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### First Quarter Starts Highest Since 1992

- Total starts in the region have continued their steady upward trend and have attained their highest first quarter results in 12 years. Total starts for 2004Q1 now total 288 units up 17.6 percent from 245 units in 2003Q1.
- Single-detached starts continued to account for the bulk of all housing starts in the region. Single-detached starts totalled 208 in 2004Q1 up from 205 for the same quarter last year. This is the highest first quarter level of single-detached construction since 1990. Historically low borrowing costs, a

remarkably tight resale market and a short supply of resale units continued to spur on single-detached construction activity in the region.

- The volatile multiples sector is also up this quarter. Multiple starts have doubled from the same quarter last year. For 2004Q1 multiple starts totalled 80 units up from 40 units in 2003Q1. The lion's share of this increase was a result of increased row construction. Freehold and condominium row construction have increased by over 50 percent from

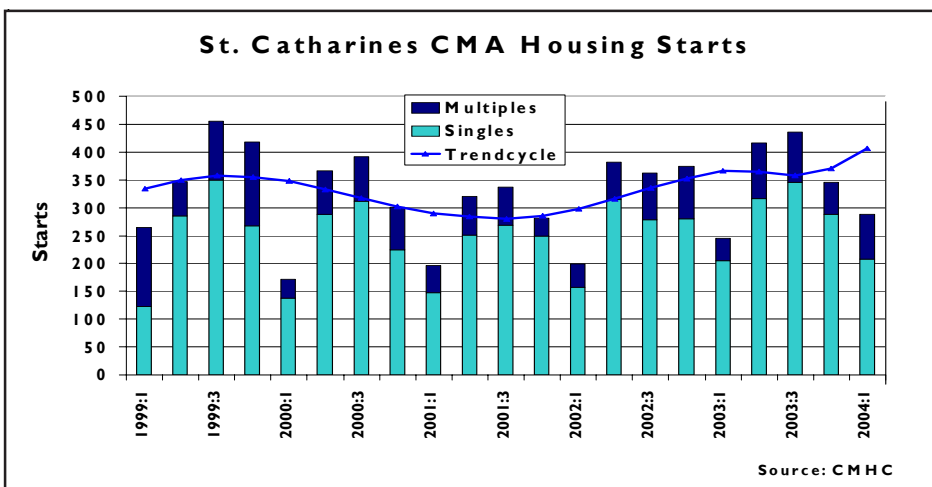
#### FIRST QUARTER 2004

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this time last year. Semi-detached starts have also experienced notable increases from this time last year.

- The driving force behind the increase in multiple starts has been the large price appreciation of new single-detached homes in the area. The average price of a new single-detached home increased by 13 percent to reach \$276,671 in 2004Q1 up from



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\$244,920 2003Q1. In the face of rising prices many potential homebuyers have opted for the more affordable alternative of a townhouse compared to a new single-detached home. As such we have seen increased multiple starts activity in the area. This trend should persist as prices are expected to continue to rise.

- The share of absorptions of new single-detached homes priced over \$250,000 have also continued to post substantial increases. This price range now accounts for more than half of all absorptions in the area. In 2003Q1 only 34 percent of absorptions fell within this range. On the demand side of the equation this trend is a result of low mortgage rates that continue to give potential homebuyers the capacity to purchase more expensive homes by keeping carrying cost low. In addition, equity gains associated with house price appreciation have also given many move up buyers the incentive to trade up to higher priced single-detached homes. On the supply side, higher prices and increased margins have provided builders with added

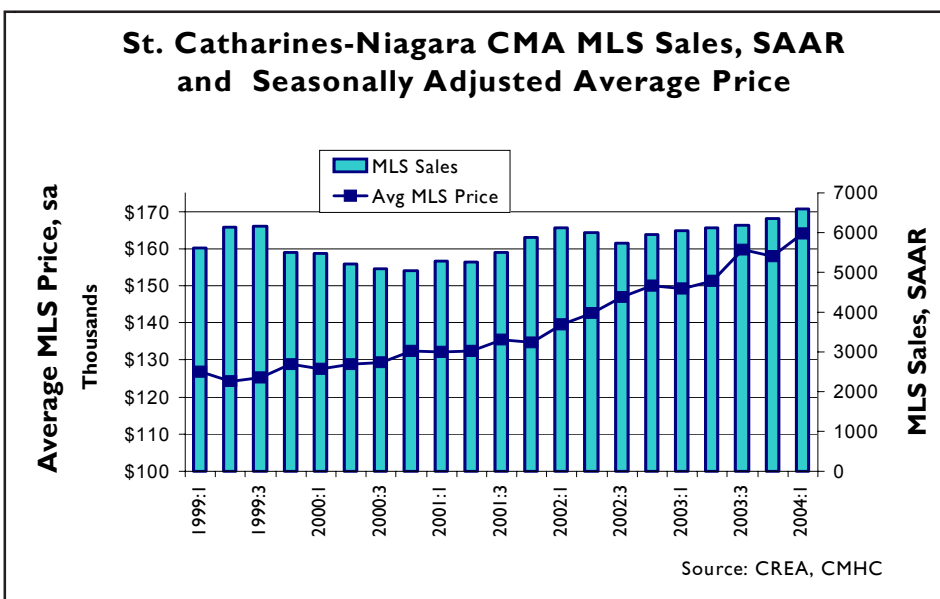
incentives for new home construction.

