HOUSING NOW Gatineau

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

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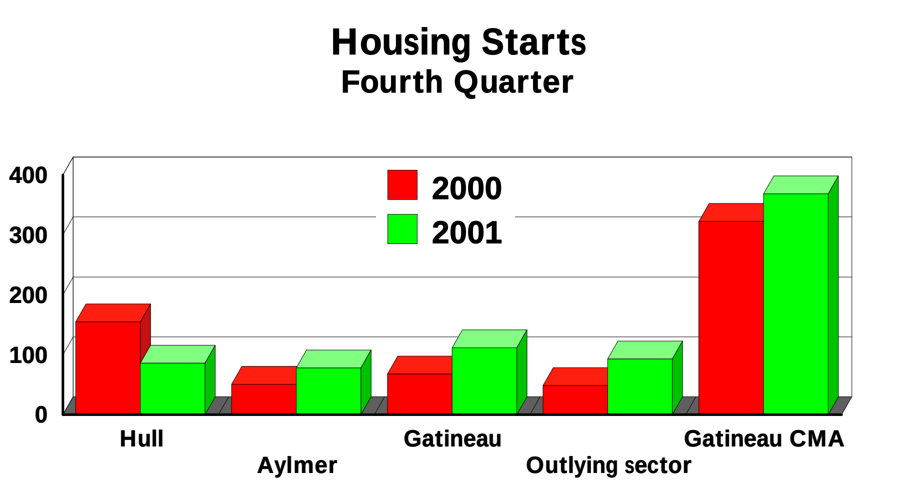
Rather successful year for residential construction in the Outaouais in 2001

New home market booming

Residential construction in the Gatineau census metropolitan area (CMA) posted remarkable results again this year. In the fourth quarter, 369 dwellings were built, for an increase of 14 per cent over the last quarter of 2000. The year 2001 therefore finished with a total of 1,659 starts, which represents an improvement of 36 per cent over the total for 2000.

The year that just ended was one marked by intense activity for builders in the Outaouais. In fact, new houses or apartments were added in every sector of the new city of Gatineau. As in the past, however, single-family houses remained the favoured housing type, with a still-growing market share, which has now reached 66 per cent (63 per cent in 2000).



Source: CMHC

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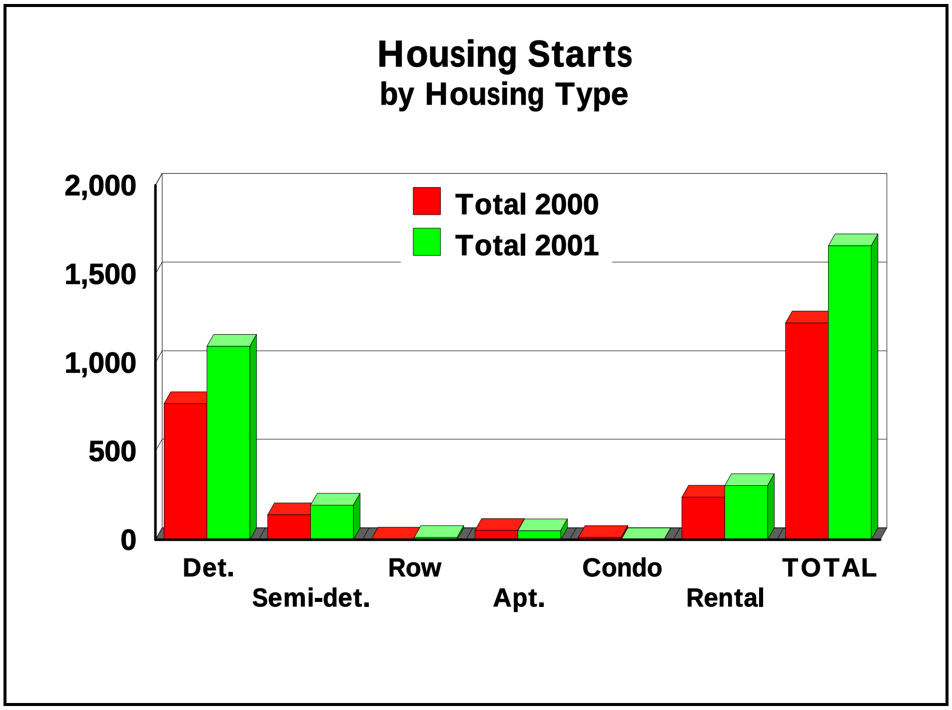
No break for builders in Gatineau

Even if the entire Outaouais area posted conditions that were conducive to the construction of new homes, certain municipalities did relatively better. In fact, the best performance on the new home market was registered in Gatineau, which garnered 40 per cent of the 1,659 housing units started in the Outaouais last year.

