

H

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YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

SECOND QUARTER 2004

IN THIS ISSUE

Residential Construction Boom

New home construction in Ontario is booming. After a slow first quarter, the province's "All Area" Seasonally Adjusted Annualized Rate (SAAR) of home starts jumped by almost 11 per cent to 87,900 in the second quarter — to its highest rate in a year and a half. Single-detached and freehold row-home construction pulled housing starts up from a dip at the outset of the year. Ontario's 2004 annual home starts are now on track to come very close to a 15 year record. High existing home sales imply new home construction

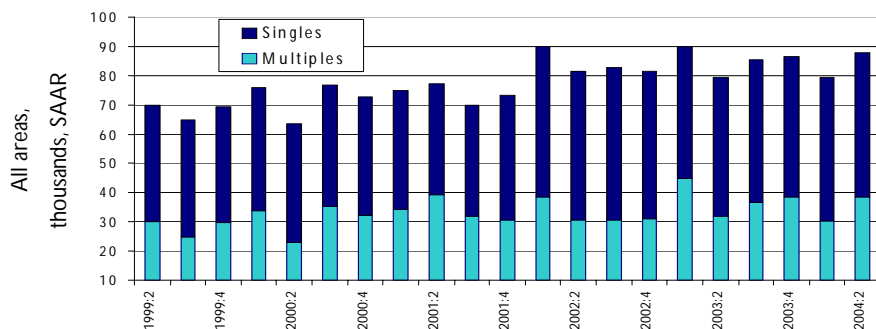
should remain strong to year end.

Of Ontario's Census Metropolitan Areas (CMAs), the Northern Ontario CMAs, where the longer term housing starts cycle has lagged the rest of the province, have experienced the highest 2004 percentage increases. Thunder Bay (40.3) and Sudbury (22.7) had the highest 2004 June year-to date percentage increases in home starts over the same period last year, followed closely by Hamilton (21.1) and Windsor (17.3). Toronto, where

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Ontario Housing Starts



Source: CMHC

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HOME TO CANADIANS
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home construction has been running flat out for a number of years experience a year-to-date starts pullback by 7.4 per cent.

Demand for new homes is pushing home prices and cost of construction up. Six of the eight Ontario centres for which Statistics Canada produces the New House Price Indexes (NHPI) outpaced the general rate of inflation. Latest available at the time of writing this report May data showed Ottawa (7.0 per cent) and Toronto (6.3 per cent) and Hamilton (5.3 per cent) as the centres with the largest increases, all more than double May's 2.5 per cent CPI inflation rate.

Existing Home Market: heading for record sales

Low mortgage rates and appreciating home values have fueled resale home markets. Annual home sales through the Multiple Listings Services (MLS) are expected to reach an all-time record in 2004.

Seasonally adjusted monthly MLS sales reached an all time record in March 2004 and remained strong since. Sales for the first six months are 14 per cent higher than over the same period in 2003.

Home prices are high in most centres and rising rapidly. Ontario's average resale home price is expected to rise close to two to three times the general rate of inflation this year. Sales to new listings ratios, a leading indicator of home prices, are at high levels consistent with above inflation home price growth in almost all the province's Real Estate Boards. While home equity gains have encouraged increasing numbers of homeowners to put their homes on the resale market, sales have kept pace with the rising numbers of homes listed. Expect home prices to grow a bit slower in 2005, but increases to remain close to double the general rate of inflation.



Economy: mixed indicators

On the economic front, significant mortgage rate stimulus with rates near historic lows is keeping demand for ownership homes strong. Other economic indicators are mixed. Exports to a growing United States economy have boosted manufacturing industry optimism. Consumer confidence is strong, albeit a bit lower than a few months ago. Retail sales are high. Automobile purchases have waned. Job growth will be moderately strong with employment expected to move up close to two per cent in each of this and next year.

Population growth is a key driver of longer term housing demand. Birth rates are low, largely as a result of the lower fertility of baby boomers who are entering their mid 40s. Ontario's population has been growing faster than the national average, thanks in large part to immigration to Toronto. Net migration to Ontario is moving up from a dip in 2003. A growing net interprovincial out migration from Ontario to other parts of Canada is eclipsed by the strong immigration numbers. Immigrants tend to be attracted to the established social and ethnic networks of Canada's largest cities and tend to initially rent. Half a decade after arriving to Canada immigrants begin to move into ownership. A dozen years after arriving more own than rent.

| | <u>2003</u> | <u>2004 F</u> | <u>2005 F</u> |
|------------------------|-------------|---------------|---------------|
| Total Starts | 85,180 | 84,500 | 76,500 |
| Single Starts | 47,610 | 50,500 | 45,000 |
| Multiple Starts | 37,570 | 34,000 | 31,500 |
| MLS Unit Sales | 184,457 | 193,600 | 182,000 |
| MLS Avg. Price | \$ 226,824 | \$ 244,000 | \$ 254,000 |

