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Montréal

Canada Mortgage and Housing Corporation

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GREY MONTH OF APRIL ON JOB SITES

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The number of housing starts declined by 9 per cent in April in the Montréal census metropolitan area (CMA). According to the latest surveys conducted by Canada Mortgage and Housing Corporation, foundations were laid for a total of 3,394 new dwellings in April, or 319 fewer units than at the same time last year.

The grey skies over job sites extended to almost all housing types and sectors. In fact, freehold and condominium home construction registered a decrease of about 26 per cent in April 2005, in relation to the fourth month of 2004, while rental housing starts jumped up by 76 per cent. As well, the Island of Montréal, South Crown and Vaudreuil-Soulanges geographical sectors also faced declines ranging from 30 per cent to 38 per cent. The exception was the North Crown, which posted a gain of 39 per cent, with a total of 1,845 starts enumerated in April.

Freehold dwellings, which include single-detached, semi-detached and row homes, sustained a sixth consecutive monthly decrease in

activity. Freehold homes well reflect the underlying trend on the market. With mortgage rates having stabilized and price increases remaining above inflation, homes have become less affordable. This trend is well under way, and it is affecting all zones, without exception. As well, given the new rise in listings on the resale market, the choice is growing for households seeking a home. They therefore have a greater chance of finding an existing house that meets their criteria, which reduces demand for new dwellings.

Spring has been sunnier on multiple housing job sites (rental and condominium starts). In Laval, construction on two retirement homes, with a total 492 units, got under way in April, which drove up the number of rental housing starts to 1,124 units. This was the second highest monthly level in over 15 years in the Montréal CMA. The strong demand for retirement housing and the low rental unit vacancy rates account for the continued vigorous activity in the rental housing construction sector.

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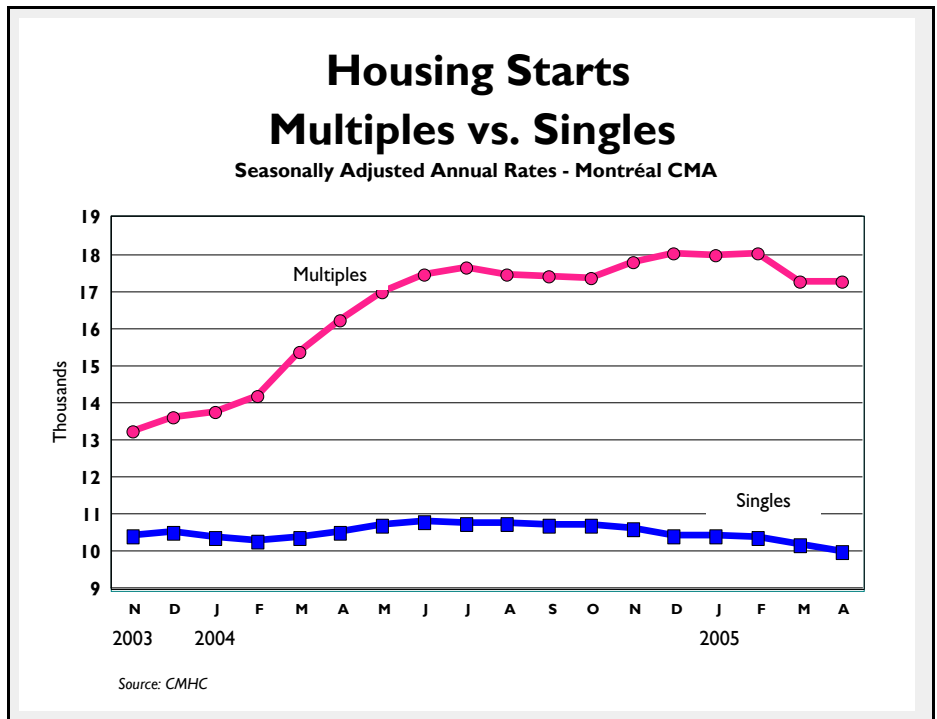
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The sunny breaks also extended to the condominium market, where gains were noted in the North Crown (+75 per cent) and Vaudreuil-Soulanges (+18 per cent). However, on the Island of Montréal, the stronghold of condominium construction, starts fell by 52 per cent to 418 units. The major drop registered in the central zone of the Montréal CMA and a decrease of 14 per cent in the South Crown accounted for the significant decline observed on the overall territory.

