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# HOUSING NOW

## YOUR LINK TO THE HOUSING MARKET Trois-Rivières

Canada Mortgage and Housing Corporation

www.cmhc.ca

VOLUME 8, EDITION 3  
THIRD QUARTER 2005

### RESIDENTIAL CONSTRUCTION PICKS UP IN TROIS-RIVIÈRES

Activity on residential job sites in the Trois-Rivières census metropolitan area (CMA) picked up steam in the third quarter of 2005. According to the latest statistics released by Canada Mortgage and Housing Corporation (CMHC), housing starts showed signs of vigour and climbed by 23 per cent over the same quarter of last year. In the third quarter of 2005, construction got under way on 256 new dwellings, compared to 208 during the corresponding quarter in 2004.

After a second quarter characterized by decreases in activity, the third quarter posted a gain in starts, in

almost all market segments. In fact, only the detached housing segment sustained a slowdown in the third quarter, declining by nearly 23 per cent in relation to the same quarter of 2004. In all, 87 new detached houses were started from July to September 2005, while 113 were being built at the same time last year.

It was the semi-detached and apartment types of freehold homes\* that inflated the number of starts in the third quarter. In fact, these starts almost tripled in relation to the third quarter of 2004, as 60 such new dwellings were enumerated in the

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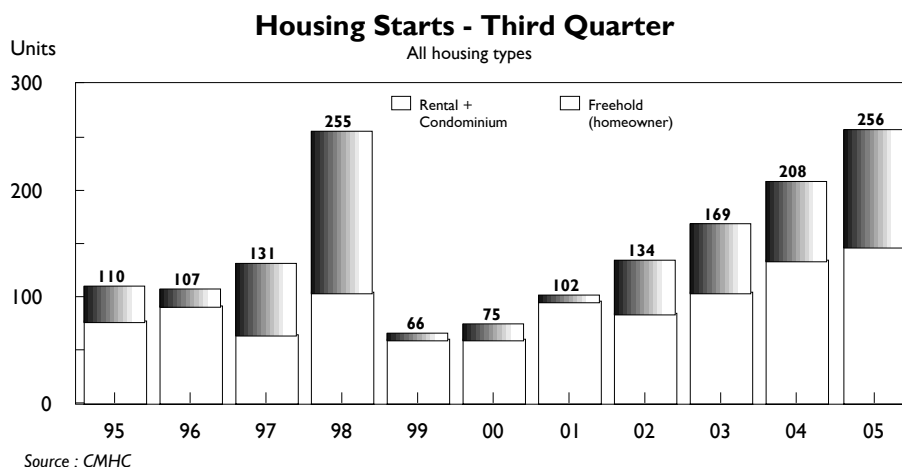
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\* The freehold housing market comprises detached, semi-detached and row homes, as well as duplexes.

third quarter of 2005, compared to 22 during the same quarter in 2004. Rental housing starts also posted a good performance, with a gain of almost 50 per cent. Starts of this type had been limited during the previous quarter and now seemed to want to make up the lost ground.

Elsewhere in the Mauricie area, the agglomeration of Shawinigan registered an increase of close to 22 per cent in its level of starts, as 9 more dwellings were started in the third quarter of 2005 than during the same quarter in 2004. This increase was in line with the trend observed since the begin-

ning of the year, for which a gain of 25 per cent has been recorded. Activity was stable in La Tuque, as only 1 home got under way from July to September 2005, just like in the same period last year.