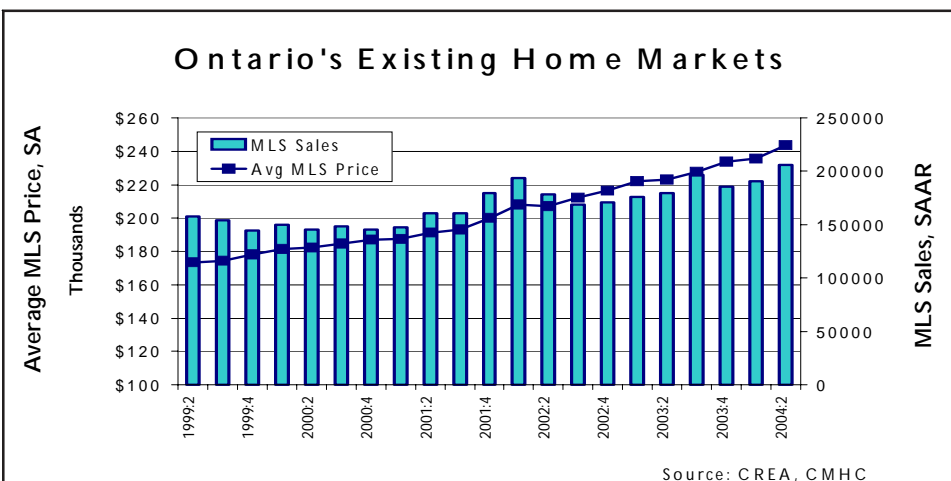


Table 1: Ontario Housing Starts 1994-2003 and 2004 SAARs

| Year | Urban Centers 10,000+ | | | All areas | | | MLS* | |
|--------------------------------------|-----------------------|-----------|--------|-----------|-----------|--------|---------|---------|
| | Singles | Multiples | Total | Singles | Multiples | Total | Sales | Price |
| 1994 | 25,422 | 16,138 | 41,560 | 30,036 | 16,609 | 46,645 | 134,407 | 159,629 |
| 1995 | 16,593 | 15,300 | 31,893 | 20,124 | 15,694 | 35,818 | 123,007 | 155,639 |
| 1996 | 23,652 | 15,860 | 39,512 | 27,019 | 16,043 | 43,062 | 142,929 | 155,786 |
| 1997 | 31,549 | 18,423 | 49,972 | 35,401 | 18,671 | 54,072 | 142,262 | 164,221 |
| 1998 | 29,094 | 20,994 | 50,088 | 32,737 | 21,093 | 53,830 | 138,495 | 167,110 |
| 1999 | 35,238 | 27,687 | 62,925 | 39,421 | 27,814 | 67,235 | 148,659 | 174,049 |
| 2000 | 37,045 | 30,378 | 67,423 | 41,087 | 30,434 | 71,521 | 147,158 | 183,841 |
| 2001 | 36,736 | 33,526 | 70,262 | 39,632 | 33,650 | 73,282 | 162,318 | 193,357 |
| 2002 | 47,227 | 32,388 | 79,615 | 51,114 | 32,483 | 83,597 | 178,058 | 210,901 |
| 2003 | 43,630 | 37,303 | 80,933 | 47,610 | 37,570 | 85,180 | 184,457 | 226,824 |
| Seasonally Adjusted Annualized Rates | | | | | | | | |
| 2004 Q1 | 42,900 | 30,400 | 73,300 | 49,100 | 30,400 | 79,500 | 191,136 | 235,639 |
| 2004 Q2 | 45,300 | 38,500 | 83,800 | 49,300 | 38,600 | 87,900 | 205,904 | 243,402 |
| 2004 Q3 | | | | | | | | |
| 2004 Q4 | | | | | | | | |
| 2004 :01 | 38,700 | 24,100 | 62,800 | NA | NA | 69,000 | 176,292 | 233,465 |
| 2004 :02 | 44,200 | 26,300 | 70,500 | NA | NA | 76,700 | 182,340 | 237,398 |
| 2004 :03 | 45,900 | 40,600 | 86,500 | NA | NA | 92,700 | 214,776 | 235,930 |
| 2004 :04 | 42,900 | 39,800 | 82,700 | NA | NA | 86,800 | 207,024 | 240,428 |
| 2004 :05 | 49,400 | 34,700 | 84,100 | NA | NA | 88,200 | 201,000 | 251,496 |
| 2004 :06 | 43,700 | 40,900 | 84,600 | NA | NA | 88,700 | 209,688 | 238,580 |
| 2004 :07 | | | | | | | | |
| 2004 :08 | | | | | | | | |
| 2004 :09 | | | | | | | | |
| 2004 :10 | | | | | | | | |
| 2004 :11 | | | | | | | | |
| 2004 :12 | | | | | | | | |

Sources : CMHC, Canadian Real Estate Association

*MLS is a registered certification mark of the Canadian Real Estate Association

Definitions

- 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.
- Under Construction:** those units which have been started but which are not complete.
- 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
- Completed and Not Absorbed:** all completed units of new construction (excluding model homes not available for sale) which have never been sold or leased.
- Absorptions:** the number of completed units (excluding model homes) that have been sold or leased.
- Seasonally Adjusted (SA):** Actual monthly (or quarterly) figures adjusted to remove normal seasonal variation.
- Seasonally Adjust Annual Rates (SAAR):** Seasonally adjusted monthly figures multiplied by 12 (or quarterly figures multiplied by 4) to reflect annualized levels of activity.
- Definitions for **CMA, NHPI, CPI, and Inflation Rate** can be found in the Statistics Canada website - <http://www.statcan.ca>

