

H

OUSING NOW

Windsor

YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

www.cmhc.ca

Pace of new construction slows

Following several years of strong home construction, the building cycle has matured and the demand for new homes has started to taper off. Single detached home starts in the Windsor Census Metropolitan Area (CMA) continued to slow in the third quarter of 2005, dropping by 28 per cent to 349 units from one year earlier. Year over year starts at 1,228 units were 30 per cent lower.

Single detached home starts were down in four of the five municipalities of the CMA, most significantly in Amherstburg. Absorptions have averaged 96 homes per month, approximately 26 per cent lower

than last year's pace. Even with a slower pace of absorptions, the supply of homes completed and not yet sold is well in hand with only six homes available compared to nine homes in September 2004.

Construction of new semi-detached homes is trending down with two-thirds of the units being constructed within the Windsor City limits.

Multiple family home starts declined by 54 per cent compared to the third quarter 2004. There were 43 homeownership townhouse homes started and 12 private apartment rental units during the third quarter.

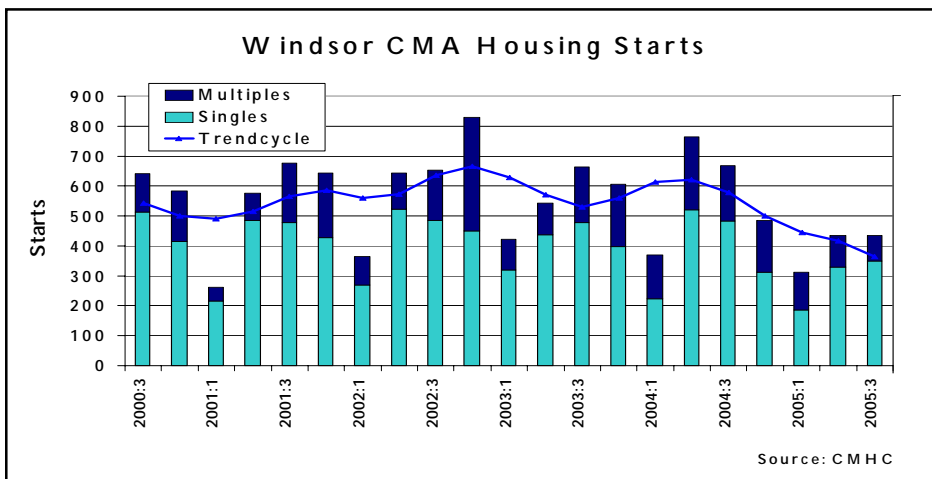
THIRD QUARTER 2005

IN THIS ISSUE

1. Housing Starts
2. Resale Market
3. Statistical Tables
6. Resale Indicators
8. Definitions

The average price of homes completed and sold jumped 15 per cent in the third quarter of 2005 to just under \$250,000. The strongest increase was in Tukumseh due to the completion and sale of some very large and upper priced homes.

Significant changes by price range were seen in the decline in the share of new homes in the \$150,000-\$175,000 range in LaSalle, and the increase in \$300,000+ homes in Windsor City and Lakeshore.



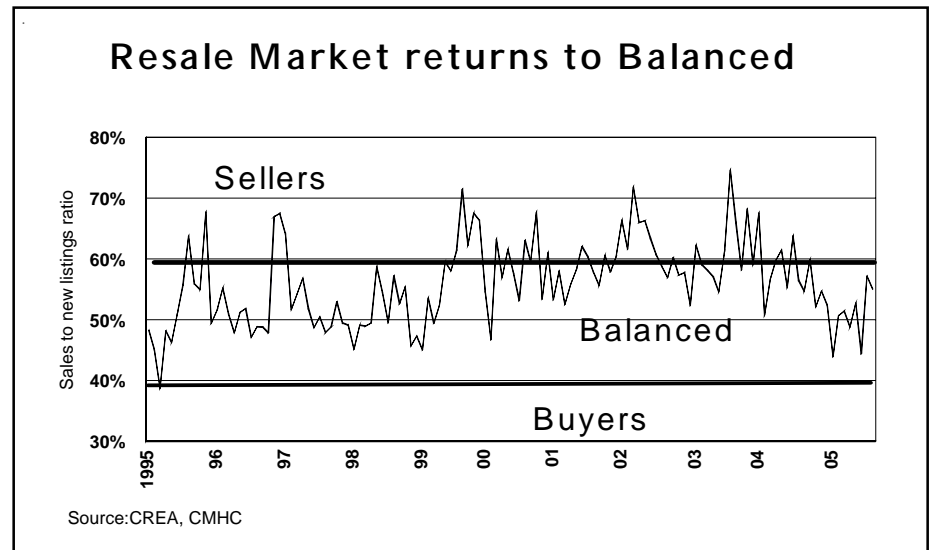
Margot Stevenson, CMHC - Market Analysis, London Office
 Direct Line: (519) 873-2407 * Fax: (519) 438-5266
 mstevens@cmhc-schl.gc.ca * www.cmhc.ca

