



HOUSING NOW

New Brunswick

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

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SECOND QUARTER 2002

Housing Starts on the Rise New Home Construction Bounces Back in the Second Quarter

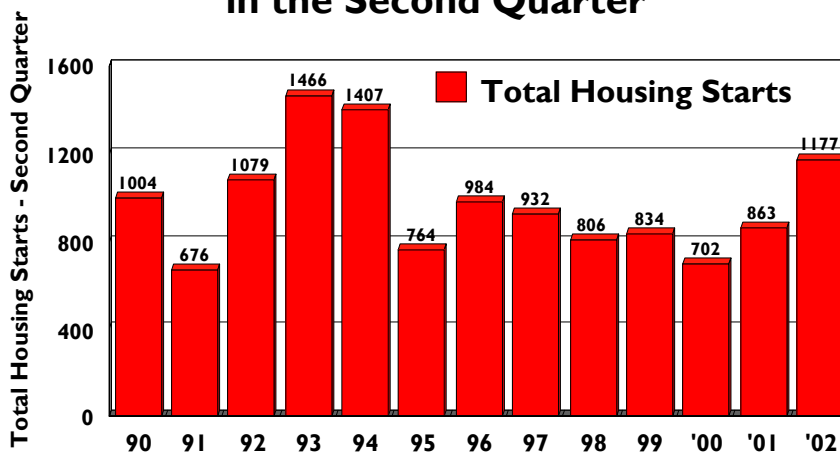
- ✓ Following a slow start in the first quarter, new home construction bounced back in the second quarter with 1,177 units, a 36 per cent increase when compared to the second quarter of 2001.
- ✓ The increase was due to a rise in urban starts. Total housing starts in the province's urban centres reached 806 units in the second quarter. This represents a 68 per cent increase when compared to the same period last year and the best second quarter since 1988.
- ✓ In rural areas, housing starts declined slightly but remained strong in historical terms.
- ✓ In the province's urban centres, 509 of the 806 starts in the second quarter were single-detached homes while in rural areas, 349 of the 371 starts were single-family dwellings.
- ✓ Second quarter housing starts rose in Moncton, but dropped in both Fredericton and Saint John. However, housing units under construction at the end of the second quarter were significantly higher than a year ago in all three larger urban centres.
- ✓ Total housing completions in New Brunswick reached 496 units in the second quarter, a 22 per cent drop when compared to the second quarter of 2001.

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Total Housing Starts Up Significantly in the Second Quarter



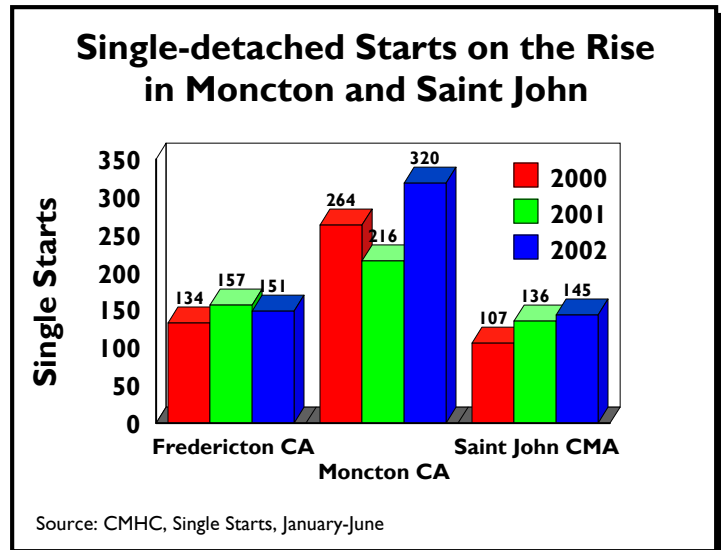
HOME TO CANADIANS
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FREDERICTON MONCTON SAINT JOHN

