25.0 | -6.1 | N/A | N/A | N/A | N/A | N/A | 4.0 |
| Jan-June 2003 | 774 | 194 | 95 | 0 | 0 | 39 | 0 | 0 | 1,102 |
| Jan-June 2002 | 744 | 96 | 47 | 0 | 11 | 75 | 0 | 34 | 1,007 |
| % Change | 4.0 | 102.1 | 102.1 | N/A | N/A | -48.0 | N/A | N/A | 9.4 |
| **4. COMPLETED & NOT ABSORBED** | | | | | | | | | |
| June 2003 | 4 | 2 | 7 | 0 | 0 | 0 | 0 | 0 | 13 |
| June 2002 | 14 | 2 | 0 | 0 | 2 | 23 | 0 | 12 | 53 |
| **5. TOTAL SUPPLY: 2. + 4.** | | | | | | | | | |
| June 2003 | 454 | 52 | 122 | 0 | 0 | 124 | 0 | 12 | 764 |
| June 2002 | 544 | 88 | 71 | 0 | 2 | 163 | 4 | 22 | 894 |
| **6. ABSORPTIONS** | | | | | | | | | |
| Second Quarter 2003 | 378 | 62 | 36 | 0 | 0 | 9 | 0 | 0 | 485 |
| Second Quarter 2002 | 766 | 100 | 49 | 0 | 9 | 53 | 0 | 26 | 1,003 |
| June 2003 | 132 | 18 | 23 | 0 | 0 | 0 | 0 | 0 | 173 |
| 3-month Average | 142 | 35 | 16 | 0 | 0 | 22 | 0 | 0 | 215 |
| 12-month Average | 151 | 32 | 15 | 0 | 1 | 17 | 0 | 2 | 218 |

**Source: CMHC Market Analysis - Western Ontario**

## Definitions

**Pending Start:** refers to dwelling units where a building permit has been issued, but construction has not started.

**Start:** generally refers to the stage of construction when the footing has been installed. For multiple dwelling developments, (e.g. row housing) the definition of a start applies to the individual structure or block of units rather than to the project as a whole.

**Under Construction:** those units which have been started but which are not complete.

**Completion:** for single-detached and 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.

**Completed and not absorbed**: all completed units of new construction which have never been occupied, sold or leased.

**Absorption:** the sale or lease of completed units.

# TABLE 3: SINGLE-DETACHED SUPPLY BY AREA
# WINDSOR CENSUS METROPOLITAN AREA (CMA)

| Zone | Complete & Unoccupied | Under Construction | Total Supply |
|---|---|---|---|
| **Windsor City** | | | |
| June 2003 | 4 | 225 | 229 |
| June 2002 | 8 | 285 | 293 |
| **LaSalle Town** | | | |
| June 2003 | 0 | 35 | 35 |
| June 2002 | 2 | 44 | 46 |
| **Lakeshore Township*** | | | |
| June 2003 | 0 | 112 | 112 |
| June 2002 | 1 | 121 | 122 |
| **Rest of CMA** | | | |
| **Amherstburg Twp** | | | |
| June 2003 | 0 | 59 | 59 |
| June 2002 | 3 | 37 | 40 |
| **Essex Town** | | | |
| June 2003 | 0 | 4 | 4 |
| June 2002 | 0 | 26 | 26 |
| **Tecumseh Town** | | | |
| June 2003 | 0 | 15 | 15 |
| June 2002 | 0 | 17 | 17 |
| **WINDSOR CMA** | | | |
| June 2003 | **4** | **450** | **454** |
| June 2002 | **14** | **530** | **544** |

**Note: - Lakeshore Twp includes Belle River Town, Maidstone Twp, and Rochester Twp.**
**- Amherstburg Township includes Anderdon Twp, Amherstburg Town, and Malden Twp.**
**- Essex Town now includes Essex Town and Colchester North Twp**
**- Tecumseh Town includes St. Clair Beach V., Sandwich South Twp, and Tecumseh Town.**

**Source: CMHC Market Analysis - Western Ontario**

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*Margot Stevenson (519) 873-2407*