Table 2: Quarterly Starts, Completions and Under Construction by Type

| STARTS | SINGLE | | | SEMI | | | ROW | | | APT | | | TOTAL | | |
|---------------------------|---------------|---------------|-------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|---------------|--------------|---------------|---------------|--------------|
| | Q2 2003 | Q2 2004 | % | Q2 2003 | Q2 2004 | % | Q2 2003 | Q2 2004 | % | Q2 2003 | Q2 2004 | % | Q2 2003 | Q2 2004 | % |
| Hamilton | 464 | 548 | 18.1% | 36 | 44 | 22.2% | 261 | 247 | -5.4% | 63 | 194 | ** | 824 | 1,033 | 25.4% |
| Kingston | 264 | 200 | -24.2% | 34 | 0 | -100.0% | 3 | 16 | ** | 0 | 0 | NA | 301 | 216 | -28.2% |
| Kitchener | 791 | 600 | -24.1% | 36 | 78 | 116.7% | 189 | 94 | -50.3% | 52 | 77 | 48.1% | 1,068 | 849 | -20.5% |
| London | 534 | 714 | 33.7% | 2 | 2 | 0.0% | 67 | 90 | 34.3% | 156 | 144 | -7.7% | 759 | 950 | 25.2% |
| Oshawa | 992 | 998 | 0.6% | 88 | 28 | -68.2% | 135 | 304 | 125.2% | 0 | 120 | NA | 1,215 | 1,450 | 19.3% |
| Ottawa | 956 | 1,002 | 4.8% | 96 | 116 | 20.8% | 586 | 508 | -13.3% | 235 | 245 | 4.3% | 1,873 | 1,871 | -0.1% |
| St. Catharines | 316 | 336 | 6.3% | 20 | 18 | -10.0% | 68 | 74 | 8.8% | 13 | 14 | 7.7% | 417 | 442 | 6.0% |
| Sudbury | 111 | 126 | 13.5% | 4 | 4 | 0.0% | 0 | 0 | NA | 0 | 0 | NA | 115 | 130 | 13.0% |
| Thunder Bay | 51 | 70 | 37.3% | 2 | 6 | 200.0% | 0 | 0 | NA | 0 | 0 | NA | 53 | 76 | 43.4% |
| Toronto | 5,992 | 5,723 | -4.5% | 1,297 | 1,200 | -7.5% | 1,396 | 1,810 | 29.7% | 2,615 | 3,918 | 49.8% | 11,300 | 12,651 | 12.0% |
| Windsor | 437 | 521 | 19.2% | 50 | 54 | 8.0% | 57 | 90 | 57.9% | 0 | 100 | NA | 544 | 765 | 40.6% |
| Ontario All Areas | 13,819 | 14,355 | 3.9% | 1,749 | 1,661 | -5.0% | 2,907 | 3,562 | 22.5% | 3,424 | 4,893 | 42.9% | 21,899 | 24,471 | 11.7% |
| COMPLETIONS | | | | | | | | | | | | | | | |
| Hamilton | 435 | 353 | -18.9% | 24 | 22 | -8.3% | 244 | 201 | -17.6% | 20 | 0 | -100.0% | 723 | 576 | -20.3% |
| Kingston | 157 | 140 | -10.8% | 10 | 20 | 100.0% | 0 | 6 | NA | 0 | 0 | NA | 167 | 166 | -0.6% |
| Kitchener | 702 | 660 | -6.0% | 14 | 44 | ** | 97 | 341 | ** | 73 | 269 | ** | 886 | 1,314 | 48.3% |
| London | 405 | 473 | 16.8% | 2 | 2 | 0.0% | 58 | 85 | 46.6% | 22 | 533 | ** | 487 | 1,093 | 124.4% |
| Oshawa | 585 | 652 | 11.5% | 18 | 22 | 22.2% | 49 | 126 | 157.1% | 0 | 0 | NA | 652 | 800 | 22.7% |
| Ottawa | 755 | 737 | -2.4% | 78 | 92 | 17.9% | 392 | 547 | 39.5% | 85 | 158 | 85.9% | 1,310 | 1,534 | 17.1% |
| St. Catharines | 266 | 280 | 5.3% | 16 | 10 | -37.5% | 26 | 60 | 130.8% | 0 | 0 | NA | 308 | 350 | 13.6% |
| Sudbury | 37 | 51 | 37.8% | 0 | 0 | NA | 0 | 0 | NA | 0 | 0 | NA | 37 | 51 | 37.8% |
| Thunder Bay | 35 | 42 | 20.0% | 4 | 2 | -50.0% | 0 | 0 | NA | 0 | 0 | NA | 39 | 44 | 12.8% |
| Toronto | 4,240 | 4,062 | -4.2% | 882 | 1,101 | 24.8% | 1,127 | 1,510 | 34.0% | 3,929 | 3,672 | -6.5% | 10,178 | 10,345 | 1.6% |
| Windsor | 376 | 277 | -26.3% | 60 | 20 | -66.7% | 31 | 72 | 132.3% | 0 | 97 | NA | 467 | 466 | -0.2% |
| Ontario All Areas | 10,245 | 10,358 | 1.1% | 1,186 | 1,441 | 21.5% | 2,217 | 3,337 | 50.5% | 4,288 | 4,887 | 14.0% | 17,936 | 20,023 | 11.6% |
| UNDER CONSTRUCTION | | | | | | | | | | | | | | | |
| Hamilton | 885 | 809 | -8.6% | 49 | 104 | 112.2% | 680 | 901 | 32.5% | 180 | 539 | 199.4% | 1,794 | 2,353 | 31.2% |
| Kingston | 299 | 183 | -38.8% | 36 | 2 | -94.4% | 3 | 56 | ** | 0 | 268 | NA | 338 | 509 | 50.6% |
| Kitchener | 940 | 722 | -23.2% | 62 | 94 | 51.6% | 407 | 339 | -16.7% | 1,370 | 456 | -66.7% | 2,779 | 1,611 | -42.0% |
| London | 618 | 806 | 30.4% | 8 | 2 | -75.0% | 206 | 252 | 22.3% | 733 | 916 | 25.0% | 1,565 | 1,976 | 26.3% |
| Oshawa | 1,716 | 1,598 | -6.9% | 104 | 32 | -69.2% | 285 | 406 | 42.5% | 0 | 300 | NA | 2,105 | 2,336 | 11.0% |
| Ottawa | 1,477 | 1,502 | 1.7% | 188 | 184 | -2.1% | 1,116 | 1,409 | 26.3% | 1,741 | 1,733 | -0.5% | 4,522 | 4,828 | 6.8% |
| St. Catharines | 456 | 492 | 7.9% | 42 | 42 | 0.0% | 255 | 290 | 13.7% | 2 | 16 | ** | 755 | 840 | 11.3% |
| Sudbury | 116 | 131 | 12.9% | 4 | 4 | 0.0% | 0 | 0 | NA | 0 | 0 | NA | 120 | 135 | 12.5% |
| Thunder Bay | 93 | 94 | 1.1% | 2 | 6 | 200.0% | 0 | 0 | NA | 38 | 0 | -100.0% | 133 | 100 | -24.8% |
| Toronto | 10,486 | 11,749 | 12.0% | 2,531 | 2,438 | -3.7% | 3,331 | 4,045 | 21.4% | 18,944 | 21,757 | 14.8% | 35,292 | 39,989 | 13.3% |
| Windsor | 450 | 511 | 13.6% | 50 | 54 | 8.0% | 115 | 129 | 12.2% | 136 | 239 | 75.7% | 751 | 933 | 24.2% |
| Ontario All Areas | 22,566 | 23,840 | 5.6% | 3,199 | 3,087 | -3.5% | 6,911 | 8,359 | 21.0% | 24,038 | 27,056 | 12.6% | 56,714 | 62,342 | 9.9% |