### Low rates continue to fuel housing demand

- A slow down in economic growth and a real lack of inflationary pressure has led the Bank of Canada to lower its trend setting overnight rate to 2 percent. The last time that the Bank's key lending rate was this low was during the aftermath of September 11<sup>th</sup>. Prior to that the Bank's key rate has not dropped this low since 1960. This historically low interest rate environment has translated into lower borrowing costs for potential homebuyers and has led to a flurry of housing market activity.
- On a seasonally basis employment levels in the region have been sliding somewhat since the second half of 2003. This weakness stemmed largely from the manufacturing and trade sectors which, posted declines. On a seasonally adjusted basis employment in 2004Q1 fell by 2 percent to 192,200 from 196,100 in 2003Q4.

### Short supply adds to market tightness

- Spurred on by low borrowing costs the resale market continues to thrive. Sales in the region have continued their steady upward trend. After adjusting for seasonal variations MLS® sales have shot up by 4 percent from 2003Q4. Moreover, MLS® sales SAAR (seasonally adjusted annual rates) in 2004Q1 surpassed last years levels. This trend is expected to continue in 2004 with sales easily outperforming last years' figures.
- In contrast, the dwindling supply of new listings in the region has persisted. On a seasonally adjusted basis new listings have dropped by 7.2 percent from 2003Q4. As a result the seasonally adjusted sales-to-new listings ratio (a measure of market tightness) has jumped to 75 percent up from 67 percent in 2003Q4. The sales-to-new-listings ratio is regarded as a strong leading indicator for price movements. With a resale market that is easily in sellers' territory we can expect prices to continue their remarkable upward trend.
- The tight resale market is fuelling strong price growth. On a year over year basis most markets experienced double digit price gains with the St. Catharines district the only exception increasing by 8.9 percent.
- The St. Catharines district continues to be the hottest market in the region. This market accounted for almost half of all MLS® sales in the entire CMA.



# Table I: Housing Activity Summary for St. Catharines-Niagara CMA

|                                    | OWNERSHIP |        |       |             |     | RENTAL |     | GRAND<br>**TOTAL |
|------------------------------------|-----------|--------|-------|-------------|-----|--------|-----|------------------|
|                                    | FREEHOLD  |        |       | CONDOMINIUM |     | ROW    | APT |                  |
|                                    | *SINGLE   | *SEMI  | ROW   | ROW         | APT |        |     |                  |
| <b>STARTS</b>                      |           |        |       |             |     |        |     |                  |
| QI 2004                            | 208       | 14     | 44    | 17          | 0   | 3      | 2   | 288              |
| QI 2003                            | 205       | 0      | 36    | 4           | 0   | 0      | 0   | 245              |
| % Change                           | 1.5%      | NA     | 22.2% | **          | NA  | NA     | NA  | 17.6%            |
| Year-to-date 2004                  | 208       | 14     | 44    | 17          | 0   | 3      | 2   | 288              |
| Year-to-date 2003                  | 205       | 0      | 36    | 4           | 0   | 0      | 0   | 245              |
| % Change                           | 1.5%      | NA     | 22.2% | **          | NA  | NA     | NA  | 17.6%            |
| <b>UNDER CONSTRUCTION</b>          |           |        |       |             |     |        |     |                  |
| March 2004                         | 436       | 32     | 140   | 132         | 0   | 3      | 5   | 748              |
| March 2003                         | 406       | 38     | 151   | 51          | 0   | 0      | 0   | 646              |
| <b>COMPLETIONS</b>                 |           |        |       |             |     |        |     |                  |
| QI 2004                            | 241       | 12     | 23    | 19          | 0   | 0      | 0   | 295              |
| QI 2003                            | 213       | 6      | 3     | 12          | 0   | 0      | 0   | 234              |
| % Change                           | 13.1%     | 100.0% | **    | 58.3%       | NA  | NA     | NA  | 26.1%            |
| Year-to-date 2004                  | 241       | 12     | 23    | 19          | 0   | 0      | 0   | 295              |
| Year-to-date 2003                  | 213       | 6      | 3     | 12          | 0   | 0      | 0   | 234              |
| % Change                           | 13.1%     | 100.0% | **    | 58.3%       | NA  | NA     | NA  | 26.1%            |
| <b>COMPLETE &amp; NOT ABSORBED</b> |           |        |       |             |     |        |     |                  |
| March 2004                         | 80        | 2      | 11    | 4           | 0   | 0      | 0   | 97               |
| March 2003                         | 73        | 15     | 9     | 12          | 0   | 0      | 0   | 109              |
| <b>ABSORPTIONS</b>                 |           |        |       |             |     |        |     |                  |
| QI 2004                            | 224       | 16     | 18    | 21          | 0   | 0      | 0   | 279              |
| QI 2003                            | 215       | 13     | 3     | 11          | 0   | 0      | 0   | 242              |
| % Change                           | 4.2%      | 23.1%  | **    | 90.9%       | NA  | NA     | NA  | 15.3%            |
| Year-to-date 2004                  | 224       | 16     | 18    | 21          | 0   | 0      | 0   | 279              |
| Year-to-date 2003                  | 215       | 13     | 3     | 11          | 0   | 0      | 0   | 242              |
| % Change                           | 4.2%      | 23.1%  | **    | 90.9%       | NA  | NA     | NA  | 15.3%            |