## Resale market remains dynamic

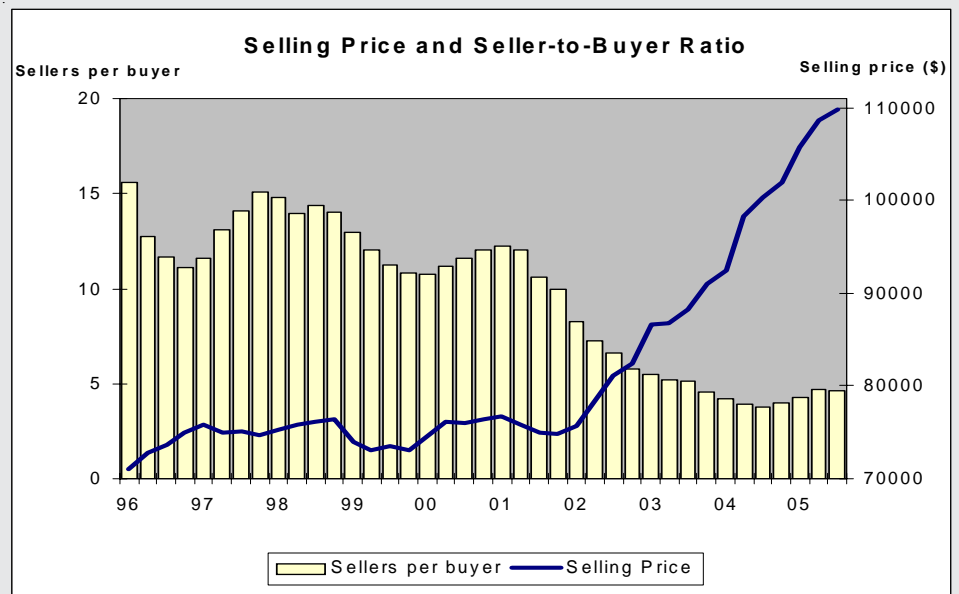
During the third quarter of 2005, 179 single-family home sales<sup>1</sup> were concluded through the Service inter-agences / Multiple Listing Service (S.I.A.<sup>®</sup> / MLS<sup>®</sup>) in the Trois-Rivières census metropolitan area (CMA). The number of transactions therefore posted a gain of nearly 19 per cent over the corresponding quarter in 2004, when 151 sales had been closed. After three quarterly decreases, the third quarter of the year was the first to show an increase in sales. The average price of a single-family home is now set to surpass the \$110,000 mark, as it reached \$109,796 this past quarter, up by 9.4 per cent over the same quarter in 2004. The low mortgage rates, combined with a still limited supply of existing properties, continued to fuel the increase in prices.

The rise in the number of transactions registered was largely attributable to single-detached home sales. In fact, 164 of these houses changed owners in the third quarter of 2005, compared to 126 during the same quarter in 2004, for an increase of 30 per cent. Semi-detached home transactions, for their part, sustained a small decrease, as 14 such sales were closed, or 2 fewer than in the third quarter of 2004. For row homes, a decline was also noted, with just 1 sale recorded, as opposed to 9 one year earlier.

For a fourth straight quarter, a rise in listings was observed in the Trois-Rivières area. In all, 289 properties were listed on the MLS<sup>®</sup> network, or 7 per cent more than in the third quarter of 2004. This greater supply of properties for sale was good news for buyers, who will therefore be able to make their decision with a broader choice at their disposal. These conditions will help ease this continued tight market in the area. In fact, even with this rise in listings, the supply still remained limited and the seller-to-buyer ratio still remained below the balanced range<sup>2</sup>, although this ratio has been on an upward course for the last few quarters. As an indicator of the level of activity on the resale market, the seller-to-buyer ratio, which attained

4.6 to 1 in the third quarter of 2005, reflected a context of scarcity and therefore contributed to the increase in home prices.

Elsewhere in the Mauricie area, 78 properties changed hands in the agglomeration of Shawinigan during the third quarter of 2005, while 59 sales had been registered in the same quarter of 2004. Much like in the Trois-Rivières CMA, the number of listings also went up (+26 per cent), as did the seller-to-buyer ratio, which reached 6.1 to 1. Prices kept rising, as well (+7.3 per cent), and single-family homes were selling for an average price of \$90,392. The market continued to favour sellers, but to a lesser extent than in the CMA.



<sup>1</sup> Small farms, country homes, mobile homes and cottages are not included in the sales figures.

<sup>2</sup> The balanced range for the seller-to-buyer ratio is between 8 and 10 to 1, indicating a market where neither buyers nor sellers are favoured.