Source: CMHC

** Year-over-year change greater than 200 per cent.

Table 3: Year-To-Date Starts, Completions and Under Construction by Type

| STARTS | SINGLE | | | SEMI | | | ROW | | | APT | | | TOTAL | | |
|---------------------------|---------------|---------------|-------------|--------------|--------------|---------------|--------------|--------------|--------------|---------------|---------------|---------------|---------------|---------------|-------------|
| | YTD 2003 | YTD 2004 | % | YTD 2003 | YTD 2004 | % | YTD 2003 | YTD 2004 | % | YTD 2003 | YTD 2004 | % | YTD 2003 | YTD 2004 | % |
| Hamilton | 787 | 839 | 6.6% | 48 | 106 | 120.8% | 554 | 547 | -1.3% | 63 | 266 | ** | 1,452 | 1,758 | 21.1% |
| Kingston | 323 | 245 | -24.1% | 40 | 2 | -95.0% | 3 | 22 | ** | 0 | 0 | NA | 366 | 269 | -26.5% |
| Kitchener | 1,310 | 1,085 | -17.2% | 64 | 112 | 75.0% | 250 | 263 | 5.2% | 72 | 159 | 120.8% | 1,696 | 1,619 | -4.5% |
| London | 849 | 1,076 | 26.7% | 4 | 2 | -50.0% | 103 | 113 | 9.7% | 457 | 399 | -12.7% | 1,413 | 1,590 | 12.5% |
| Oshawa | 1,458 | 1,290 | -11.5% | 100 | 28 | -72.0% | 247 | 376 | 52.2% | 0 | 192 | NA | 1,805 | 1,886 | 4.5% |
| Ottawa | 1,336 | 1,391 | 4.1% | 176 | 162 | -8.0% | 1,009 | 1,052 | 4.3% | 397 | 539 | 35.8% | 2,918 | 3,144 | 7.7% |
| St. Catharines | 521 | 544 | 4.4% | 20 | 32 | 60.0% | 108 | 138 | 27.8% | 13 | 16 | 23.1% | 662 | 730 | 10.3% |
| Sudbury | 115 | 142 | 23.5% | 4 | 4 | 0.0% | 0 | 0 | NA | 0 | 0 | NA | 119 | 146 | 22.7% |
| Thunder Bay | 58 | 81 | 39.7% | 4 | 6 | 50.0% | 0 | 0 | NA | 0 | 0 | NA | 62 | 87 | 40.3% |
| Toronto | 8,951 | 9,134 | 2.0% | 2,173 | 1,880 | -13.5% | 2,263 | 2,938 | 29.8% | 7,656 | 5,530 | -27.8% | 21,043 | 19,482 | -7.4% |
| Windsor | 757 | 745 | -1.6% | 88 | 66 | -25.0% | 122 | 129 | 5.7% | 0 | 194 | NA | 967 | 1,134 | 17.3% |
| Ontario All Areas | 21,049 | 22,227 | 5.6% | 2,898 | 2,547 | -12.1% | 4,976 | 6,029 | 21.2% | 9,346 | 7,566 | -19.0% | 38,269 | 38,369 | 0.3% |
| COMPLETIONS | | | | | | | | | | | | | | | |
| Hamilton | 889 | 763 | -14.2% | 44 | 40 | -9.1% | 495 | 337 | -31.9% | 32 | 12 | -62.5% | 1,460 | 1,152 | -21.1% |
| Kingston | 300 | 279 | -7.0% | 12 | 38 | ** | 0 | 21 | NA | 0 | 0 | NA | 312 | 338 | 8.3% |
| Kitchener | 1,238 | 1,103 | -10.9% | 40 | 62 | 55.0% | 227 | 494 | 117.6% | 81 | 750 | ** | 1,586 | 2,409 | 51.9% |
| London | 749 | 866 | 15.6% | 10 | 16 | 60.0% | 133 | 118 | -11.3% | 22 | 533 | ** | 914 | 1,533 | 67.7% |