Resale Market

Homebuyers have lots of choice

Windsor-Essex MLS home sales trend reversed and perked up in the third quarter of 2005, however due to a weaker than expected spring market, year-to-date activity is still behind 2004. Record sales for the month in August contributed to a moderate four per cent increase or 1,629 units in third quarter sales.

The slower pace can be attributed to plateauing job growth following several strong years and slightly lower levels of in-migration. Employment levels in the Windsor CMA have moved within a narrow band since the beginning of the year. A drop in the number of people looking for work resulted in lowering the unemployment rate to 7.6 per cent, the lowest level since December 2003. Manufacturing employment continued to expand which will help attract people to the Windsor area over the coming years. The cost of carrying a \$100,000



mortgage was down 4.6 per cent in September at \$628 compared to \$658 one year earlier due to lower interest rates. (Principal and Interest Payment assumes a five year mortgage rate and 25 year amortization period.)

The average price in the third quarter came in at \$164,100, down less than two per cent from the third quarter of 2004. The year to date average price of \$163,200 is 1.5 per cent above last year's. The strong price growth of the

last year has encouraged many homeowners to realize equity gains by listing and selling their homes. In the third quarter of 2005, 3,158 homes were listed for sale in the Windsor-Essex market up four per cent from third quarter 2004 figures. In fact, August set a new record for listings for that particular month.

The resale home market has moved into a balanced position where neither the buyer nor the seller has an advantage in price negotiations. The sales-to-new listings ratio, a measure of market state, has been within the 40-60 per cent range of a buyers market throughout the third quarter.