In the Montréal CMA, the results for the first four months reached 7,810 new units, down by 15 per cent. Housing starts were clearly on a downward course on the Island of Montréal (-34 per cent), in the South Crown (-32 per cent) and also in Vaudreuil-Soulanges (-28 per cent). In the North Crown, residential construction was up by 14 per cent from January to April. However, this trend did not extend to all sub-sectors. Saint-Jérôme stood out with the largest decline in Greater Montréal (-48 per cent), while Laval (+37 per cent) and the North Shore (+14 per cent) showed the only gains for the start of this year. ■



Major Housing Job Sites Started in April

The following are the major multiple housing job sites started in April 2005 in Greater Montréal, along with the intended market segment announced for the projects at the time they got under way:

<u>Number of units</u>	<u>Street</u>	<u>Sector</u>	<u>Intended segment</u>
271	Chomedey	Laval (Chomedey)	Retirement Home
221	Sainte-Rose	Laval (Sainte-Rose)	Retirement Home
157	Viau	Montréal (St-Léonard)	Public Ret. Home
127	Williams	Montréal (Centre)	Condominiums
103	Rudolphe Forget	Montréal (RDP)	Public Ret. Home
81	St-Eustache	St-Eustache	Retirement Home
49	Henri-Bourassa	Montréal (Saraguay)	Condominiums
48	Galleries D'Anjou	Montréal (Anjou)	Condominiums
40	Corbusier	Laval-des-Rapides	Condominiums
35	Van Horne	Montréal (Outremont)	Condominiums
29	Notre-Dame	Montréal (Ctre-ouest)	Condominiums
29	Louis Quilico	Montréal (St-Léonard)	Condominiums
23	St-Martin	Laval (Chomedey)	Retirement Home

THE RETIREMENT HOME MARKET STUDY

CMHC's Quebec Market Analysis Center publishes annual surveys of all private retirement homes in the province's six census metropolitan areas: **Montreal, Quebec, Gatineau, Sherbrooke, Trois-Rivières** and **Saguenay**.

To obtain them, please contact our Customer Service by phone at
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Table I
Summary of Activity by Intended Market
Montréal Metropolitan Area

<i>Activity / Period</i>	<i>Freehold (Single-Family)</i>	<i>Condominium</i>	<i>Rental</i>	<i>Total</i>
Housing Starts				
April 2005	1,386	884	1,124	3,394
April 2004	1,873	1,200	640	3,713
Cumulative 2005	3,342	2,361	2,107	7,810
Cumulative 2004	4,216	3,170	1,819	9,205
Under Construction*				
April 2005	4,903	8,025	6,129	19,057
April 2004	5,781	7,706	4,622	18,109
Completions				
April 2005	781	811	833	2,425
April 2004	749	343	311	1,403
Cumulative 2005	2,800	1,814	1,949	6,563
Cumulative 2004	2,627	1,283	1,279	5,189
Unoccupied*				
April 2005	561	1,681	1,268	3,510
April 2004	722	909	582	2,213
Absorption				
April 2005	735	653	533	1,921
April 2004	685	262	269	1,216
Cumulative 2005	3,001	1,849	1,301	6,151
Cumulative 2004	2,512	1,204	1,180	4,896
Duration of Inventory (in months)				
April 2005	0.5	2.6	3.2	1.7
April 2004	0.8	1.9	2.1	1.3

* As at the end of the period shown

Source: CMHC

New this year:

The CMHC publication **Housing Market Outlook** is now available for each of the 6 census metropolitan areas of Québec. (Montréal, Québec, Gatineau, Sherbrooke, Trois-Rivières and Saguenay).

This report will give you a complete overview of CMHC forecasts, with particular emphasis on the economy, mortgage rates, sales forecasts, housing starts, average prices of new and existing homes, as well as vacancy rates and average rents.

An indispensable source of information to keep you updated.