| Oshawa | 1,118 | 1,282 | 14.7% | 22 | 64 | 190.9% | 125 | 304 | 143.2% | 90 | 4 | -95.6% | 1,355 | 1,654 | 22.1% |
| Ottawa | 1,457 | 1,331 | -8.6% | 118 | 132 | 11.9% | 819 | 987 | 20.5% | 106 | 464 | ** | 2,500 | 2,914 | 16.6% |
| St. Catharines | 479 | 521 | 8.8% | 22 | 22 | 0.0% | 41 | 102 | 148.8% | 0 | 0 | NA | 542 | 645 | 19.0% |
| Sudbury | 91 | 104 | 14.3% | 0 | 0 | NA | 0 | 0 | NA | 0 | 0 | NA | 91 | 104 | 14.3% |
| Thunder Bay | 77 | 87 | 13.0% | 4 | 2 | -50.0% | 0 | 0 | NA | 6 | 0 | -100.0% | 87 | 89 | 2.3% |
| Toronto | 8,209 | 8,585 | 4.6% | 1,776 | 2,251 | 26.7% | 2,334 | 2,609 | 11.8% | 6,489 | 5,657 | -12.8% | 18,808 | 19,102 | 1.6% |
| Windsor | 774 | 684 | -11.6% | 194 | 60 | -69.1% | 95 | 136 | 43.2% | 39 | 115 | 194.9% | 1,102 | 995 | -9.7% |
| Ontario All Areas | 20,581 | 21,377 | 3.9% | 2,461 | 2,865 | 16.4% | 4,657 | 5,674 | 21.8% | 7,088 | 7,776 | 9.7% | 34,787 | 37,692 | 8.4% |
| UNDER CONSTRUCTION | | | | | | | | | | | | | | | |
| Hamilton | 885 | 809 | -8.6% | 49 | 104 | 112.2% | 680 | 901 | 32.5% | 180 | 539 | 199.4% | 1,794 | 2,353 | 31.2% |
| Kingston | 299 | 183 | -38.8% | 36 | 2 | -94.4% | 3 | 56 | ** | 0 | 268 | NA | 338 | 509 | 50.6% |
| Kitchener | 940 | 722 | -23.2% | 62 | 94 | 51.6% | 407 | 339 | -16.7% | 1,370 | 456 | -66.7% | 2,779 | 1,611 | -42.0% |
| London | 618 | 806 | 30.4% | 8 | 2 | -75.0% | 206 | 252 | 22.3% | 733 | 916 | 25.0% | 1,565 | 1,976 | 26.3% |
| Oshawa | 1,716 | 1,598 | -6.9% | 104 | 32 | -69.2% | 285 | 406 | 42.5% | 0 | 300 | NA | 2,105 | 2,336 | 11.0% |
| Ottawa | 1,477 | 1,502 | 1.7% | 188 | 184 | -2.1% | 1,116 | 1,409 | 26.3% | 1,741 | 1,733 | -0.5% | 4,522 | 4,828 | 6.8% |
| St. Catharines | 456 | 492 | 7.9% | 42 | 42 | 0.0% | 255 | 290 | 13.7% | 2 | 16 | ** | 755 | 840 | 11.3% |
| Sudbury | 116 | 131 | 12.9% | 4 | 4 | 0.0% | 0 | 0 | NA | 0 | 0 | NA | 120 | 135 | 12.5% |
| Thunder Bay | 93 | 94 | 1.1% | 2 | 6 | 200.0% | 0 | 0 | NA | 38 | 0 | -100.0% | 133 | 100 | -24.8% |
| Toronto | 10,486 | 11,749 | 12.0% | 2,531 | 2,438 | -3.7% | 3,331 | 4,045 | 21.4% | 18,944 | 21,757 | 14.8% | 35,292 | 39,989 | 13.3% |
| Windsor | 450 | 511 | 13.6% | 50 | 54 | 8.0% | 115 | 129 | 12.2% | 136 | 239 | 75.7% | 751 | 933 | 24.2% |
| Ontario All Areas | 22,566 | 23,840 | 5.6% | 3,199 | 3,087 | -3.5% | 6,911 | 8,359 | 21.0% | 24,038 | 27,056 | 12.6% | 56,714 | 62,342 | 9.9% |