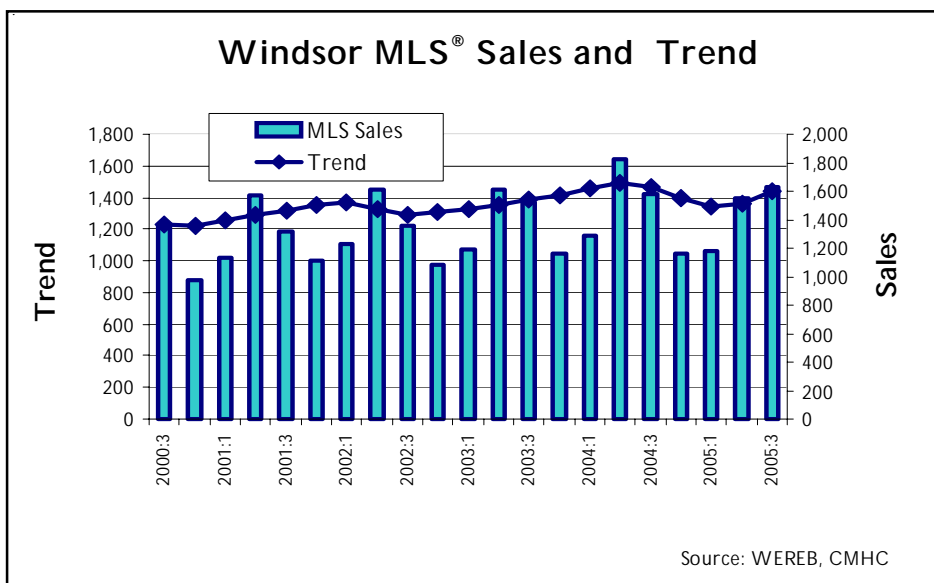


Table 1: Housing Activity Summary for Windsor CMA

	OWNERSHIP					RENTAL		GRAND **TOTAL
	FREEHOLD		CONDOMINIUM			ROW	APT	
	*SINGLE	*SEMI	ROW	ROW	APT			
STARTS								
Q3 2005	349	30	43	0	0	0	12	434
Q3 2004	483	74	66	0	0	12	33	668
% Change	-27.7	-59.5	-34.8	NA	NA	-100.0	-63.6	-35.0
Year-to-date 2005	865	82	123	0	74	16	22	1,182
Year-to-date 2004	1,228	140	187	8	176	12	51	1,802
% Change	-29.6	-41.4	-34.2	-100.0	-58.0	33.3	-56.9	-34.4
UNDER CONSTRUCTION								
September 2005	351	36	70	0	0	12	12	481
September 2004	503	70	158	0	88	12	49	880
COMPLETIONS								
Q3 2005	333	38	51	0	74	4	10	510
Q3 2004	491	58	37	0	47	0	0	633
% Change	-32.2	-34.5	37.8	NA	57.4	NA	NA	-19.4
Year-to-date 2005	865	104	212	0	162	12	107	1,462
Year-to-date 2004	1,175	118	169	0	134	4	28	1,628
% Change	-26.4	-11.9	25.4	NA	20.9	200.0	**	-10.2
COMPLETE & NOT ABSORBED								
September 2005	6	10	5	0	8	0	0	29
September 2004	9	3	0	0	10	0	0	22
ABSORPTIONS								
Q3 2005	336	34	46	0	66	4	10	496
Q3 2004	482	56	53	0	84	0	0	675
% Change	-30.3	-39.3	-13.2	NA	-21.4	NA	NA	-26.5
Year-to-date 2005	866	98	215	0	154	12	107	1,452
Year-to-date 2004	1,175	127	180	0	135	4	28	1,649
% Change	-26.3	-22.8	19.4	NA	14.1	200.0	**	-11.9