\*Includes all market types

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

Source: CMHC

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### Table 2A: Starts by Area and by Intended Market - Current Quarter

| Sub Market<br>Area                | SINGLES |         |          | MULTIPLES |         |          | TOTAL   |         |          |
|-----------------------------------|---------|---------|----------|-----------|---------|----------|---------|---------|----------|
|                                   | Q1 2003 | Q1 2004 | % change | Q1 2003   | Q1 2004 | % change | Q1 2003 | Q1 2004 | % change |
| <b>St. Catharines-Niagara CMA</b> | 205     | 208     | 1.5%     | 40        | 80      | 100.0%   | 245     | 288     | 17.6%    |
| St. Catharines City               | 60      | 42      | -30.0%   | 16        | 12      | -25.0%   | 76      | 54      | -28.9%   |
| Niagara Falls                     | 45      | 44      | -2.2%    | 0         | 14      | NA       | 45      | 58      | 28.9%    |
| Welland                           | 19      | 25      | 31.6%    | 12        | 14      | 16.7%    | 31      | 39      | 25.8%    |
| Lincoln Town                      | 15      | 14      | -6.7%    | 0         | 3       | NA       | 15      | 17      | 13.3%    |
| Fort Erie                         | 21      | 30      | 42.9%    | 0         | 0       | NA       | 21      | 30      | 42.9%    |
| Niagara-on-the-Lake               | 14      | 29      | 107.1%   | 4         | 31      | **       | 18      | 60      | **       |
| Pelham                            | 15      | 9       | -40.0%   | 0         | 2       | NA       | 15      | 11      | -26.7%   |
| Port Colborne City                | 5       | 2       | -60.0%   | 4         | 0       | NA       | 9       | 2       | -77.8%   |
| Thorold City                      | 10      | 12      | 20.0%    | 4         | 4       | 0.0%     | 14      | 16      | 14.3%    |
| Wainfleet TWP.                    | 1       | 1       | 0.0%     | 0         | 0       | NA       | 1       | 1       | 0.0%     |

### Table 2B: Starts by Area and by Intended Market - Year-to-Date

| Sub Market<br>Area                | SINGLES  |          |          | MULTIPLES |          |          | TOTAL    |          |          |
|-----------------------------------|----------|----------|----------|-----------|----------|----------|----------|----------|----------|
|                                   | YTD 2003 | YTD 2004 | % change | YTD 2003  | YTD 2004 | % change | YTD 2003 | YTD 2004 | % change |
| <b>St. Catharines-Niagara CMA</b> | 205      | 208      | 1.5%     | 40        | 80       | 100.0%   | 245      | 288      | 17.6%    |
| St. Catharines City               | 60       | 42       | -30.0%   | 16        | 12       | -25.0%   | 76       | 54       | -28.9%   |
| Niagara Falls                     | 45       | 44       | -2.2%    | 0         | 14       | NA       | 45       | 58       | 28.9%    |
| Welland                           | 19       | 25       | 31.6%    | 12        | 14       | 16.7%    | 31       | 39       | 25.8%    |
| Lincoln Town                      | 15       | 14       | -6.7%    | 0         | 3        | NA       | 15       | 17       | 13.3%    |
| Fort Erie                         | 21       | 30       | 42.9%    | 0         | 0        | NA       | 21       | 30       | 42.9%    |
| Niagara-on-the-Lake               | 14       | 29       | 107.1%   | 4         | 31       | **       | 18       | 60       | **       |
| Pelham                            | 15       | 9        | -40.0%   | 0         | 2        | NA       | 15       | 11       | -26.7%   |
| Port Colborne City                | 5        | 2        | -60.0%   | 4         | 0        | NA       | 9        | 2        | -77.8%   |
| Thorold City                      | 10       | 12       | 20.0%    | 4         | 4        | 0.0%     | 14       | 16       | 14.3%    |
| Wainfleet TWP.                    | 1        | 1        | 0.0%     | 0         | 0        | NA       | 1        | 1        | 0.0%     |