While this sector generally posts the largest number of single-family home starts, it was the construction of rental housing units for seniors that enabled Gatineau to manage so well in 2001. More specifically, single- family home starts went up by 34 per cent there, while the number of new apartments (188) was five times greater than last year's level (36).

The other zones in the CMA were not left out, though. Aylmer, despite a relatively smaller number of starts than Gatineau, posted the strongest growth. In all, 285 homes were started there in 2001, for a gain of 47 per cent over the results recorded in 2000.

In Hull, 2001 ended with a small decrease, essentially due to the lack of condominiums (14 in 2000) and the slowdown in apartment construction. It should be noted, however, that single-family home building showed a very respectable result, with 228 such new houses, or 34 per cent more than in 2000.



Resale market almost out of listings

On the resale market, there is practically talk of a shortage of listings, a situation that will surely not cause any displeasure to home builders. In fact, the more limited the choice on the existing home market, the greater the chances that potential buyers will turn to new housing.

In 2001, over 4,000 properties reportedly changed hands on this market. This level corresponds to an increase of 31 per cent over the year 2000, which was also very active.

This increase in sales somewhat depleted the pool of active listings. As a result, 2001 ended with a drop of 33 per cent in the number of listings. Few homes arrived on this market, and new listings fell by 7 per cent.

With a seller-to-buyer ratio that continued to fall (5.8 to 1 in December 2001, compared to 11 to 1 in December 2000), the market got tighter and gave the edge to sellers. In 2001, prices rose by over 12 per cent and, at the end of the year, the average price stood at $115,000 for the overall market. Considering that an investment of about $140,000 is needed to buy a new detached or semi-detached house, it is logical to think that many buyers will increasingly turn to the new home market.

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Table 1
Summary of Activity by Intended Market
Gatineau Metropolitan Area

Activity / Period	*Ownership*			
	Freehold	*Condominiums*	*Rental*	*Total*
Housing Starts				
Fourth Quarter 2001	349	0	20	369
Fourth Quarter 2000	216	0	107	323
Year-to-Date 2001 (Jan.-Dec.)	1,353	0	306	1,659
Year-to-Date 2000 (Jan.-Dec.)	968	14	242	1,224
Under Construction				
December 2001	627	0	289	916
December 2000	316	0	167	483
Completions				
Fourth Quarter 2001	340	0	20	360
Fourth Quarter 2000	290	14	36	340
Year-to-Date 2001	1,039	0	184	1,223
Year-to-Date 2000	851	63	220	1,134
Unoccupied				
December 2001	87	0	4	91
December 2000	117	25	6	148
Absorptions				
Fourth Quarter 2001	336	0	17	353
Fourth Quarter 2000	295	18	36	349
Year-to-Date 2001	1,068	25	186	1,279
Year-to-Date 2000	866	41	230	1,137
Duration of Inventory (in months)				
December 2001	1.0	0.0	0.3	0.9
December 2000	1.6	7.4	0.3	1.6

Source: CMHC

** Freehold Duplex*

Table 2
Housing Starts by Zone and Intended Market
Gatineaul Metropolitan Area

Zone / Period	*Ownership*					*Rental*	*Total*
	Freehold				*Condo-miniums*		
	Single	*Semi*	*Row*	*Apart.*			
Zone 1: Hull							
Fourth Quarter 2001	50	10	5	7	0	14	86
Fourth Quarter 2000	40	18	0	0	0	97	155
Year-to-Date 2001	228	42	5	23	0	104	402
Year-to-Date 2000	170	54	4	34	14	187	463
Zone 2: Aylmer							
Fourth Quarter 2001	60	12	0	6	0	0	78
Fourth Quarter 2000	43	8	0	0	0	0	51
Year-to-Date 2001	213	56	8	6	0	2	285
Year-to-Date 2000	125	30	0	2	0	12	169
Zone 3: Gatineau							
Fourth Quarter 2001	92	12	0	8	0	0	112
Fourth Quarter 2000	56	2	0	0	0	10	68
Year-to-Date 2001	380	58	0	8	0	188	634
Year-to-Date 2000	286	20	0	10	0	43	359
Zone 4: Periphery							
Fourth Quarter 2001	73	6	0	8	0	6	93
Fourth Quarter 2000	41	8	0	0	0	0	49
Year-to-Date 2001	272	40	0	14	0	12	338
Year-to-Date 2000	187	38	0	8	0	0	233
TOTAL GATINEAU METRO							
Fourth Quarter 2001	275	40	5	29	0	20	369
Fourth Quarter 2000	180	36	0	0	0	107	323
Year-to-Date 2001	1,093	196	13	51	0	306	1,659
Year-to-Date 2000	768	142	4	54	14	242	1,224