*Includes all market types

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

Source: CMHC

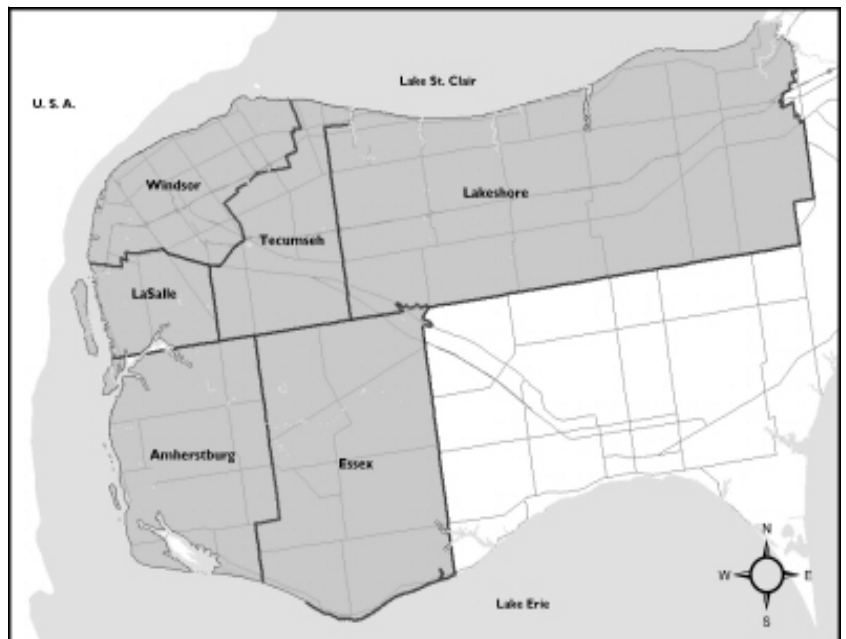


Table 2A: Starts by Area and by Intended Market - Current Quarter

Sub Market Area	SINGLES			MULTIPLES			TOTAL		
	Q3 2004	Q3 2005	% change	Q3 2004	Q3 2005	% change	Q3 2004	Q3 2005	% change
Windsor CMA	483	349	-27.7	185	85	-54.1	668	434	-35.0
Windsor City	245	177	-27.8	140	58	-58.6	385	235	-39.0
LaSalle Town	45	49	8.9	10	8	-20.0	55	57	3.6
Lakeshore Township	130	95	-26.9	25	13	-48.0	155	108	-30.3
Amherstburg Township	49	21	-57.1	8	6	-25.0	57	27	-52.6
Tecumseh Town	14	7	-50.0	2	0	-100.0	16	7	-56.3

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

Sub Market Area	SINGLES			MULTIPLES			TOTAL		
	YTD 2004	YTD 2005	% change	YTD 2004	YTD 2005	% change	YTD 2004	YTD 2005	% change
Windsor CMA	1,228	865	-29.6	574	317	-44.8	1,802	1,182	-34.4
Windsor City	619	427	-31.0	478	211	-55.9	1,097	638	-41.8
LaSalle Town	100	91	-9.0	22	35	59.1	122	126	3.3
Lakeshore Township	344	262	-23.8	46	22	-52.2	390	284	-27.2
Amherstburg Township	136	67	-50.7	12	6	-50.0	148	73	-50.7
Tecumseh Town	29	18	-37.9	16	43	168.8	45	61	35.6

Table 3: Average Price of Completed and Absorbed Single-Detached Dwellings (\$)

Sub Market Area	Q3 2004	Q3 2005	% Change	YTD 2004	YTD 2005	% Change
Windsor CMA	217,453	249,632	14.8	213,735	232,184	8.6
Windsor City	193,390	212,836	10.1	194,055	202,877	4.5
LaSalle Town	272,583	271,311	-0.5	246,620	277,730	12.6
Lakeshore Township	233,107	276,193	18.5	231,516	261,898	13.1
Amherstburg Township	222,622	257,444	15.6	225,113	228,486	1.5
Tecumseh Town	243,814	371,563	52.4	270,566	308,051	13.9

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

Note: NA may appear where CMHC data suppression rules apply

Source: CMHC

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

AREA	PRICE RANGES										TOTAL
	<\$149,999		\$150-\$174,999		\$175-\$249,999		\$250-\$299,999		\$300,000+		
	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	Units	Share (%)	
Windsor CMA											
Q3 2005	3	0.9	43	12.8	159	47.3	47	14.0	84	25.0	336
Q3 2004	7	1.5	174	36.1	178	36.9	53	11.0	70	14.5	482
YTD 2005	11	1.3	257	29.7	342	39.5	91	10.5	165	19.1	866
YTD 2004	26	2.2	446	38.0	443	37.7	112	9.5	148	12.6	1,175
Windsor City											
Q3 2005	3	2.1	38	27.0	75	53.2	7	5.0	18	12.8	141
Q3 2004	7	3.2	113	51.8	63	28.9	19	8.7	16	7.3	218
YTD 2005	10	2.3	197	45.6	155	35.9	23	5.3	47	10.9	432
YTD 2004	21	3.5	314	52.7	173	29.0	41	6.9	47	7.9	596
LaSalle Town											
Q3 2005	0	0.0	0	0.0	20	46.5	9	20.9	14	32.6	43
Q3 2004	0	0.0	9	20.9	11	25.6	5	11.6	18	41.9	43
YTD 2005	1	1.2	2	2.4	33	39.3	20	23.8	28	33.3	84
YTD 2004	1	1.0	29	29.6	28	28.6	15	15.3	25	25.5	98
Lakeshore Township											
Q3 2005	0	0.0	3	2.7	47	41.6	26	23.0	37	32.7	113
Q3 2004	0	0.0	32	22.4	71	49.7	19	13.3	21	14.7	143
YTD 2005	0	0.0	29	11.6	116	46.6	39	15.7	65	26.1	249
YTD 2004	2	0.6	68	20.1	179	52.8	41	12.1	49	14.5	339
Amherstburg Township											
Q3 2005	0	0.0	1	3.2	16	51.6	5	16.1	9	29.0	31
Q3 2004	0	0.0	16	23.9	31	46.3	8	11.9	12	17.9	67
YTD 2005	0	0.0	28	35.4	29	36.7	7	8.9	15	19.0	79
YTD 2004	1	0.8	30	24.4	60	48.8	13	10.6	19	15.4	123
Tecumseh Town											
Q3 2005	0	0.0	1	12.5	1	12.5	0	0.0	6	75.0	8
Q3 2004	0	0.0	4	36.4	2	18.2	2	18.2	3	27.3	11
YTD 2005	0	0.0	1	4.5	9	40.9	2	9.1	10	45.5	22
YTD 2004	1	5.3	5	26.3	3	15.8	2	10.5	8	42.1	19