### Table 3: Average Price of Completed and Absorbed Single-Detached Dwellings

| Sub Market Area                   | Q1 2003   | Q1 2004   | % Change | YTD 2003  | YTD 2004  | % Change |
|-----------------------------------|-----------|-----------|----------|-----------|-----------|----------|
| <b>St. Catharines-Niagara CMA</b> | \$244,920 | \$276,671 | 13.0%    | \$244,920 | \$276,671 | 13.0%    |
| St. Catharines City               | \$261,149 | \$270,131 | 3.4%     | \$261,149 | \$270,131 | 3.4%     |
| Niagara Falls                     | \$229,497 | \$298,363 | 30.0%    | \$229,497 | \$298,363 | 30.0%    |
| Welland                           | \$179,460 | \$194,489 | 8.4%     | \$179,460 | \$194,489 | 8.4%     |
| Lincoln Town                      | \$284,208 | \$297,584 | 4.7%     | \$284,208 | \$297,584 | 4.7%     |
| Fort Erie                         | \$185,568 | \$230,685 | 24.3%    | \$185,568 | \$230,685 | 24.3%    |
| Niagara-on-the-Lake               | \$332,775 | \$347,400 | 4.4%     | \$332,775 | \$347,400 | 4.4%     |
| Pelham                            | \$290,864 | \$321,059 | 10.4%    | \$290,864 | \$321,059 | 10.4%    |
| Port Colborne City                | NA        | \$324,667 | NA       | NA        | \$324,667 | NA       |
| Thorold City                      | \$216,893 | \$214,596 | -1.1%    | \$216,893 | \$214,596 | -1.1%    |
| Wainfleet TWP.                    | \$178,983 | \$336,800 | 88.2%    | \$178,983 | \$336,800 | 88.2%    |