Source: CMHC

** Year-over-year change greater than 200 per cent.

Table 4: Ontario Housing Starts, Completions and Under Construction by Type & Tenure

| STARTS | 2003 | | | | | 2004 | | | | |
|----------------------------|---------------|--------------|--------------|---------------|---------------|---------------|--------------|--------------|---------------|---------------|
| | SINGLE | SEMI | ROW | APT | TOTAL | SINGLE | SEMI | ROW | APT | TOTAL |
| Q2 | | | | | | | | | | |
| Homeowner | 12,975 | 1,741 | 2,168 | 4 | 16,888 | 13,310 | 1,608 | 2,683 | 8 | 17,609 |
| Rental | 0 | 0 | 97 | 838 | 935 | 3 | 40 | 102 | 1,148 | 1,293 |
| Condominium | 31 | 2 | 632 | 2,579 | 3,244 | 40 | 0 | 762 | 3,737 | 4,539 |
| Unknown | 0 | 0 | 0 | 3 | 3 | 0 | 0 | 0 | 0 | 0 |
| Ontario, pop10,000+ | 13,006 | 1,743 | 2,897 | 3,424 | 21,070 | 13,353 | 1,648 | 3,547 | 4,893 | 23,441 |
| YTD | | | | | | | | | | |
| Homeowner | 19,318 | 2,847 | 3,726 | 8 | 25,899 | 19,993 | 2,492 | 4,344 | 10 | 26,839 |
| Rental | 0 | 0 | 106 | 2,036 | 2,142 | 5 | 40 | 299 | 1,528 | 1,872 |
| Condominium | 57 | 8 | 1,070 | 7,182 | 8,317 | 59 | 2 | 1,371 | 6,028 | 7,460 |
| Unknown | 5 | 0 | 55 | 7 | 67 | 0 | 0 | 0 | 0 | 0 |
| Ontario, pop10,000+ | 19,380 | 2,855 | 4,957 | 9,233 | 36,425 | 20,057 | 2,534 | 6,014 | 7,566 | 36,171 |
| COMPLETIONS | | | | | | | | | | |
| Q2 | | | | | | | | | | |
| Homeowner | 9,474 | 1,162 | 1,636 | 2 | 12,274 | 9,344 | 1,381 | 2,473 | 2 | 13,200 |
| Rental | 0 | 0 | 104 | 466 | 570 | 6 | 22 | 410 | 1,140 | 1,578 |
| Condominium | 61 | 14 | 477 | 3,815 | 4,367 | 36 | 10 | 448 | 3,745 | 4,239 |
| Unknown | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ontario, pop10,000+ | 9,535 | 1,176 | 2,217 | 4,283 | 17,211 | 9,386 | 1,413 | 3,331 | 4,887 | 19,017 |
| YTD | | | | | | | | | | |
| Homeowner | 18,651 | 2,390 | 3,357 | 2 | 24,400 | 18,955 | 2,789 | 4,328 | 6 | 26,078 |
| Rental | 0 | 2 | 238 | 765 | 1,005 | 11 | 24 | 485 | 2,052 | 2,572 |
| Condominium | 98 | 18 | 1,043 | 6,316 | 7,475 | 72 | 14 | 855 | 5,718 | 6,659 |
| Unknown | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Ontario, pop10,000+ | 18,749 | 2,410 | 4,638 | 7,083 | 32,880 | 19,038 | 2,827 | 5,668 | 7,776 | 35,309 |
| UNDER CONSTRUCTION | | | | | | | | | | |
| Homeowner | 20,119 | 3,178 | 5,003 | 8 | 28,308 | 21,475 | 3,020 | 5,867 | 12 | 30,374 |
| Rental | 0 | 2 | 197 | 5,105 | 5,304 | 7 | 40 | 393 | 4,221 | 4,661 |
| Condominium | 148 | 2 | 1,593 | 18,777 | 20,520 | 83 | 8 | 2,037 | 22,772 | 24,900 |
| Unknown | 1 | 0 | 87 | 6 | 94 | 0 | 0 | 27 | 0 | 27 |
| Ontario, pop10,000+ | 20,268 | 3,182 | 6,880 | 23,896 | 54,226 | 21,565 | 3,068 | 8,324 | 27,005 | 59,962 |

Table 5: Starts in Ontario's Large CAs

| | TOTAL | | | SINGLES | | | TOTAL | | | SINGLES | | |
|------------------|---------|---------|--------|---------|---------|--------|----------|----------|--------|----------|----------|-------|
| | Q2 2003 | Q2 2004 | % | Q2 2003 | Q2 2004 | % | YTD 2003 | YTD 2004 | % | YTD 2003 | YTD 2004 | % |
| Barrie | 697 | 617 | -11.5% | 546 | 519 | -5.0% | 1150 | 946 | -17.7% | 769 | 813 | 5.7% |
| Belleville | 107 | 182 | 70.1% | 93 | 160 | 72.0% | 161 | 208 | 29.2% | 136 | 184 | 35.3% |
| Brantford | 76 | 185 | 143.4% | 76 | 152 | 100.0% | 142 | 243 | 71.1% | 124 | 189 | 52.4% |
| Cornwall | 44 | 76 | 72.7% | 38 | 54 | 42.1% | 69 | 84 | 21.7% | 63 | 60 | -4.8% |
| Guelph | 270 | 415 | 53.7% | 205 | 303 | 47.8% | 471 | 624 | 32.5% | 309 | 425 | 37.5% |
| North Bay | 38 | 49 | 29.0% | 36 | 41 | 13.9% | 41 | 51 | 24.4% | 39 | 43 | 10.3% |
| Peterborough | 162 | 164 | 1.2% | 147 | 160 | 8.8% | 202 | 191 | -5.5% | 179 | 187 | 4.5% |
| Samia | 66 | 62 | -6.1% | 64 | 62 | -3.1% | 89 | 86 | -3.4% | 87 | 86 | -1.2% |
| Sault Ste. Marie | 32 | 38 | 18.8% | 32 | 34 | 6.3% | 36 | 42 | 16.7% | 36 | 38 | 5.6% |