**Table I**  
**Summary of Activity by Intended Market**  
**Trois-Rivières Metropolitan Area**

Activity / Period	Ownership					Rental	Total
	Freehold*				Condo-minium		
	Single	Semi	Row	Apt.			
<b>Starts</b>							
Third quarter 2005	87	54	0	6	0	109	256
Third quarter 2004	113	22	0	0	0	73	208
Year-to-date 2005 (Jan.-Sept.)	253	88	0	6	0	265	612
Year-to-date 2004 (Jan.-Sept.)	286	80	0	4	0	224	594
<b>Under construction**</b>							
Third quarter 2005	18	14	0	6	6	35	79
Third quarter 2004	27	10	0	0	6	75	118
<b>Completions</b>							
Third quarter 2005	102	60	0	0	0	149	311
Third quarter 2004	111	38	0	0	0	91	240
Year-to-date 2005	274	98	0	2	0	299	673
Year-to-date 2004	295	100	0	4	0	215	614
<b>Unoccupied***</b>							
Third quarter 2005	5	13	0	0	0	26	44
Third quarter 2004	1	4	0	0	0	11	16
<b>Absorption</b>							
Third quarter 2005	100	50	0	0	0	144	294
Third quarter 2004	115	39	0	2	0	87	243
Year-to-date 2005	271	96	0	2	0	301	670
Year-to-date 2004	300	99	0	4	2	211	616
<b>Duration of inventory (months)</b>							
Trend 2005	0.2	1.3	n.a.	n.a.	n.a.	0.7	0.6
Trend 2004	0.0	0.5	n.a.	n.a.	n.a.	0.5	0.3

\* Refers to single-family houses (single-detached, semi-detached and row homes) owned under freehold tenure and owner-occupied duplexes

\*\* At the end of the period shown

Source: CMHC

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**RENTAL MARKET REPORTS**

which provide a more in-depth and detailed study of the data collected  
**(available at the end of december 2005)**

**Table 2**  
**Housing Starts by Zone and by Intended Market**  
**Trois-Rivières Metropolitan Area**

Zone / Period	Ownership					Rental	Total
	Freehold				Condo- minium		
	Single	Semi	Row	Apt.			
<b>Zone 1: Trois-Rivières</b>							
Third quarter 2005	14	50	0	0	0	8	72
Third quarter 2004	35	12	0	0	0	47	94
Year-to-date 2005	42	70	0	0	0	16	128
Year-to-date 2004	65	44	0	0	0	69	178
<b>Zone 2: Trois-Rivières-Ouest</b>							
Third quarter 2005	12	0	0	4	0	57	73
Third quarter 2004	18	6	0	0	0	0	24
Year-to-date 2005	33	14	0	4	0	139	190
Year-to-date 2004	49	30	0	2	0	91	172
<b>Zone 3: Cap-de-la-Madeleine</b>							
Third quarter 2005	12	4	0	0	0	44	60
Third quarter 2004	25	0	0	0	0	23	48
Year-to-date 2005	40	4	0	0	0	110	154
Year-to-date 2004	58	0	0	0	0	43	101
<b>Centre (zones 1 to 3)</b>							
Third quarter 2005	38	54	0	4	0	109	205
Third quarter 2004	78	18	0	0	0	70	166
Year-to-date 2005	115	88	0	4	0	265	472
Year-to-date 2004	172	74	0	2	0	203	451
<b>Zone 4: Outlying area (Bécancour, Champlain, Pointe-du-Lac, etc.)</b>							
Third quarter 2005	49	0	0	2	0	0	51
Third quarter 2004	35	4	0	0	0	3	42
Year-to-date 2005	138	0	0	2	0	0	140
Year-to-date 2004	114	6	0	2	0	21	143
<b>TOTAL - TROIS-RIVIÈRES METROPOLITAN AREA</b>							
Third quarter 2005	87	54	0	6	0	109	256
Third quarter 2004	113	22	0	0	0	73	208
Year-to-date 2005	253	88	0	6	0	265	612
Year-to-date 2004	286	80	0	4	0	224	594

Source: CMHC

**Table 3**  
**Housing Starts in Outlying Area - Freehold Market**  
**Trois-Rivières Metropolitan Area**

Zones	Third Quarter		Year-to-Date (Jan.-Sept.)	
	2005	2004	2005	2004
Bécancour	10	11	35	34
Champlain	2	0	3	1
Pointe-du-Lac	13	8	35	37
Saint-Louis-de-France	6	3	25	12
Sainte-Marthe-du-Cap	13	13	32	31
Saint-Maurice	7	4	10	7