Source: CMHC

Note: NA may appear where CMHC data suppression rules apply

Table 4: Completed and Absorbed Single-Detached Units by Price Range

| AREA                              | PRICE RANGES |           |                     |           |                     |           |                     |           |                     |           |            |           | TOTAL |
|-----------------------------------|--------------|-----------|---------------------|-----------|---------------------|-----------|---------------------|-----------|---------------------|-----------|------------|-----------|-------|
|                                   | <\$150,000   |           | \$150,000-\$199,999 |           | \$200,000-\$249,999 |           | \$250,000-\$299,999 |           | \$300,000-\$449,999 |           | \$450,000+ |           |       |
|                                   | Units        | Share (%) | Units               | Share (%) | Units               | Share (%) | Units               | Share (%) | Units               | Share (%) | Units      | Share (%) |       |
| <b>St. Catharines-Niagara CMA</b> |              |           |                     |           |                     |           |                     |           |                     |           |            |           |       |
| Q1 2004                           | 7            | 3.1%      | 48                  | 21.4%     | 56                  | 25.0%     | 50                  | 22.3%     | 53                  | 23.7%     | 10         | 4.5%      | 224   |
| Q1 2003                           | 9            | 4.2%      | 76                  | 35.3%     | 56                  | 26.0%     | 29                  | 13.5%     | 38                  | 17.7%     | 7          | 3.3%      | 215   |
| YTD 2004                          | 7            | 3.1%      | 48                  | 21.4%     | 56                  | 25.0%     | 50                  | 22.3%     | 53                  | 23.7%     | 10         | 4.5%      | 224   |
| YTD 2003                          | 9            | 4.2%      | 76                  | 35.3%     | 56                  | 26.0%     | 29                  | 13.5%     | 38                  | 17.7%     | 7          | 3.3%      | 215   |
| <b>St. Catharines City</b>        |              |           |                     |           |                     |           |                     |           |                     |           |            |           |       |
| Q1 2004                           | 0            | 0.0%      | 8                   | 18.2%     | 8                   | 18.2%     | 19                  | 43.2%     | 8                   | 18.2%     | 1          | 2.3%      | 44    |
| Q1 2003                           | 0            | 0.0%      | 10                  | 23.8%     | 12                  | 28.6%     | 9                   | 21.4%     | 11                  | 26.2%     | 0          | 0.0%      | 42    |
| YTD 2004                          | 0            | 0.0%      | 8                   | 18.2%     | 8                   | 18.2%     | 19                  | 43.2%     | 8                   | 18.2%     | 1          | 2.3%      | 44    |
| YTD 2003                          | 0            | 0.0%      | 10                  | 23.8%     | 12                  | 28.6%     | 9                   | 21.4%     | 11                  | 26.2%     | 0          | 0.0%      | 42    |
| <b>Nagara Falls</b>               |              |           |                     |           |                     |           |                     |           |                     |           |            |           |       |
| Q1 2004                           | 1            | 1.7%      | 9                   | 15.3%     | 20                  | 33.9%     | 14                  | 23.7%     | 10                  | 16.9%     | 5          | 8.5%      | 59    |
| Q1 2003                           | 1            | 2.2%      | 24                  | 53.3%     | 12                  | 26.7%     | 3                   | 6.7%      | 3                   | 6.7%      | 2          | 4.4%      | 45    |
| YTD 2004                          | 1            | 1.7%      | 9                   | 15.3%     | 20                  | 33.9%     | 14                  | 23.7%     | 10                  | 16.9%     | 5          | 8.5%      | 59    |
| YTD 2003                          | 1            | 2.2%      | 24                  | 53.3%     | 12                  | 26.7%     | 3                   | 6.7%      | 3                   | 6.7%      | 2          | 4.4%      | 45    |
| <b>Welland</b>                    |              |           |                     |           |                     |           |                     |           |                     |           |            |           |       |
| Q1 2004                           | 3            | 10.3%     | 15                  | 51.7%     | 5                   | 17.2%     | 4                   | 13.8%     | 2                   | 6.9%      | 0          | 0.0%      | 29    |
| Q1 2003                           | 1            | 5.0%      | 10                  | 50.0%     | 9                   | 45.0%     | 0                   | 0.0%      | 0                   | 0.0%      | 0          | 0.0%      | 20    |
| YTD 2004                          | 3            | 10.3%     | 15                  | 51.7%     | 5                   | 17.2%     | 4                   | 13.8%     | 2                   | 6.9%      | 0          | 0.0%      | 29    |
| YTD 2003                          | 1            | 5.0%      | 10                  | 50.0%     | 9                   | 45.0%     | 0                   | 0.0%      | 0                   | 0.0%      | 0          | 0.0%      | 20    |
| <b>Lincoln Town</b>               |              |           |                     |           |                     |           |                     |           |                     |           |            |           |       |
| Q1 2004                           | 1            | 5.0%      | 1                   | 5.0%      | 8                   | 40.0%     | 1                   | 5.0%      | 9                   | 45.0%     | 0          | 0.0%      | 20    |
| Q1 2003                           | 0            | 0.0%      | 5                   | 19.2%     | 10                  | 38.5%     | 5                   | 19.2%     | 3                   | 11.5%     | 3          | 11.5%     | 26    |
| YTD 2004                          | 1            | 5.0%      | 1                   | 5.0%      | 8                   | 40.0%     | 1                   | 5.0%      | 9                   | 45.0%     | 0          | 0.0%      | 20    |
| YTD 2003                          | 0            | 0.0%      | 5                   | 19.2%     | 10                  | 38.5%     | 5                   | 19.2%     | 3                   | 11.5%     | 3          | 11.5%     | 26    |