Source: CMHC

Note: N/A may appear where CMHC data suppression rules apply

Table 5: Resale Housing Activity for Windsor Real Estate Board

		Number of Sales	Yr/Yr %	Number of New Listings	Average Price (\$)	Yr/Yr %
2004	January	271	-15.8	770	144,757	-1.2
	February	388	-3.0	901	152,978	4.1
	March	624	33.3	1,125	154,335	7.5
	April	613	24.8	1,156	157,942	8.2
	May	543	4.2	998	161,803	3.1
	June	672	13.1	985	166,588	5.9
	July	510	-15.6	988	160,394	3.0
	August	510	6.3	997	171,179	8.9
	September	559	28.5	1,040	167,550	14.7
	October	429	-7.7	914	155,157	-0.1
	November	428	15.7	829	151,140	-1.9
	December	303	-5.9	530	159,201	4.4
2005	January	297	9.6	960	158,738	9.7
	February	396	2.1	938	155,450	1.6
	March	482	-22.8	1,008	169,214	9.6
	April	536	-12.6	1,214	160,881	1.9
	May	396	-27.1	938	155,450	-3.9
	June	618	-8.0	1,232	170,068	2.1
	July	521	2.2	1,004	168,106	4.8
	August	600	17.6	1,161	160,962	-6.0
	September	508	-9.1	993	163,697	-2.3
	October					
	November					
	December					
Q3 2004		1,579	3.9	3,025	166,411	8.4
Q3 2005		1,629	3.2	3,158	164,100	-1.4
YTD 2004		4,690	8.7	8,960	160,827	6.3
YTD 2005		4,354	-7.2	9,448	163,198	1.5

	Annual Sales	Yr/Yr %	Annual New Listings	Annual Average Price (\$)	Yr/Yr %
1995	4,587	0.9	8,862	117,361	7.5
1996	5,171	12.7	9,938	121,088	3.2
1997	5,045	-2.4	9,875	124,631	2.9
1998	5,015	-0.6	9,853	130,523	4.7
1999	5,077	1.2	8,778	134,490	3.0
2000	4,968	-2.1	8,664	136,318	1.4
2001	5,127	3.2	8,737	138,485	1.6
2002	5,265	2.7	8,757	147,218	6.3