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

<i>Zone / Period</i>	<i>Freehold (Single-Family)</i>	<i>Condominium</i>	<i>Rental</i>	<i>Total</i>
Zone 1: West Island				
April 2005	13	0	10	23
April 2004	75	67	32	174
Cumulative 2005	51	86	150	287
Cumulative 2004	118	167	205	490
Zone 2: West-Centre				
April 2005	5	92	95	192
April 2004	13	142	185	340
Cumulative 2005	16	411	447	874
Cumulative 2004	37	810	428	1,275
Zone 3: East-Center				
April 2005	11	278	197	486
April 2004	10	653	26	689
Cumulative 2005	23	565	375	963
Cumulative 2004	17	1,009	412	1,438
Zone 4: East-End				
April 2005	35	48	119	202
April 2004	41	9	198	248
Cumulative 2005	61	69	127	257
Cumulative 2004	80	69	259	408
Zone 5: South-Laval				
April 2005	39	94	294	427
April 2004	49	68	0	117
Cumulative 2005	64	296	294	654
Cumulative 2004	164	154	0	318
Zone 6: North-Laval				
April 2005	153	78	228	459
April 2004	217	43	2	262
Cumulative 2005	352	137	243	732
Cumulative 2004	509	178	4	691
Zone 7: MRC Deux-Montagnes				
April 2005	162	12	84	258
April 2004	193	12	34	239
Cumulative 2005	471	71	130	672
Cumulative 2004	437	75	43	555
Zone 8: MRC Ste-Thérèse-de-Blainville				
April 2005	94	18	6	118
April 2004	142	0	12	154
Cumulative 2005	244	140	62	446
Cumulative 2004	318	36	24	378

Table 2 (Cont'd)
Housing Starts by Zone and by Intended Market
Montréal Metropolitan Area

<i>Zone / Period</i>	<i>Freehold (Single-Family)</i>	<i>Condominium</i>	<i>Rental</i>	<i>Total</i>
Zone 9: MRC des Moulins				
April 2005	192	60	24	276
April 2004	267	12	23	302
Cumulative 2005	502	147	66	715
Cumulative 2004	667	81	44	792
Zone 10: MRC L'Assomption				
April 2005	139	68	24	231
April 2004	105	21	3	129
Cumulative 2005	337	89	117	543
Cumulative 2004	295	45	6	346
Zone 11: South-Shore Centre				
April 2005	69	55	0	124
April 2004	112	47	96	255
Cumulative 2005	145	165	20	330
Cumulative 2004	235	181	170	586
Zone 12: East South-Shore				
April 2005	85	6	18	109
April 2004	129	30	16	175
Cumulative 2005	188	18	21	227
Cumulative 2004	269	85	78	432
Zone 13: South South-Shore				
April 2005	103	12	18	133
April 2004	100	0	6	106
Cumulative 2005	189	48	18	255
Cumulative 2004	192	20	20	232
Zone 14: West South-Shore				
April 2005	133	21	7	161
April 2004	177	32	3	212
Cumulative 2005	261	43	25	329
Cumulative 2004	303	103	27	433
Zone 15: Vaudreuil-Soulanges *				
April 2005	93	26	0	119
April 2004	164	22	0	186
Cumulative 2005	294	44	0	338
Cumulative 2004	402	67	0	469
Zone 16: St-Jérôme				
April 2005	60	16	0	76
April 2004	79	42	4	125
Cumulative 2005	144	32	12	188
Cumulative 2004	173	90	99	362

Source: CMHC

* Including only municipalities in the delimitations of Montreal metropolitan area.

Table 3**Summary of Activity by Large Zone and by Intended Market
Montréal Metropolitan Area**