| <b>Fort Erie</b>                  |              |           |                     |           |                     |           |                     |           |                     |           |            |           |       |
| Q1 2004                           | 2            | 10.0%     | 10                  | 50.0%     | 4                   | 20.0%     | 3                   | 15.0%     | 0                   | 0.0%      | 1          | 5.0%      | 20    |
| Q1 2003                           | 5            | 17.9%     | 16                  | 57.1%     | 3                   | 10.7%     | 1                   | 3.6%      | 3                   | 10.7%     | 0          | 0.0%      | 28    |
| YTD 2004                          | 2            | 10.0%     | 10                  | 50.0%     | 4                   | 20.0%     | 3                   | 15.0%     | 0                   | 0.0%      | 1          | 5.0%      | 20    |
| YTD 2003                          | 5            | 17.9%     | 16                  | 57.1%     | 3                   | 10.7%     | 1                   | 3.6%      | 3                   | 10.7%     | 0          | 0.0%      | 28    |
| <b>Nagara-on-the-Lake</b>         |              |           |                     |           |                     |           |                     |           |                     |           |            |           |       |
| Q1 2004                           | 0            | 0.0%      | 0                   | 0.0%      | 4                   | 22.2%     | 3                   | 16.7%     | 10                  | 55.6%     | 1          | 5.6%      | 18    |
| Q1 2003                           | 0            | 0.0%      | 1                   | 4.2%      | 7                   | 29.2%     | 4                   | 16.7%     | 10                  | 41.7%     | 2          | 8.3%      | 24    |
| YTD 2004                          | 0            | 0.0%      | 0                   | 0.0%      | 4                   | 22.2%     | 3                   | 16.7%     | 10                  | 55.6%     | 1          | 5.6%      | 18    |
| YTD 2003                          | 0            | 0.0%      | 1                   | 4.2%      | 7                   | 29.2%     | 4                   | 16.7%     | 10                  | 41.7%     | 2          | 8.3%      | 24    |
| <b>Pelham</b>                     |              |           |                     |           |                     |           |                     |           |                     |           |            |           |       |
| Q1 2004                           | 0            | 0.0%      | 0                   | 0.0%      | 3                   | 17.6%     | 2                   | 11.8%     | 12                  | 70.6%     | 0          | 0.0%      | 17    |
| Q1 2003                           | 0            | 0.0%      | 1                   | 7.1%      | 3                   | 21.4%     | 3                   | 21.4%     | 7                   | 50.0%     | 0          | 0.0%      | 14    |
| YTD 2004                          | 0            | 0.0%      | 0                   | 0.0%      | 3                   | 17.6%     | 2                   | 11.8%     | 12                  | 70.6%     | 0          | 0.0%      | 17    |
| YTD 2003                          | 0            | 0.0%      | 1                   | 7.1%      | 3                   | 21.4%     | 3                   | 21.4%     | 7                   | 50.0%     | 0          | 0.0%      | 14    |
| <b>Port Colborne City</b>         |              |           |                     |           |                     |           |                     |           |                     |           |            |           |       |
| Q1 2004                           | 0            | 0.0%      | 2                   | 66.7%     | 0                   | 0.0%      | 0                   | 0.0%      | 0                   | 0.0%      | 1          | 33.3%     | 3     |
| Q1 2003                           | 0            | 0.0%      | 2                   | 100.0%    | 0                   | 0.0%      | 0                   | 0.0%      | 0                   | 0.0%      | 0          | 0.0%      | 2     |
| YTD 2004                          | 0            | 0.0%      | 2                   | 66.7%     | 0                   | 0.0%      | 0                   | 0.0%      | 0                   | 0.0%      | 1          | 33.3%     | 3     |
| YTD 2003                          | 0            | 0.0%      | 2                   | 100.0%    | 0                   | 0.0%      | 0                   | 0.0%      | 0                   | 0.0%      | 0          | 0.0%      | 2     |
| <b>Thorold City</b>               |              |           |                     |           |                     |           |                     |           |                     |           |            |           |       |
| Q1 2004                           | 0            | 0.0%      | 3                   | 33.3%     | 4                   | 44.4%     | 2                   | 22.2%     | 0                   | 0.0%      | 0          | 0.0%      | 9     |
| Q1 2003                           | 2            | 25.0%     | 2                   | 25.0%     | 0                   | 0.0%      | 3                   | 37.5%     | 1                   | 12.5%     | 0          | 0.0%      | 8     |
| YTD 2004                          | 0            | 0.0%      | 3                   | 33.3%     | 4                   | 44.4%     | 2                   | 22.2%     | 0                   | 0.0%      | 0          | 0.0%      | 9     |
| YTD 2003                          | 2            | 25.0%     | 2                   | 25.0%     | 0                   | 0.0%      | 3                   | 37.5%     | 1                   | 12.5%     | 0          | 0.0%      | 8     |
| <b>Wainfleet TWP.</b>             |              |           |                     |           |                     |           |                     |           |                     |           |            |           |       |
| Q1 2004                           | 0            | 0.0%      | 0                   | 0.0%      | 0                   | 0.0%      | 2                   | 40.0%     | 2                   | 40.0%     | 1          | 20.0%     | 5     |
| Q1 2003                           | 0            | 0.0%      | 5                   | 83.3%     | 0                   | 0.0%      | 1                   | 16.7%     | 0                   | 0.0%      | 0          | 0.0%      | 6     |
| YTD 2004                          | 0            | 0.0%      | 0                   | 0.0%      | 0                   | 0.0%      | 2                   | 40.0%     | 2                   | 40.0%     | 1          | 20.0%     | 5     |
| YTD 2003                          | 0            | 0.0%      | 5                   | 83.3%     | 0                   | 0.0%      | 1                   | 16.7%     | 0                   | 0.0%      | 0          | 0.0%      | 6     |