# TABLE 4: SINGLE-DETACHED NEW HOME SALES (COMPLETED AND SOLD) BY PRICE RANGE WINDSOR CENSUS METROPOLITAN AREA (CMA)

| Zone | Under $150,000 | $150,000 $174,999 | $175,000 $219,999 | $220,000 $249,999 | $250,000+ | Total |
|---|---|---|---|---|---|---|
| **Windsor City** | | | | | | |
| 2003 Second Quarter | 18 | 116 | 45 | 5 | 23 | 207 |
| Share (%) | 8.7 | 56.0 | 21.7 | 2.4 | 11.1 | 100.0 |
| 2002 Second Quarter | 56 | 104 | 25 | 5 | 35 | 225 |
| Share (%) | 24.9 | 46.2 | 11.1 | 2.2 | 15.6 | 100.0 |
| **LaSalle Town** | | | | | | |
| 2003 Second Quarter | 1 | 19 | 6 | 4 | 14 | 44 |
| Share (%) | 2.3 | 43.2 | 13.6 | 9.1 | 31.8 | 100.0 |
| 2002 Second Quarter | 12 | 6 | 9 | 0 | 5 | 32 |
| Share (%) | 37.5 | 18.8 | 28.1 | 0.0 | 15.6 | 100.0 |
| **Lakeshore Township** | | | | | | |
| 2003 Second Quarter | 2 | 28 | 28 | 6 | 29 | 93 |
| Share (%) | 2.2 | 30.1 | 30.1 | 6.5 | 31.2 | 100.0 |
| 2002 Second Quarter | 8 | 23 | 11 | 2 | 14 | 58 |
| Share (%) | 13.8 | 39.7 | 19.0 | 3.4 | 24.1 | 100.0 |
| **Amherstburg Twp** | | | | | | |
| 2003 Second Quarter | 2 | 3 | 11 | 0 | 8 | 24 |
| Share (%) | 8.3 | 12.5 | 45.8 | 0.0 | 33.3 | 100.0 |
| 2002 Second Quarter | 7 | 6 | 7 | 1 | 2 | 23 |
| Share (%) | 30.4 | 26.1 | 30.4 | 4.3 | 8.7 | 100.0 |
| **Essex Town** | | | | | | |
| 2003 Second Quarter | 0 | 0 | 2 | 0 | 0 | 2 |
| Share (%) | 0.0 | 0.0 | 100.0 | 0.0 | 0.0 | 100.0 |
| 2002 Second Quarter | 4 | 2 | 2 | 0 | 1 | 9 |
| Share (%) | 44.4 | 22.2 | 22.2 | 0.0 | 11.1 | 100.0 |
| **Tecumseh Town** | | | | | | |
| 2003 Second Quarter | 0 | 4 | 1 | 0 | 3 | 8 |
| Share (%) | 0.0 | 50.0 | 12.5 | 0.0 | 37.5 | 100.0 |
| 2002 Second Quarter | 0 | 3 | 2 | 0 | 2 | 7 |
| Share (%) | 0.0 | 42.9 | 28.6 | 0.0 | 28.6 | 100.0 |
| **WINDSOR CMA** | | | | | | |
| 2003 Second Quarter | 23 | 170 | 93 | 15 | 77 | 378 |
| Share (%) | 6.1 | 45.0 | 24.6 | 4.0 | 20.4 | 100.0 |
| 2002 Second Quarter | 87 | 144 | 56 | 8 | 59 | 354 |
| Share (%) | 24.6 | 40.7 | 15.8 | 2.3 | 16.7 | 100.0 |

**Note:** - Lakeshore Twp includes Belle River Town, Maidstone Twp, and Rochester Twp.
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- Tecumseh Twp includes St. Clair Beach V., Sandwich South Twp, and Tecumseh Town.