Housing Market Overview

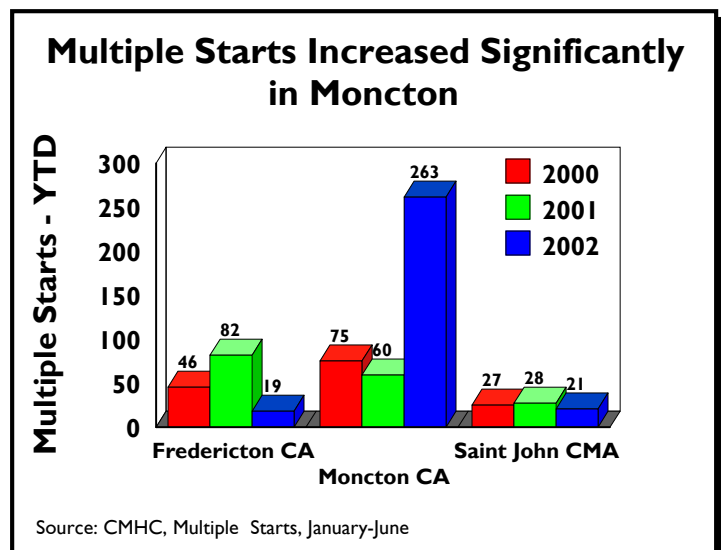
Single-family Homes in Demand

- ✓ Contractors reacted to the strong demand for single-family dwellings with single-detached starts up in the first half in Saint John and Moncton in particular. In the Fredericton area, single-detached starts dropped slightly but remained strong in historical terms.
- ✓ In Moncton, single-detached starts reached 320 units in the January-to-June period. This represents a 48 per cent increase when compared to the previous year and the best first half since 1976.
- ✓ Record employment levels, mild weather, low mortgage rates and tight resale market conditions are all key factors which contributed to the rise in single-detached starts.



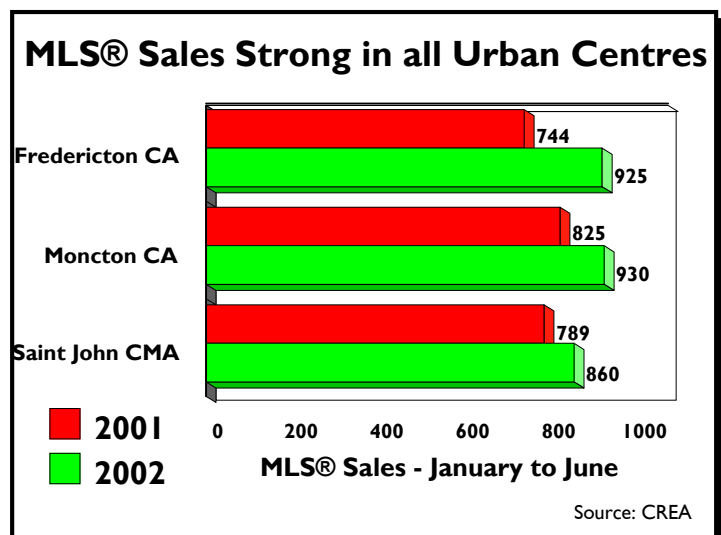
Multiple Starts on the Rise in Moncton

- ✓ In Moncton, multiple starts bounced back in the first half as builders reacted to the last two years' record low vacancy levels. Multiple starts reached 263 units in the first half compared to 60 units over the same period last year.
- ✓ In Fredericton, the construction declined significantly in the first half despite the strong demand. However, total multiple starts in Fredericton reached a record 330 units last year, and 225 of them were still under construction at the end of June. Expect construction of multiple dwellings to rise again once these projects are completed.
- ✓ In Saint John, multiple starts remained weak despite a need for more new rental stock.



MLS® Sales Strong in Southern Regions

- ✓ The number of transactions on the resale market in the first half is a clear indication that housing demand remains strong across all the larger urban areas of the province. Sales of existing homes increased 24 per cent, 13 per cent and 10 per cent in Fredericton, Moncton and Saint John respectively.
- ✓ Metro Moncton led the province with a record 930 homes sold in the first half, exceeding the previous record registered last year by more than 100 homes. Sales in Fredericton and Saint John also represented record levels for a first half. In Fredericton, a tight rental market combined with an abundance of active listings and strong demand contributed to the strongest growth in MLS® sales.