## Table 5: Resale Housing Activity for St.Catharines-Niagara CMA

|                                    | Number of Sales | Yr/Yr % | Number of New Listings | Sales-to-New Listings | Average Price (\$)   | Yr/Yr % |
|------------------------------------|-----------------|---------|------------------------|-----------------------|----------------------|---------|
| <b>All districts</b>               |                 |         |                        |                       |                      |         |
| Q1 2003                            | 1,352           | -0.4%   | 2,344                  | 57.7                  | \$148,720            | 6.9%    |
| Q1 2004                            | 1,485           | 9.8%    | 2,293                  | 64.8                  | \$163,358            | 9.8%    |
| YTD 2003                           | 1,352           | -0.4%   | 2,344                  |                       | \$148,720            | 6.8%    |
| YTD 2004                           | 1,485           | 9.8%    | 2,293                  |                       | \$163,358            | 9.8%    |
| <b>St. Catharines district</b>     |                 |         |                        |                       |                      |         |
| Q1 2003                            | 694             | 1.8%    | 1,092                  | 63.6                  | \$159,805            | 7.0%    |
| Q1 2004                            | 759             | 9.4%    | 1,090                  | 69.6                  | \$174,079            | 8.9%    |
| YTD 2003                           | 694             | 1.8%    | 1,092                  |                       | \$159,805            | 7.0%    |
| YTD 2004                           | 759             | 9.4%    | 1,090                  |                       | \$174,079            | 8.9%    |
| <b>Niagara Falls-Fort Erie</b>     |                 |         |                        |                       |                      |         |
| Q1 2003                            | 360             | -9.3%   | 743                    | 48.5                  | \$139,571            | 8.3%    |
| Q1 2004                            | 394             | 9.4%    | 665                    | 59.2                  | \$155,132            | 11.1%   |
| YTD 2003                           | 360             | -9.3%   | 743                    |                       | \$139,571            | 7.9%    |
| YTD 2004                           | 394             | 9.4%    | 665                    |                       | \$155,132            | 11.1%   |
| <b>Welland district</b>            |                 |         |                        |                       |                      |         |
| Q1 2003                            | 298             | 7.2%    | 509                    | 58.5                  | \$133,958            | 4.0%    |
| Q1 2004                            | 332             | 11.4%   | 538                    | 61.7                  | \$148,612            | 10.9%   |
| YTD 2003                           | 298             | 7.2%    | 509                    |                       | \$133,958            | 4.0%    |
| YTD 2004                           | 332             | 11.4%   | 538                    |                       | \$148,612            | 10.9%   |
| <b>Historical Data (1994-2003)</b> |                 |         |                        |                       |                      |         |
|                                    | Annual Sales    | Yr/Yr % | Annual New Listings    | Yr/Yr %               | Annual Average Price | Yr/Yr % |
| 1994                               | 5,036           | 15.2%   | 13,259                 | -3.9%                 | \$117,406            | 0.7%    |
| 1995                               | 4,609           | -8.5%   | 11,983                 | -9.6%                 | \$114,252            | -2.7%   |
| 1996                               | 5,457           | 18.4%   | 11,873                 | -0.9%                 | \$114,072            | -0.2%   |
| 1997                               | 5,509           | 1.0%    | 11,154                 | -6.1%                 | \$117,778            | 3.2%    |
| 1998                               | 5,794           | 5.2%    | 11,354                 | 1.8%                  | \$121,981            | 3.6%    |
| 1999                               | 5,863           | 1.2%    | 9,982                  | -12.1%                | \$126,155            | 3.4%    |
| 2000                               | 5,207           | -11.2%  | 9,310                  | -6.7%                 | \$129,390            | 2.6%    |
| 2001                               | 5,488           | 5.4%    | 9,221                  | -1.0%                 | \$133,715            | 3.3%    |
| 2002                               | 5,951           | 8.4%    | 8,828                  | -4.3%                 | \$144,720            | 8.2%    |
| 2003                               | 6,174           | 3.7%    | 9,270                  | 5.0%                  | \$154,559            | 6.8%    |