Table 6: Completed and Absorbed Single-Detached Units by Price Range

| AREA | PRICE RANGES | | | | | | | | | | TOTAL |
|-----------------------|--------------|-----------|-----------------|-----------|-----------------|-----------|-----------------|-----------|------------|-----------|-------|
| | <\$150,000 | | \$150-\$174,999 | | \$175-\$249,999 | | \$250-\$299,999 | | \$300,000+ | | |
| | Units | Share (%) | Units | Share (%) | Units | Share (%) | Units | Share (%) | Units | Share (%) | |
| Hamilton | | | | | | | | | | | |
| Q2 2004 | 2 | 0.6% | 2 | 0.6% | 68 | 20.5% | 96 | 28.9% | 164 | 49.4% | 332 |
| Q2 2003 | 0 | 0.0% | 2 | 0.4% | 164 | 36.6% | 77 | 17.2% | 205 | 45.8% | 448 |
| YTD 2004 | 2 | 0.3% | 7 | 0.9% | 169 | 22.7% | 216 | 29.0% | 350 | 47.0% | 744 |
| YTD 2003 | 2 | 0.2% | 4 | 0.4% | 501 | 50.3% | 125 | 12.6% | 364 | 36.5% | 996 |
| Kingston | | | | | | | | | | | |
| Q2 2004 | 1 | 1.0% | 7 | 6.7% | 77 | 74.0% | 12 | 11.5% | 7 | 6.7% | 104 |
| Q2 2003 | 21 | 13.2% | 11 | 6.9% | 105 | 66.0% | 19 | 11.9% | 3 | 1.9% | 159 |
| YTD 2004 | 17 | 7.4% | 13 | 5.6% | 159 | 68.8% | 30 | 13.0% | 12 | 5.2% | 231 |
| YTD 2003 | 48 | 16.4% | 27 | 9.2% | 175 | 59.9% | 38 | 13.0% | 4 | 1.4% | 292 |
| Kitchener | | | | | | | | | | | |
| Q2 2004 | 1 | 0.2% | 13 | 2.1% | 368 | 58.3% | 136 | 21.6% | 113 | 17.9% | 631 |
| Q2 2003 | 0 | 0.0% | 88 | 13.4% | 354 | 54.0% | 127 | 19.4% | 86 | 13.1% | 655 |
| YTD 2004 | 1 | 0.1% | 24 | 2.2% | 671 | 62.3% | 186 | 17.3% | 195 | 18.1% | 1077 |
| YTD 2003 | 5 | 0.4% | 159 | 13.4% | 669 | 56.4% | 205 | 17.3% | 149 | 12.6% | 1187 |
| London | | | | | | | | | | | |
| Q2 2004 | 23 | 4.8% | 76 | 15.8% | 234 | 48.5% | 69 | 14.3% | 80 | 16.6% | 482 |
| Q2 2003 | 37 | 9.2% | 51 | 12.7% | 209 | 52.1% | 56 | 14.0% | 48 | 12.0% | 401 |
| YTD 2004 | 39 | 4.5% | 140 | 16.2% | 413 | 47.8% | 136 | 15.7% | 136 | 15.7% | 864 |
| YTD 2003 | 70 | 9.4% | 126 | 16.9% | 364 | 48.9% | 106 | 14.2% | 79 | 10.6% | 745 |
| Oshawa | | | | | | | | | | | |
| Q2 2004 | 0 | 0.0% | 3 | 0.5% | 311 | 46.8% | 234 | 35.2% | 117 | 17.6% | 665 |
| Q2 2003 | 0 | 0.0% | 29 | 4.9% | 410 | 69.7% | 102 | 17.3% | 47 | 8.0% | 588 |
| YTD 2004 | 0 | 0.0% | 8 | 0.6% | 648 | 50.4% | 418 | 32.5% | 212 | 16.5% | 1286 |
| YTD 2003 | 0 | 0.0% | 60 | 5.4% | 757 | 67.6% | 210 | 18.8% | 92 | 8.2% | 1119 |
| Ottawa | | | | | | | | | | | |
| Q2 2004 | 7 | 1.0% | 2 | 0.3% | 45 | 6.2% | 215 | 29.5% | 459 | 63.0% | 728 |
| Q2 2003 | 7 | 0.9% | 24 | 3.2% | 105 | 13.9% | 320 | 42.4% | 299 | 39.6% | 755 |
| YTD 2004 | 21 | 1.6% | 8 | 0.6% | 97 | 7.3% | 394 | 29.8% | 804 | 60.7% | 1324 |
| YTD 2003 | 32 | 2.2% | 36 | 2.5% | 249 | 17.0% | 656 | 44.8% | 490 | 33.5% | 1463 |
| St. Catharines | | | | | | | | | | | |
| Q2 2004 | 8 | 2.7% | 26 | 8.8% | 116 | 39.2% | 45 | 15.2% | 101 | 34.1% | 296 |
| Q2 2003 | 10 | 3.7% | 40 | 14.7% | 127 | 46.5% | 45 | 16.5% | 51 | 18.7% | 273 |
| YTD 2004 | 15 | 2.9% | 47 | 9.0% | 199 | 38.3% | 95 | 18.3% | 164 | 31.5% | 520 |
| YTD 2003 | 19 | 3.9% | 80 | 16.4% | 219 | 44.9% | 74 | 15.2% | 96 | 19.7% | 488 |
| Sudbury | | | | | | | | | | | |
| Q2 2004 | 3 | 6.3% | 12 | 25.0% | 20 | 41.7% | 10 | 20.8% | 3 | 6.3% | 48 |
| Q2 2003 | 6 | 16.7% | 9 | 25.0% | 11 | 30.6% | 4 | 11.1% | 6 | 16.7% | 36 |
| YTD 2004 | 17 | 17.3% | 26 | 26.5% | 31 | 31.6% | 17 | 17.3% | 7 | 7.1% | 98 |
| YTD 2003 | 15 | 16.7% | 21 | 23.3% | 30 | 33.3% | 12 | 13.3% | 12 | 13.3% | 90 |
| Thunder Bay | | | | | | | | | | | |
| Q2 2004 | 3 | 7.9% | 6 | 15.8% | 21 | 55.3% | 7 | 18.4% | 1 | 2.6% | 38 |
| Q2 2003 | 2 | 5.4% | 2 | 5.4% | 21 | 56.8% | 11 | 29.7% | 1 | 2.7% | 37 |
| YTD 2004 | 8 | 9.6% | 11 | 13.3% | 45 | 54.2% | 14 | 16.9% | 5 | 6.0% | 83 |
| YTD 2003 | 5 | 5.9% | 8 | 9.4% | 55 | 64.7% | 16 | 18.8% | 1 | 1.2% | 85 |
| Toronto | | | | | | | | | | | |
| Q2 2004 | 1 | 0.0% | 30 | 0.7% | 342 | 8.4% | 1024 | 25.2% | 2,673 | 65.7% | 4,070 |
| Q2 2003 | 16 | 0.4% | 48 | 1.1% | 597 | 14.1% | 1348 | 31.8% | 2,226 | 52.6% | 4,235 |
| YTD 2004 | 10 | 0.1% | 79 | 0.9% | 753 | 8.7% | 2253 | 25.9% | 5,593 | 64.4% | 8,688 |
| YTD 2003 | 37 | 0.4% | 121 | 1.5% | 1380 | 16.6% | 2557 | 30.7% | 4,232 | 50.8% | 8,327 |
| Windsor | | | | | | | | | | | |
| Q2 2004 | 11 | 3.8% | 118 | 41.3% | 102 | 35.7% | 29 | 10.1% | 26 | 9.1% | 286 |
| Q2 2003 | 23 | 6.1% | 170 | 45.0% | 108 | 28.6% | 30 | 7.9% | 47 | 12.4% | 378 |
| YTD 2004 | 19 | 2.7% | 272 | 39.2% | 265 | 38.2% | 59 | 8.5% | 78 | 11.3% | 693 |
| YTD 2003 | 50 | 6.4% | 394 | 50.4% | 197 | 25.2% | 60 | 7.7% | 80 | 10.2% | 781 |

