

H

HOUSING NOW *Montréal*

YOUR LINK TO THE HOUSING MARKET

www.cmhc.ca

Canada Mortgage and Housing Corporation

VOLUME 6, NUMBER 12, DECEMBER 2003

2003 ENDS ON A VERY GOOD NOTE

In December, residential construction in Greater Montréal went up by 26 per cent over the same period one year earlier. Canada Mortgage and Housing Corporation (CMHC) enumerated 2,046 housing starts this past month, or 420 more units than in December 2002. The hike recorded in December was the sixth consecutive gain and rounded out a remarkable year in 2003. In all, 24,321 dwellings were started last year, for an increase of 18 per cent over 2002.

Like the year that just ended, December was a big month for condominium construction. The gain was 50 per cent for the metropolitan area overall, and all geographical sectors benefited from the growth. In Montréal, 407 condominiums will soon be added to the housing stock. The suburbs also posted very good performances in this market segment. In the South Shore sector, 198 condominium units were started, while construction got under way on 130 more in the northern suburbs.

Rental housing construction also registered a better month of December than one year earlier (+25 per cent), thanks to the addition of 384 units. In particular, such starts tripled on the South Shore, where 198 new rental dwellings got under way. The Island of Montréal, on the other hand, sustained a decrease (-20 per cent), and had to

make do with second place, with the arrival of 183 rental units. Finally, the Laval and North Shore sector, where activity has usually been calmer in this segment, still posted a gain, as construction began on 49 new units (versus 29 one year earlier).

Single-detached home construction also continued to gain some ground, but at a slower pace (+13 per cent). The vast majority (94 per cent) of these job sites are located in the different suburbs. It should be noted, as well, that the 796 new single-detached homes accounted for only 39 per cent of all starts. While this dwelling type generally leads the way, it was rather multiple housing that set the tone this past month.

The results for 2003 therefore turned out to be exceptional. With a total of 24,321 starts, this past year was the best in the 14 last years for residential construction in Greater Montréal. Rental housing starts picked up somewhat. The 4,723 new units in this segment marked the highest level since 1991. But 2003 will especially be remembered as a record year for condominium construction. The 7,897 condominiums started in 2003 far surpassed the previous record of 6,391 units set in 1987. No fewer than 32 per cent of all starts in 2003 were intended for the condominium market—an all-time high.

IN THIS ISSUE

2003 ends on a very good note	1
Graphical Analysis	2
Tables	
1. Summary of Activity by Intended Market	3
2. Housing Starts by Zone and by Intended Market	4
3. Summary of Activity by Large Zone and by Intended Market	6
4. Housing Supply	7
5. Economic Overview	7
Definitions and Concepts	8
Montréal Metropolitan Area Zones	8

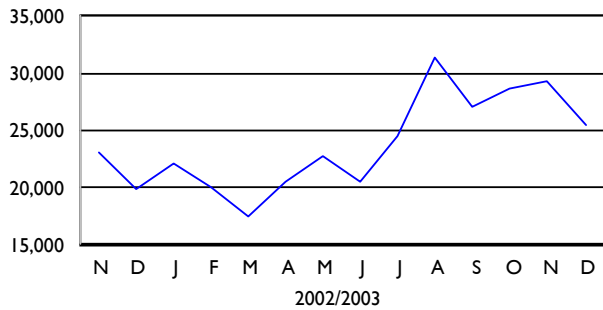


HOME TO CANADIANS
Canada

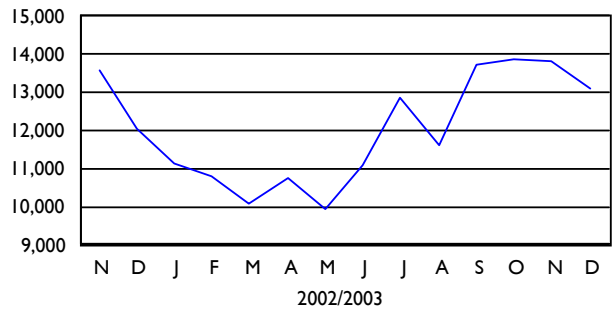
Housing Starts - November 2002 to December 2003