**TABLE 1
ACTIVITY SUMMARY BY AREA
New Brunswick**

Area	Starts						Completions						Under Construction		
	April - June			January-June			April - June			January-June			As at June 30		
	2002	2001	% chg	2002	2001	% chg	2002	2001	% chg	2002	2001	% chg	2002	2001	% chg
Bathurst CA	14	11	27.3	15	12	25.0	1	3	-66.7	11	13	-15.4	17	13	30.8
Campbellton CA	4	3	33.3	4	3	33.3	0	0	--	1	2	-50.0	4	3	33.3
Edmundston CA	6	22	-72.7	7	25	-72.0	0	4	-100.0	7	11	-36.4	11	19	-42.1
Fredericton CA	115	141	-18.4	170	239	-28.9	198	105	88.6	218	185	17.8	297	208	42.8
Miramichi City	10	8	25.0	13	11	18.2	3	1	200.0	6	3	100.0	14	59	-76.3
Moncton CA	533	195	173.3	583	276	111.2	175	255	-31.4	473	459	3.1	660	472	39.8
Saint John CMA	124	101	22.8	166	165	0.6	54	43	25.6	139	135	3.0	162	134	20.9
TOTAL URBAN AREAS	806	481	67.6	958	731	31.1	431	411	4.9	855	808	5.8	1165	908	28.3
TOTAL OTHER AREAS	371	382	-2.9	438	497	-11.9	65	223	-70.9	457	583	-21.6	474	456	3.9
TOTAL NEW BRUNSWICK	1177	863	36.4	1396	1228	13.7	496	634	-21.8	1312	1391	-5.7	1639	1364	20.2

Source: CMHC

NEED MORE DETAILED INFORMATION?

Market Analysis Products and Services are designed to suit your needs. CMHC is the source for expert analysis and comprehensive data on housing. If you are in the housing industry, it is critical that you understand the trends and factors behind New Brunswick's housing markets. There is no substitute for the thorough, concise analysis of housing market developments that you get with CMHC's market data and analysis. Contact CMHC's Senior Market Analyst for New Brunswick:



Your Link to the Housing Market

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TABLE 2
STARTS BY AREA AND DWELLING TYPE
Fredericton / Moncton / Saint John

Area/ Period	Single	Semi	Row	Apartment & other	Total	Area/ Period	Single	Semi	Row	Apartment & other	Total
Fredericton City						Grand Bay-Westfield					
April-June 2002	54	4	0	10	68	April-June 2002	9	0	0	0	9
April-June 2001	52	0	0	33	85	April-June 2001	2	0	0	0	2
January-June 2002	77	5	0	10	92	January-June 2002	10	0	0	0	10
January-June 2001	68	4	0	73	145	January-June 2001	3	0	0	0	3
Total Fredericton						Quispamsis Town					
April-June 2002	101	4	0	10	115	April-June 2002	9	0	0	0	9
April-June 2001	141	0	0	38	179	April-June 2001	31	0	0	0	31
January-June 2002	151	5	0	14	170	January-June 2002	72	0	0	0	72
January-June 2001	157	4	0	78	239	January-June 2001	49	0	0	0	49
Moncton City						Rothsay Town					
April-June 2002	95	10	0	218	323	April-June 2002	3	0	0	0	3
April-June 2001	63	2	0	0	65	April-June 2001	7	2	4	0	13
January-June 2002	117	10	0	218	345	January-June 2002	7	0	0	0	7
January-June 2001	76	2	0	0	78	January-June 2001	10	2	4	0	16
Dieppe Town						Saint John City					
April-June 2002	101	2	0	8	111	April-June 2002	35	11	4	0	50
April-June 2001	51	6	4	12	73	April-June 2001	27	6	0	6	39
January-June 2002	115	4	0	8	127	January-June 2002	46	11	10	0	67
January-June 2001	78	8	4	20	110	January-June 2001	34	10	7	6	57
Riverview Town						Saint John - Other outlying areas					
April-June 2002	31	12	9	0	52	April-June 2002	53	0	0	0	53
April-June 2001	10	4	0	20	34	April-June 2001	16	0	0	0	16
January-June 2002	40	12	9	0	61	January-June 2002	10	0	0	0	10
January-June 2001	20	4	0	20	44	January-June 2001	8	0	0	0	8
Total Moncton CA						Total Saint John CMA					
April-June 2002	197	19	9	222	447	April-June 2002	109	11	4	0	124
April-June 2001	145	14	4	32	195	April-June 2001	83	8	4	6	101
January-June 2002	320	28	9	226	583	January-June 2002	145	11	10	0	166
January-June 2001	216	16	4	40	276	January-June 2001	107	12	11	6	136

Note: Other outlying areas include Greenwich Parish, Kingston Parish, Musquash Parish, St. Martins Parish, St. Martins Village, Simonds Parish, Lepreau Parish, Petersville Parish, Hampton Town, Hampton Parish and Upham Parish.

Housing Now is published 4 times a year for the New Brunswick market. **Forecast Summary** is included in the first and third quarter editions. Annual subscriptions to the **Housing Now** for New Brunswick are \$55.00 plus applicable taxes. This publication is also available in French. For more information, or to subscribe, contact Johannes O'Callaghan at the Atlantic Business Centre at (902) 426-4708. Order no. 2086

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