**Source: CMHC Market Analysis - Western Ontario**

# TABLE 5: AVERAGE NEW SINGLE-DETACHED SALE PRICE WINDSOR CENSUS METROPOLITAN AREA (CMA)

| Zone | 2003 Second Quarter | 2002 Second Quarter | Per Cent Change |
|---|---|---|---|
| Windsor City | $186,870 | $188,930 | -1.1 |
| LaSalle Town | $238,111 | $191,526 | 24.3 |
| Lakeshore Township | $223,673 | $211,054 | 6.0 |
| Amherstburg Township | $249,734 | $179,413 | 39.2 |
| Essex Town | $194,652 | $169,219 | 15.0 |
| Tecumseh Town | $197,013 | $208,314 | -5.4 |
| **WINDSOR CMA** | **$206,136** | **$192,054** | **7.3** |

**Note: - Lakeshore Twp includes Belle River Town, Maidstone Twp, and Rochester Twp.**
**- Amherstburg Township includes Anderdon Twp, Amherstburg Town, and Malden Twp.**
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**- Tecumseh Twp includes St. Clair Beach V., Sandwich South Twp, and Tecumseh Town.**

**Source: CMHC Market Analysis - Western Ontario**

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# TABLE 6: MLS* RESALE ACTIVITY - ACTUAL AND SEASONALLY ADJUSTED (SA)

| Month | Number of Sales | % Change | Sales SA | New Listings | 2002<br>SA New Listings | SA Sales/SA New Listings | Active Listings | SA Active Listings | Average Price |
|---|---|---|---|---|---|---|---|---|---|
| January | 357 | 12.6% | 480 | 815 | 770 | 62.1% | 2,005 | 2,250 | $146,385 |
| February | 420 | 14.1% | 460 | 669 | 670 | 68.5% | 2,166 | 2,240 | $144,650 |
| March | 449 | 0.9% | 420 | 692 | 630 | 66.1% | 2,095 | 2,120 | $149,280 |
| April | 551 | 11.5% | 470 | 860 | 740 | 64.4% | 2,153 | 2,030 | $148,322 |
| May | 562 | -1.4% | 450 | 868 | 720 | 62.2% | 2,278 | 2,060 | $147,394 |
| June | 493 | -2.2% | 420 | 737 | 680 | 61.7% | 2,092 | 1,920 | $146,858 |
| July | 449 | 3.9% | 430 | 760 | 740 | 58.7% | 2,213 | 2,060 | $144,374 |
| August | 486 | 2.1% | 430 | 800 | 770 | 55.4% | 2,184 | 2,110 | $152,622 |
| September | 417 | 1.7% | 420 | 680 | 740 | 56.8% | 2,171 | 2,160 | $148,685 |
| October | 414 | 7.5% | 460 | 774 | 800 | 57.4% | 2,228 | 2,250 | $148,873 |
| November | 380 | -5.5% | 420 | 660 | 760 | 55.6% | 2,336 | 2,300 | $143,771 |
| December | 287 | -11.4% | 420 | 442 | 800 | 52.4% | 1,864 | 2,370 | $142,276 |
| | | | | | | | | | |
| 1st Quarter | 1,226 | 8.5% | | | | | | | $146,851 |
| 2nd Quarter | 1,606 | 2.4% | | | | | | | $147,548 |
| 3rd Quarter | 1,352 | 2.6% | | | | | | | $148,669 |
| 4th Quarter | 1,081 | -2.7% | | | | | | | $145,328 |
| **Total 2002** | **5,265** | **2.7%** | | | | | | | **$147,218** |

| Month | Number of Sales | % Change | Sales SA | New Listings | 2003<br>SA New Listings | SA Sales/SA New Listing | Active Listings | SA Active Listings | Average Price |
|---|---|---|---|---|---|---|---|---|---|
| January | 322 | -9.8% | 430 | 732 | 690 | 62.0% | 2,080 | 2,330 | $146,586 |
| February | 400 | -4.8% | 440 | 765 | 760 | 57.2% | 2,312 | 2,390 | $146,994 |
| March | 468 | 4.2% | 440 | 818 | 750 | 58.3% | 2,332 | 2,370 | $143,577 |
| April | 491 | -10.9% | 420 | 882 | 760 | 55.4% | 2,590 | 2,450 | $146,038 |
| May | 521 | -7.3% | 420 | 984 | 810 | 51.1% | 2,718 | 2,460 | $156,869 |
| June | 594 | 20.5% | 510 | 915 | 850 | 59.8% | 2,514 | 2,310 | $157,250 |
| | | | | | | | | | |
| 1st Quarter | 1,190 | -2.9% | | | | | | | $145,540 |
| 2nd Quarter | 1,606 | 0.0% | | | | | | | $153,699 |
| 1st Half | 2,796 | -1.3% | | | | | | | $150,226 |

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