Seasonally Adjusted Data at Annual Rate

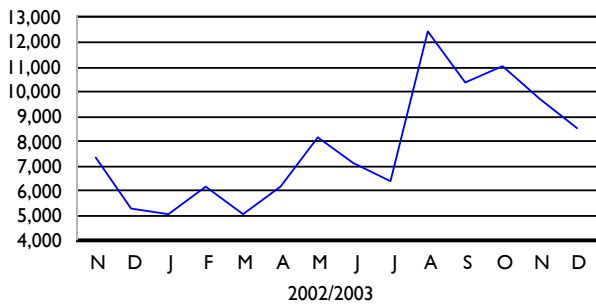
Total Residential



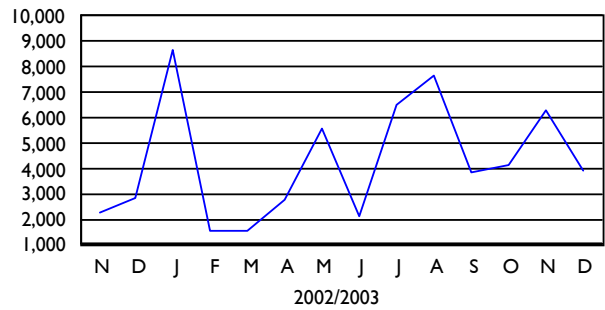
Total Single-Family



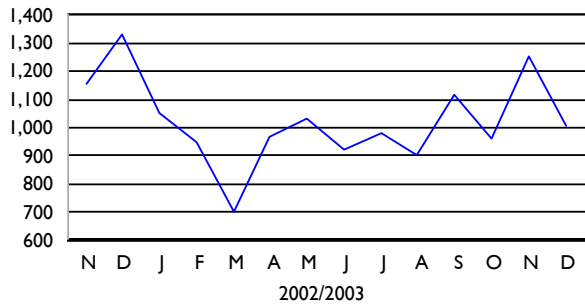
Total Condominium



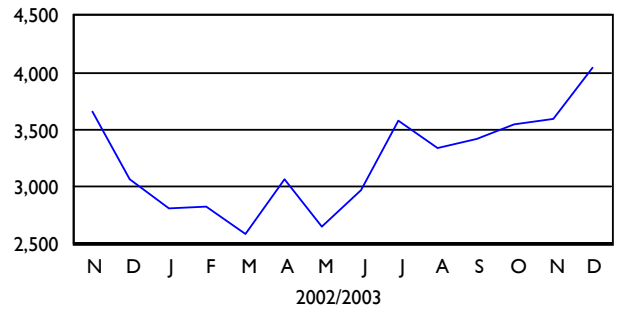
Total Rental



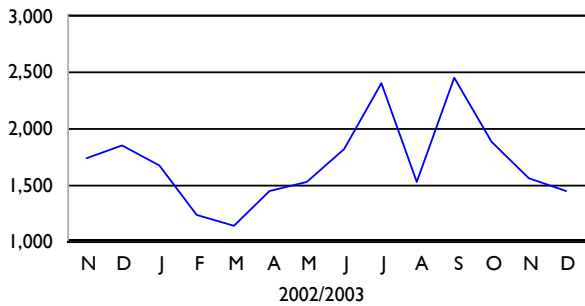
Single-Family - Montreal Island



Single-Family - South-Shore



Single-Family - Laval



Single-Family - North-Shore

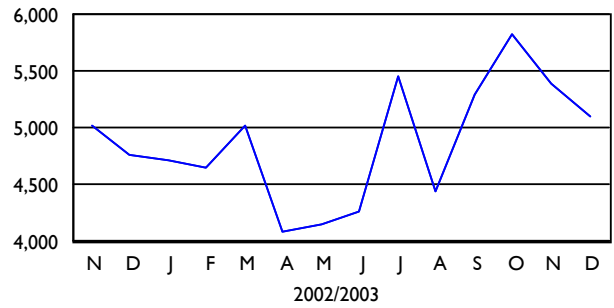


Table I
Summary of Activity by Intended Market
Montréal Metropolitan Area

Activity / Period	Freehold (Single-Family)	Condominium	Rental	Total
Housing Starts				
December 2003	905	753	388	2,046
December 2002	816	503	307	1,626
Cumulative 2003	11,702	7,893	4,726	24,321
Cumulative 2002	11,600	5,687	3,267	20,554
Under Construction*				
December 2003	4,188	5,924	3,980	14,092
December 2002	3,762	3,969	2,335	10,066
Completions				
December 2003	762	363	229	1,354
December 2002	760	244	74	1,078
Cumulative 2003	11,253	5,847	3,180	20,280
Cumulative 2002	10,169	3,951	1,965	16,085
Unoccupied*				
December 2003	607	830	483	1,920
December 2002	556	518	327	1,401
Absorption				
December 2003	780	315	143	1,238
December 2002	708	218	85	1,011
Cumulative 2003	11,202	5,535	3,024	19,761
Cumulative 2002	10,356	4,110	1,963	16,429
Duration of Inventory (in months)				
December 2003	0.7	1.8	1.9	1.2
December 2002	0.6	1.5	2.0	1.0

* As at the end of the period shown

Source: CMHC

**Interested by the Vacancy Rates and Average Rents of the rented apartments,
following the October 2003 Survey?**

You can find them and more in the:

FASTFAXES

which provide the summary results of the survey