Source: CMHC

**Table 4**  
**Summary of Activity by Large Zone and by Intended Market**  
**Trois-Rivières Metropolitan Area**

Zone	Ownership				Rental	
	Freehold		Condominium		3rd Q 2005	3rd Q 2004
	3rd Q 2005	3rd Q 2004	3rd Q 2005	3rd Q 2004		
<b>Starts</b>						
Centre	96	96	0	0	109	70
Suburbs	51	39	0	0	0	3
<b>Under construction*</b>						
Centre	34	35	6	6	35	60
Suburbs	4	2	0	0	0	15
<b>Completions</b>						
Centre	109	108	0	0	149	85
Suburbs	53	41	0	0	0	6
<b>Unoccupied*</b>						
Centre	18	5	0	0	22	11
Suburbs	0	0	0	0	4	0
<b>Absorption</b>						
Centre	97	115	0	0	144	81
Suburbs	53	41	0	0	0	6
<b>Duration of inventory (months)**</b>						
Centre	0.7	0.2	n.a.	0.0	0.6	0.5
Suburbs	0.0	0.0	n.a.	n.a.	4.3	0.0

\* At the end of the period shown

\*\* Trend

Source: CMHC

**Table 5**  
**Housing Supply**  
**Trois-Rivières Metropolitan Area**

<i>Intended Market</i>	<i>Under Construction</i>	<i>Unoccupied</i>	<i>Short-Term Supply</i>	<i>Duration of Supply (months)</i>
	<b>September 2005</b>			<b>Trend 2005</b>
Freehold	38	18	56	1.4
Condominium	6	0	6	--
Rental	35	26	61	1.7
	<b>September 2004</b>			<b>Trend</b>
Freehold	37	5	42	1.0
Condominium	6	0	6	30.0
Rental	75	11	86	3.9

Source: CMHC

**Table 6**  
**Economic Overview**  
**Trois-Rivières Metropolitan Area**

	<i>Third Quarter</i>		<i>Trend Jan.-Sept.</i>		<i>% Change</i>
	<i>2004</i>	<i>2005</i>	<i>2004</i>	<i>2005</i>	<i>Trend</i>
<b>Labour market</b>					
- Employment level	61.9	66.8	61.9	66.8	7.9%
- Unemployment rate (%)	11.0%	10.7%	11.0%	10.7%	n.a.
<b>Mortgage rates (%) (Canada)</b>					
- 1-year	4.3	4.9	4.3	4.9	n.a.
- 5-year	5.9	6.1	5.9	6.1	n.a.
<b>Annual inflation rate (%)</b>	0.8	2.1	0.8	2.1	n.a.
<b>Quebec consumer attitudes survey</b>					
- Index of Consumer Attitudes (1991 = 100) (seasonally adjusted)	125.3	123.3	125.3	123.3	-1.6%

Sources: Statistics Canada, Conference Board of Canada

## Definitions and Concepts

**Intended Markets** - There are three: the freehold market refers to Single-Family Houses (Detached, SemiDetached 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 a 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.