Activity / Zone	Freehold (Single-Family)		Condominium		Rental	
	April 2005	April 2004	April 2005	April 2004	April 2005	April 2004
Housing Starts						
Island of Montréal (1 to 4)	64	139	418	871	421	441
Laval (zones 5 and 6)	192	266	172	111	522	2
North-Shore (zones 7 to 10 & 16)	647	786	174	87	138	76
South-Shore (zones 11 to 14)	390	518	94	109	43	121
Vaudreuil-Soul. *** (zone 15)	93	164	26	22	0	0
Under Construction*						
Island of Montréal	437	541	4,904	5,031	4,441	2,697
Laval	751	938	925	565	551	188
North-Shore	2,106	2,399	1,026	805	778	778
South-Shore	1,135	1,342	992	1,160	288	885
Vaudreuil-Soulanges ***	474	561	178	145	71	74
Completions						
Island of Montréal	40	40	463	128	415	71
Laval	129	105	109	85	0	8
North-Shore	345	312	119	69	265	33
South-Shore	193	207	104	53	153	199
Vaudreuil-Soulanges ***	74	85	16	8	0	0
Unoccupied*						
Island of Montréal	65	84	974	389	570	264
Laval	64	131	209	181	89	8
Rive- Nord	220	312	213	152	363	35
South-Shore	136	145	243	183	245	275
Vaudreuil-Soulanges ***	76	50	42	4	1	0
Absorption						
Island of Montréal	36	47	392	91	334	152
Laval	118	82	62	38	22	14
North-Shore	319	278	82	63	109	39
South-Shore	190	195	109	64	68	62
Vaudreuil-Soulanges ***	72	83	8	6	0	2
Duration of Inventory**						
Island of Montréal	0.9	1.0	2.9	1.8	3.0	1.9
Laval	0.4	1.0	2.8	3.0	7.2	0.5
North-Shore	0.5	0.8	2.3	2.0	4.1	0.7
South-Shore	0.5	0.6	1.7	1.7	2.4	4.1
Vaudreuil-Soulanges ***	0.8	0.5	4.0	0.9	0.2	0.0

Source: CMHC

* As at the end of the period shown

** Trend (in months)

*** Including only municipalities in the delimitations of Montreal metropolitan area

Table 4				
Housing Supply				
Montréal Metropolitan Area				
<i>Intended Market</i>	<i>Under Construction</i>	<i>Units Unoccupied</i>	<i>Short-Term Supply</i>	<i>Monthly Absorption</i>
	April 2005			Trend 2005
Freehold	4,903	561	5,464	1,028
Condominium	8,025	1,681	9,706	657
Rental	6,129	1,268	7,397	399
	April 2004			Trend 2004
Freehold	5,781	722	6,503	963
Condominium	7,706	909	8,615	472
Rental	4,622	582	5,204	279

Source: CMHC

Table 5												
Economic Overview												
Montréal Metropolitan Area												
	2005				2004		2004				2003	
	<i>April</i>	<i>March</i>	<i>Feb.</i>	<i>Jan.</i>	<i>Dec.</i>	<i>Nov.</i>	<i>April</i>	<i>March</i>	<i>Feb.</i>	<i>Jan.</i>	<i>Dec.</i>	<i>Nov.</i>
Labour Market*												
Job Creation (Loss) - in thousands	15	28	16	4	-7	-2	40	21	14	23	33	43
Unemployment Rate (%)	8.3	8.5	8.6	8.9	8.8	8.7	8.7	9.0	8.9	8.9	8.7	8.7
Mortgage Rates (1)												
1-year	4.9	5.1	4.8	4.8	4.8	5.0	4.5	4.3	4.3	4.3	4.8	4.8
5-year	6.0	6.3	6.1	6.1	6.1	6.3	6.2	5.7	5.8	6.1	6.5	6.5
Annual Inflation Rate (%)	2.3	2.4	1.8	1.9	2.4	2.6	1.5	0.7	0.7	1.4	1.4	1.4
New House Price Index (% change)												
House	NA	6.6	6.4	6.7	6.6	6.8	7.1	6.1	4.3	5.2	6.0	5.8
Land	NA	6.0	6.0	6.1	6.0	6.4	5.7	6.2	5.9	5.7	6.8	6.4
Total	NA	6.4	6.3	6.5	6.3	6.6	6.9	6.1	4.7	5.3	6.2	6.0
MLS Sales - Single-Family Houses	2,651	2,835	2,302	1,422	1,310	1,887	2,581	3,009	2,357	1,547	1,374	1,772