RENTAL MARKET REPORTS

which provide a more in-depth and detailed study of the data collected

To obtain them, please contact our Customer Service at 1-866-855-5711

or by Email: cam_qc@cmhc.ca

Table 2
Housing Starts by Zone and by Intended Market
Montréal Metropolitan Area

<i>Zone / Period</i>	<i>Freehold (Single-Family)</i>	<i>Condominium</i>	<i>Rental</i>	<i>Total</i>
Zone 1: West Island				
December 2003	26	26	49	101
December 2002	29	84	136	249
Cumulative 2003	475	398	155	1,028
Cumulative 2002	717	177	370	1,264
Zone 2: West-Centre				
December 2003	14	178	3	195
December 2002	19	32	19	70
Cumulative 2003	175	1,493	489	2,157
Cumulative 2002	177	1,367	512	2,056
Zone 3: East-Center				
December 2003	17	197	131	345
December 2002	19	228	29	276
Cumulative 2003	146	1,971	1,134	3,251
Cumulative 2002	165	1,459	300	1,924
Zone 4: East-End				
December 2003	7	6	0	13
December 2002	17	6	45	68
Cumulative 2003	192	154	572	918
Cumulative 2002	214	100	76	390
Zone 5: South-Laval				
December 2003	29	15	0	44
December 2002	21	0	6	27
Cumulative 2003	416	476	244	1,136
Cumulative 2002	438	345	51	834
Zone 6: North-Laval				
December 2003	80	37	8	125
December 2002	111	16	8	135
Cumulative 2003	1,207	322	87	1,616
Cumulative 2002	1,224	355	105	1,684
Zone 7: MRC Deux-Montagnes				
December 2003	89	0	12	101
December 2002	101	21	6	128
Cumulative 2003	1,358	243	195	1,796
Cumulative 2002	1,276	182	149	1,607
Zone 8: MRC Ste-Thérèse-de-Blainville				
December 2003	53	21	15	89
December 2002	73	21	3	97
Cumulative 2003	875	189	197	1,261
Cumulative 2002	1,094	306	227	1,627

Table 2 (Cont'd)
Housing Starts by Zone and by Intended Market
Montréal Metropolitan Area