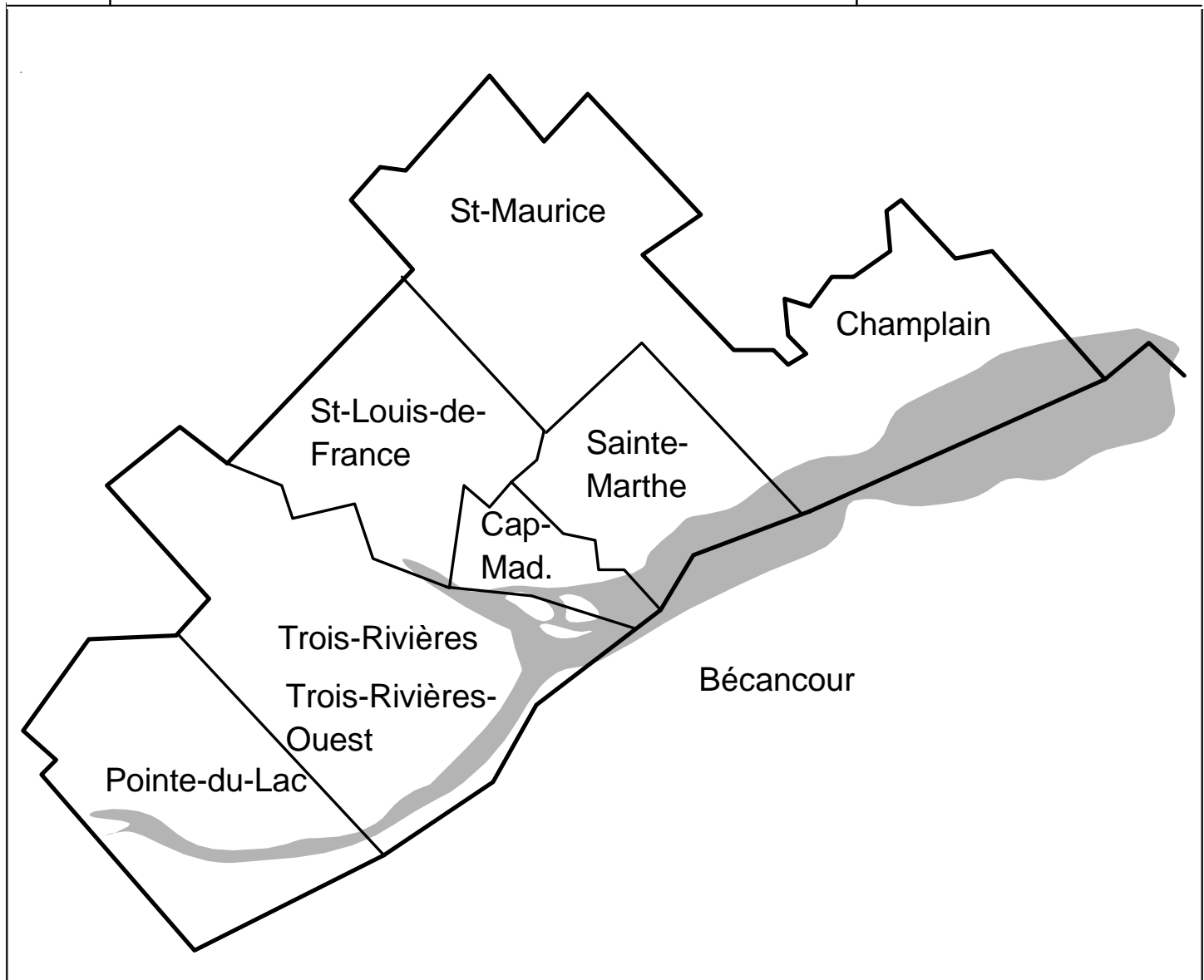
**Duration of inventory** - Refers to the period necessary for the absorption of unoccupied units, i. e. the ratio between unoccupied units and absorbed units (average for the last twelve months).

## CMHC Market Analysis Centre Publications

National	Province of Quebec	Metropolitan Areas - Province of Quebec
<ul style="list-style-type: none"> <li>• Housing Now</li> <li>• Housing Market Outlook</li> <li>• Monthly Housing Statistics</li> <li>• Housing Information Monthly</li> <li>• And many more</li> </ul>	<ul style="list-style-type: none"> <li>• Housing Now</li> <li>• Rental Market Report - Highlights</li> </ul>	<ul style="list-style-type: none"> <li>• Housing Market Outlook (1)</li> <li>• Rental Market Report (1)</li> <li>• Housing Now(1)</li> <li>• Analysis of the Resale Market (2)</li> <li>• Retirement Home Market (1)</li> </ul> <p>(1) Available for all metropolitan areas: Saguenay, Gatineau, Montréal, Québec, Sherbrooke and Trois-Rivières            (2) Available for Montréal, Québec Saguenay, Gatineau and Trois-Rivières.</p>

## Trois-Rivières Metropolitan Area Zones

Zones	<i>Municipalities and Sectors</i>	<i>Large Zones</i>
1	Trois-Rivières Sector	Centre
2	Trois-Rivières-Ouest Sector	Centre
3	Cap-de-la-Madeleine Sector	Centre
4	Bécancour, Champlain, Pointe-du-Lac, St-Louis-de-France, St-Maurice, Ste-Marthe-du-Cap-de-la-Madeleine.	Outlying



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