Source: Canadian Real Estate Association

### Table 6: Economic Indicators

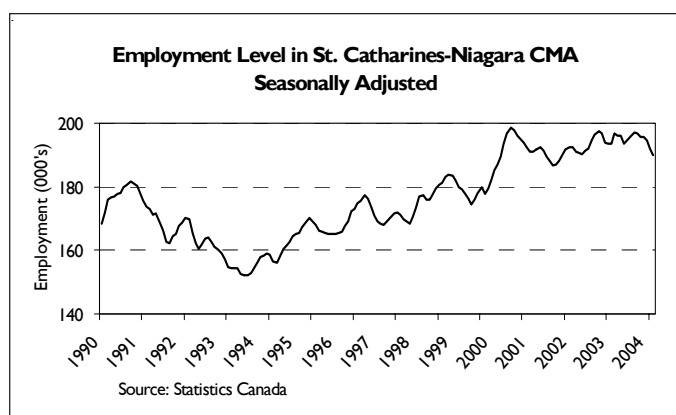
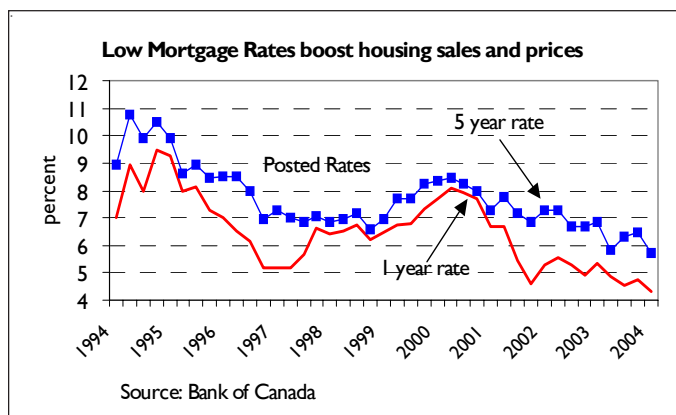
|      |           | Interest and Exchange Rates |               |            |            | Inflation Rate | NHPI*** % chg. | St. Catharines-Niagara CMA Labour Market |                            |            |
|------|-----------|-----------------------------|---------------|------------|------------|----------------|----------------|--|----------------------------|------------|
|      |           | P & I*                      | Mortgage Rate |            | Exch. Rate |                |                | Ontario                                  | St. Catharines-Niagara CMA | Employment |
|      |           |                             | Per \$100,000 | 1 Yr. Term |            | 5 Yr. Term     | SA** (,000)    |  |                            |            |
| 2003 | January   | \$666.80                    | 4.9%          | 6.5%       | 0.657      | 4.3%           | 3.1%           | 193.7                                    | -0.2%                      | 7.5%       |
|      | February  | \$675.90                    | 4.9%          | 6.6%       | 0.674      | 4.4%           | 3.3%           | 193.5                                    | -0.1%                      | 7.6%       |
|      | March     | \$691.18                    | 5.4%          | 6.9%       | 0.681      | 3.3%           | 3.5%           | 196.7                                    | 1.7%                       | 6.6%       |
|      | April     | \$678.94                    | 5.4%          | 6.7%       | 0.698      | 2.3%           | 3.1%           | 195.9                                    | -0.4%                      | 6.5%       |
|      | May       | \$648.75                    | 5.1%          | 6.2%       | 0.731      | 2.7%           | 4.3%           | 196.1                                    | 0.1%                       | 6.1%       |
|      | June      | \$627.97                    | 4.9%          | 5.8%       | 0.742      | 2.5%           | 5.0%           | 193.7                                    | -1.2%                      | 6.7%       |
|      | July      | \$651.74                    | 4.6%          | 6.2%       | 0.712      | 1.9%           | 5.3%           | 194.8                                    | 0.6%                       | 6.8%       |
|      | August    | \$660.76                    | 4.6%          | 6.4%       | 0.722      | 1.7%           | 5.4%           | 196.0                                    | 0.6%                       | 6.9%       |
|      | September | \$657.75                    | 4.6%          | 6.3%       | 0.741      | 2.2%           | 6.2%           | 197.3                                    | 0.7%                       | 6.8%       |
|      | October   | \$663.77                    | 4.6%          | 6.4%       | 0.758      | 1.7%           | 5.8%           | 196.9                                    | -0.2%                      | 6.9%       |
|      | November  | \$669.82                    | 4.8%          | 6.5%       | 0.770      | 1.7%           | 7.5%           | 195.7                                    | -0.6%                      | 7.0%       |
|      | December  | \$666.80                    | 4.8%          | 6.5%       | 0.771      | 3.0%           | 6.5%           | 195.7                                    | 0.0%                       | 6.7%       |
| 2004 | January   | \$642.78                    | 4.3%          | 6.1%       | 0.755      | 1.5%           | 5.5%           | 194.5                                    | -0.6%                      | 6.7%       |
|      | February  | \$627.97                    | 4.3%          | 5.8%       | 0.749      | 0.8%           | 6.1%           | 192.0                                    | -1.3%                      | 7.0%       |
|      | March     | \$622.08                    | 4.3%          | 5.7%       | 0.763      | 1.1%           |                | 190.1                                    | -1.0%                      | 7.5%       |
|      | April     |                             |               |            |            |                |                |  |                            |            |
|      | May       |                             |               |            |            |                |                |  |                            |            |
|      | June      |                             |               |            |            |                |                |  |                            |            |
|      | July      |                             |               |            |            |                |                |  |                            |            |
|      | August    |                             |               |            |            |                |                |  |                            |            |
|      | September |                             |               |            |            |                |                |  |                            |            |
|      | October   |                             |               |            |            |                |                |  |                            |            |
|      | November  |                             |               |            |            |                |                |  |                            |            |
|      | December  |                             |               |            |            |                |                |  |                            |            |

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

\*\* Seasonally Adjusted

\*\*\* New Housing Price Index

Source: CMHC, Statistics Canada Labour Force Survey





## Definitions

- 1. 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.
- 2. Under Construction:** those units which have been started but which are not complete.
- 3. 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
- 4. Completed and Not Absorbed:** all completed units of new construction (excluding model homes not available for sale) which have never been sold or leased.
- 5. Absorptions:** the number of completed units (excluding model homes) that have been sold or leased.
- 6. Seasonally Adjusted (SA):** Actual monthly (or quarterly) figures adjusted to remove normal seasonal variation.
- 7. Seasonally Adjust Annual Rates (SAAR):** Seasonally adjusted monthly figures multiplied by 12 (or quarterly figures multiplied by 4) to reflect annualized levels of activity.
- 8. Definitions for CMA, NHPI, CPI, and Inflation Rate** can be found in the Statistics Canada website - <http://www.statcan.ca>

## Your Guide to Renting a Home – CMHC’s new, online guide for tenants, landlords, and property managers

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“Your Guide to Renting a Home” is located on the CMHC Web site at [www.cmhc.ca](http://www.cmhc.ca). From the left-hand menu, you can select “Buying or Renting a Home” and click on “Renting a Home”.

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Housing Now is published four times a year. An annual subscription to the St. Catharines-Niagara Housing Now is \$55 plus GST. The subscription also includes a 4-page Forecast Summary report as a supplement with the 1st and 3rd quarter Housing Now reports. For more information and to order; please call Ontario Market Analysis customer service at 1-800-493-0059.

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