* Three-month average

Sources: Statistics Canada, Conference Board of Canada, GMREB

Definitions and Concepts

Intended Markets	The freehold market refers to single-family houses (detached, semi-detached and row) owned under freehold tenure; the condominium segment comprises houses and apartments held under divided co-ownership; and finally, the rental market encompasses apartment dwellings.
Housing Starts	Refer to the beginning of construction work on a building, usually when the concrete has been poured for the entire footing around the structure, or at an equivalent stage where a basement will not be a part of the structure.
Under Construction	Units started but not completed. The number of units under construction at the end of a period may take into account certain adjustments that took place, for various reasons, after the starts were reported.
Completions	Refer to units where all the proposed construction work has been performed or, in some cases, where ninety percent of all the construction work has been completed and the structure is fit for occupancy.
Unoccupied	Refer to new completed units that have remained unoccupied.
Absorptions	Newly completed units 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 month plus the completions for the current month minus the completed and unoccupied units for the current month.
Duration of Inventory	Refer to the period necessary for the absorption of the unoccupied units, that is, the ratio between unoccupied units and absorbed units (average for the last 12 months). This figure is expressed in month.
Short-Term Supply	Refer to the total supply of new units and includes units under construction and units that are completed but not occupied.
Duration of Supply	This is the period required to absorb the units under construction and unoccupied, that is, the ratio between the total supply and the absorbed units (average for the last 12 months). This figure is expressed in months.

Montréal Metropolitan Area Zones

Zones	<i>Municipalities, Boroughs or Sectors</i>
1	Baie d'Urfé, Beaconsfield, Dollard-des-Ormeaux, Dorval, Kirkland, Pierrefonds, Pointe-Claire, Roxboro, Senneville, Ste-Anne-de-Bellevue, Ste-Geneviève, St-Raphaël-de-l'Île-Bizard
2	Centre-Ouest (Mtl), Côte-des-Neiges, Côte St-Luc, Hampstead, Lachine, LaSalle, Montréal-Ouest, Mont-Royal, Notre-Dame-de-Grâce, Outremont, St-Laurent, Saraguay/Cartierville, Sud-Ouest (Mtl), Verdun/Île-des-Soeurs, Ville St-Pierre, Westmount
3	Ahuntsic, Anjou, Centre (Mtl), Mercier/Hochelaga-Maisonneuve, Montréal-Nord, Petite-Patrie/Rosemont, Plateau Mont-Royal, St-Léonard, Villeray/St-Michel
4	Bout-de-l'Île (Mtl), Montréal-Est
5	Chomedey, Duvernay, Laval-des-Rapides, Pont-Viau, St-Vincent-de-Paul
6	Auteuil, Fabreville, Laval-Ouest, Laval-sur-le-Lac, Ste-Dorothée, St-François, Ste-Rose, Vimont
7	Deux-Montagnes, Mirabel, Oka, Pointe-Calumet, St-Eustache, St-Joseph-du-Lac, Ste-Marthe-sur-le-Lac, St-Placide, Gore, St-Colomban
8	Blainville, Boisbriand, Bois-des-Filion, Lorraine, Rosemère, Ste-Anne-des-Plaines, Ste-Thérèse
9	Lachenaie, La Plaine, Mascouche, Terrebonne
10	Charlemagne, L'Assomption, Lavaltrie, Le Gardeur, Repentigny, St-Antoine-Lavaltrie, St-Gérard-Majella, St-Sulpice
11	Boucherville, Brossard, Greenfield Park, LeMoynes, Longueuil, St-Hubert, St-Lambert
12	Beloeil, McMasterville, St-Amable, St-Basile-le-Grand, St-Bruno-de-Montarville, Ste-Julie, St-Mathieu-de-Beloeil, Varennes
13	Carignan, Chambly, Mont-St-Hilaire, Notre-Dame-de-Bon-Secours, Otterburn Park, Richelieu, St-Mathias
14	Beauharnois, Candiac, Châteauguay, Delson, La Prairie, Léry, Maple Grove, Melocheville, Mercier, Ste-Catherine-d'Alexandrie, St-Constant, St-Isidore, St-Mathieu, St-Philippe
15	Notre-Dame-de-l'Île-Perrot, Pincourt, Pointe-des-Cascades, Vaudreuil-sur-le-Lac, St-Lazare, Terrasse-Vaudreuil, Vaudreuil-Dorion, Hudson, Île-Cadieux, Île-Perrot, Les Cèdres
16	Bellefeuille, Lafontaine, St-Antoine, St-Jérôme

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