Table 6: Economic Indicators

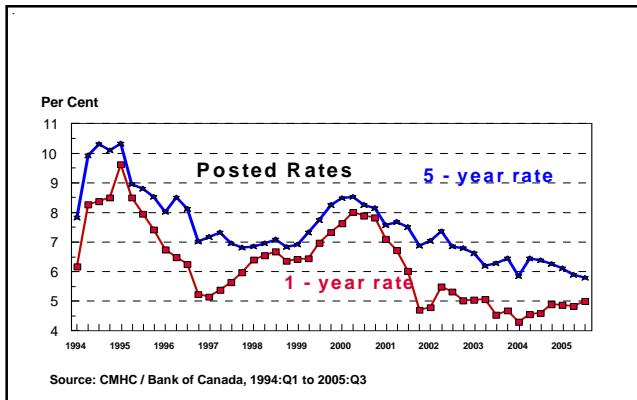
		Interest and Exchange Rates			Inflation Rate (%)	NHPI*** % chg.	Windsor CMA Labour Market			
		P & I* Per \$100,000	Mortgage Rate (%)		Exch. Rate (\$US/\$Cdn)	Ontario 1996=100	Windsor CMA 1997=100	Employment SA** (.000)	Employment SA m/m (%)	Unemployment Rate (%) SA
			1 Yr. Term	5 Yr. Term						
2004	January	642.78	4.3	6.1	0.755	1.5	0.0	163.1	0.9	7.6
	February	627.97	4.3	5.8	0.749	0.8	0.0	163.0	-0.1	7.7
	March	622.08	4.3	5.7	0.763	1.1	0.0	163.6	0.4	7.4
	April	648.75	4.5	6.2	0.729	2.3	0.0	162.4	-0.7	7.8
	May	669.82	4.6	6.5	0.733	2.8	0.0	162.3	-0.1	8.0
	June	681.99	4.7	6.7	0.750	2.4	0.0	161.7	-0.4	8.5
	July	672.86	4.6	6.6	0.752	2.4	0.0	161.7	0.0	8.6
	August	657.75	4.4	6.3	0.762	1.5	0.7	162.1	0.2	9.1
	September	657.75	4.8	6.3	0.793	1.5	0.9	163.9	1.1	9.0
	October	663.77	4.9	6.4	0.821	2.1	0.9	163.9	0.0	9.4
	November	657.75	5.0	6.3	0.843	2.2	0.9	164.2	0.2	9.6
	December	642.78	4.8	6.1	0.832	1.9	0.9	162.8	-0.9	9.7
2005	January	642.78	4.8	6.1	0.806	1.6	2.4	161.5	-0.8	9.9
	February	642.78	4.8	6.1	0.811	2.2	3.1	161.3	-0.1	9.3
	March	654.74	5.1	6.3	0.827	2.3	2.9	161.9	0.4	8.9
	April	642.78	4.9	6.1	0.795	2.3	2.8	163.6	1.1	8.1
	May	636.84	4.9	6.0	0.797	1.5	3.5	163.3	-0.2	8.3
	June	622.08	4.8	5.7	0.816	1.9	3.6	162.2	-0.7	8.5
	July	627.97	4.9	5.8	0.817	1.9	3.6	161.5	-0.4	8.4
	August	627.97	5.0	5.8	0.842	2.7	2.9	161.3	-0.1	7.9
	September	627.97	5.0	5.8	0.860			161.5	0.1	7.8
	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

CMHC is breaking new ground with the introduction of "Your Guide to Renting a Home". A comprehensive rental guide, developed by the Research and Information Transfer team, this free, online tool launched this spring. It will help the estimated four million Canadian households in rental accommodation, as well as landlords and property managers, to find plain language information on tenant and landlord rights and rental practices across the country.

"Your Guide to Renting a Home" is located on the CMHC Web site at www.cmhc.ca. From the left-hand menu, you can select "Buying or Renting a Home" and click on "Renting a Home".

Ontario's 2005 Retirement Homes Report

Do you want to learn more about the dynamic private retirement home market in Ontario? The 2005 Retirement Homes Report has detailed Ontario-wide survey findings by market area covering vacancy rates and per diems by bed type, capture rates, new supply and vacancy rates by rent range for private beds as well as rent distributions. Order your copy today by calling **1-800-493-0059**.

Housing Now is published four times a year. An annual subscription to the Windsor Housing Now is \$55+ GST. For more information and to order, please call Ontario Market Analysis at 1 800 493-0059.

© 2005 Canada Mortgage and Housing Corporation. All rights reserved. No portion of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, mechanical, electronic, photocopying, recording or otherwise without the prior written permission of Canada

Mortgage and Housing Corporation. Without limiting the generality of the foregoing, no portion of this publication may be translated from English into any other language without the prior written permission of Canada Mortgage and Housing Corporation. The information, analyses and opinions contained in this

publication are based on various sources believed reliable, but their accuracy cannot be guaranteed. The information, analyses and opinions shall not be taken as representations for which Canada Mortgage and Housing Corporation or any of its employees shall incur responsibilities.