Table 7: Average Price of Completed and Absorbed Single Dwellings by CMA

| CMA | Q2 2003 | Q2 2004 | % Change | YTD 2003 | YTD 2004 | % Change |
|----------------|-----------|-----------|----------|-----------|-----------|----------|
| Hamilton | \$297,168 | \$316,244 | 6.4% | \$278,368 | \$314,126 | 12.8% |
| Kingston | \$200,667 | \$219,837 | 9.6% | \$195,305 | \$212,892 | 9.0% |
| Kitchener | \$230,513 | \$248,498 | 7.8% | \$229,353 | \$245,333 | 7.0% |
| London | \$227,428 | \$241,023 | 6.0% | \$226,146 | \$240,242 | 6.2% |
| Oshawa | \$231,224 | \$260,152 | 12.5% | \$232,757 | \$257,798 | 10.8% |
| Ottawa | \$306,517 | \$336,230 | 9.7% | \$298,525 | \$331,089 | 10.9% |
| St. Catharines | \$246,114 | \$278,671 | 13.2% | \$245,588 | \$277,812 | 13.1% |
| Sudbury | \$222,444 | \$213,000 | -4.2% | \$214,978 | \$203,286 | -5.4% |
| Thunder Bay | \$218,784 | \$206,053 | -5.8% | \$205,294 | \$209,277 | 1.9% |
| Toronto | \$339,667 | \$374,265 | 10.2% | \$335,719 | \$366,532 | 9.2% |
| Windsor | \$206,136 | \$202,672 | -1.7% | \$198,371 | \$211,150 | 6.4% |

Table 8: Economic Indicators

| Date | Employment, SA (000) | Ontario CPI Inflation | Exch. Rate (\$Cdn/\$US) | Mortgage Rate | | | P & I* Per \$100,000 |
|-----------|-------------------------|--------------------------|----------------------------|---------------|-----------|------------|-------------------------|
| | | | | 1 Yr. Term | 3Yr. Term | 5 Yr. Term | |
| 1994 | 5,037 | 0.0 | 1.37 | 7.83 | 8.99 | 9.53 | \$864.36 |
| 1995 | 5,131 | 2.5 | 1.37 | 8.38 | 8.82 | 9.16 | \$838.86 |
| 1996 | 5,181 | 1.5 | 1.36 | 6.19 | 7.33 | 7.93 | \$758.78 |
| 1997 | 5,314 | 1.9 | 1.39 | 5.54 | 6.56 | 7.07 | \$704.87 |
| 1998 | 5,490 | 0.9 | 1.49 | 6.50 | 6.77 | 6.93 | \$696.08 |
| 1999 | 5,689 | 1.9 | 1.48 | 6.80 | 7.37 | 7.56 | \$735.50 |
| 2000 | 5,872 | 2.9 | 1.49 | 7.85 | 8.17 | 8.35 | \$785.70 |
| 2001 | 5,963 | 3.1 | 1.55 | 6.14 | 6.88 | 7.40 | \$725.69 |
| 2002 | 6,068 | 2.0 | 1.57 | 5.17 | 6.28 | 7.02 | \$701.52 |
| 2003 | 6,229 | 2.7 | 1.39 | 4.84 | 5.82 | 6.39 | \$663.35 |
| 2004 : 01 | 6,304 | 1.5 | 1.32 | 4.30 | 5.40 | 6.05 | \$642.78 |
| 2004 : 02 | 6,308 | 0.8 | 1.34 | 4.30 | 5.20 | 5.80 | \$627.97 |
| 2004 : 03 | 6,284 | 1.1 | 1.31 | 4.30 | 5.10 | 5.70 | \$622.08 |
| 2004 : 04 | 6,298 | 2.3 | 1.37 | 4.45 | 5.55 | 6.15 | \$648.75 |
| 2004 : 05 | 6,329 | 2.8 | 1.36 | 4.55 | 5.80 | 6.50 | \$669.82 |
| 2004 : 06 | 6,347 | 2.4 | 1.33 | 4.70 | 6.10 | 6.70 | \$681.99 |
| 2004 : 07 | | | | | | | |
| 2004 : 08 | | | | | | | |
| 2004 : 09 | | | | | | | |
| 2004 : 10 | | | | | | | |
| 2004 : 11 | | | | | | | |
| 2004 : 12 | | | | | | | |

* Principal and Interest Payment assumes a five year mortgage rate and 25 year amortization period.

Source: CMHC, Statistics Canada Labour Force Survey, Bank of Canada

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