Source: CMHC

Table 3
Single-Detached and Semi-Detached Houses Absorbed by Price Range and by Zone
Gatineau Metropolitan Area - Fourth Quarter

Type	Less than $90,000		$90,000 to $109,999		$110,000 to $129,999		$130,000 to $149,999		$150,000 and more		Total	
	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000	2001	2000
Zone 1: Hull												
Single	0	3	2	17	11	13	22	2	19	15	54	50
Semi	0	8	2	6	0	3	0	0	0	0	2	17
Zone 2: Aylmer												
Single	0	2	3	6	6	5	13	19	23	14	45	46
Semi	1	0	4	0	5	2	0	5	0	0	10	7
Zone 3: Gatineau												
Single	0	9	14	21	42	29	24	23	42	18	122	100
Semi	0	1	4	1	2	2	0	0	0	0	6	4
Zone 4: Periphery												
Single	6	8	19	10	14	3	15	3	35	6	89	30
Semi	3	8	0	3	0	0	0	0	0	0	3	11
TOTAL GATINEAU METRO												
Single	6	22	38	54	73	50	74	47	119	53	310	226
Semi	4	17	10	10	7	7	0	5	0	0	21	39

Source: CMHC

Please take note that the document

Forecast summary

usually included each year with the 2nd and 4th Quarters of the **Housing Now** reports,
will be send in the future with the 1st and 3rd Quarters.

For any question, please contact our

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Table 4
Housing Demand and Supply
Gatineau Metropolitan Area - December 2001

Type	Under construction	Unoccupied	Short-Term Supply	Absorptions (Trend*)	Supply / Absorption Ratio
Freehold	627	87	714	89	8.0
Condominiums	0	0	0	2	0.0
Rental	289	4	293	16	18.9

Source: CMHC

* 12-Month Average

Table 5
Economic Overview
Gatineau Metropolitan Area

	Fourth Quarter		Trend (Jan.-Dec.)		Variation (%)
	2000	2001	2000	2001	Trend
Labour Market					
Population 15 years and + (000)	204.6	207.8	203.9	206.6	1.3
Labor Force (000)	142.2	144.2	142.2	144.4	1.6
Employment Level - Total (000)	133.9	135.0	133.8	134.2	0.3
Employment Level - Full Time (000)	113.1	114.6	115.9	113.2	(2.4)
Unemployment Rate	5.8	6.4	5.9	7.1	n.a.
Mortgage Rates (1) (%)					
1-Year	7.8	4.7	7.9	6.1	n.a.
5-Year	8.2	6.9	8.4	7.4	n.a.
Annual Inflation Rate (2)	2.6	1.3	2.4	2.4	n.a.
Consumer Confidence Index (1991=100) (2) (Seasonally Adjusted)	113.1	110.5	118.2	114.4	n.a.

Notes: (1) Canada (2) Province of Québec.

Sources: Statistics Canada, Conference Board of Canada.

Definitions and concepts

Canada Mortgage and Housing Corporation (CMHC) conducts a monthly survey called ``Survey on Housing Starts, Completion and Absorption`` for all the urban areas in Canada with a population of 10,000 residents or more. This quarterly Housing Market publication provides statistical data and analysis of the trends in the Intended Markets for the Hull Metropolitan Area.

Intended Markets - There are three: the Freehold market refers to Single-Family Houses (Detached, Semi-Detached 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 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).

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Gatineau Metropolitan Area Zones

Zones	*Municipalities or Sectors*	*Large zones*
1	Hull	Centre
2	Aylmer	Centre
3	Gatineau	Centre
4	Buckingham, Cantley, Chelsea, La Pêche, Masson-Angers, Pontiac, Val-des-Monts.	Peripheral Area

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