<i>Zone / Period</i>	<i>Freehold (Single-Family)</i>	<i>Condominium</i>	<i>Rental</i>	<i>Total</i>
Zone 9: MRC des Moulins				
December 2003	124	45	0	169
December 2002	58	15	0	73
Cumulative 2003	1,543	458	54	2,055
Cumulative 2002	1,127	113	56	1,296
Zone 10: MRC L'Assomption				
December 2003	41	4	18	63
December 2002	48	6	6	60
Cumulative 2003	613	170	42	825
Cumulative 2002	530	53	228	811
Zone 11: South-Shore Centre				
December 2003	88	98	4	190
December 2002	50	22	0	72
Cumulative 2003	805	1,019	580	2,404
Cumulative 2002	788	762	508	2,058
Zone 12: East South-Shore				
December 2003	84	79	9	172
December 2002	50	24	16	90
Cumulative 2003	776	426	162	1,364
Cumulative 2002	829	178	95	1,102
Zone 13: South South-Shore				
December 2003	61	0	0	61
December 2002	45	4	0	49
Cumulative 2003	569	74	60	703
Cumulative 2002	494	16	18	528
Zone 14: West South-Shore				
December 2003	90	21	133	244
December 2002	86	18	33	137
Cumulative 2003	1,037	185	278	1,500
Cumulative 2002	1,061	159	290	1,510
Zone 15: Vaudreuil-Soulanges *				
December 2003	83	22	6	111
December 2002	75	6	0	81
Cumulative 2003	1,116	118	123	1,357
Cumulative 2002	1,163	56	52	1,271
Zone 16: St-Jérôme				
December 2003	19	4	0	23
December 2002	14	0	0	14
Cumulative 2003	399	197	354	950
Cumulative 2002	303	59	230	592

Source: CMHC

* Including only municipalities in the delimitations of Montreal metropolitan area.

Table 3
Summary of Activity by Large Zone and by Intended Market
Montréal Metropolitan Area

Activity / Zone	Freehold (Single-Family)		Condominium		Rental	
	Dec. 2003	Dec. 2002	Dec. 2003	Dec. 2002	Dec. 2003	Dec. 2002
Housing Starts						
Island of Montréal (1 to 4)	64	84	407	350	183	229
Laval (zones 5 and 6)	109	132	52	16	8	14
North-Shore (zones 7 to 10 & 16)	326	294	74	63	45	15
South-Shore (zones 11 to 14)	323	231	198	68	146	49
Vaudreuil-Soul. *** (zone 15)	83	75	22	6	6	0
Under Construction*						
Island of Montréal	480	543	3,456	2,374	2,217	1,075
Laval	630	591	508	448	231	81
North-Shore	1,645	1,398	803	494	605	481
South-Shore	1,013	883	1,051	635	847	683
Vaudreuil-Soulanges ***	420	347	106	18	80	15
Completions						
Island of Montréal	62	62	181	135	116	0
Laval	128	88	25	42	0	22
North-Shore	243	308	51	27	12	31
South-Shore	219	223	100	40	95	17
Vaudreuil-Soulanges ***	110	79	6	0	6	4
Unoccupied*						
Island of Montréal	93	75	393	278	263	255
Laval	104	89	87	51	24	15
Rive- Nord	247	225	147	56	31	38
South-Shore	123	128	195	130	163	15
Vaudreuil-Soulanges ***	40	39	8	3	2	4
Absorption						
Island of Montréal	58	59	165	135	11	28
Laval	118	86	18	28	2	13
North-Shore	258	277	32	22	10	28
South-Shore	232	206	97	33	114	16
Vaudreuil-Soulanges ***	114	80	3	0	6	0
Duration of Inventory**						
Island of Montréal	1.1	0.7	1.7	1.5	2.4	4.0
Laval	0.8	0.7	1.5	1.0	1.7	1.5
North-Shore	0.7	0.7	2.1	1.6	0.5	0.7
South-Shore	0.5	0.5	1.9	2.1	2.5	0.5
Vaudreuil-Soulanges ***	0.5	0.4	2.9	0.8	0.5	1.3

Source: CMHC

* As at the end of the period shown

** Trend (in months)

*** Including only municipalities in the delimitations of Montreal metropolitan area

Table 4
Housing Supply
Montréal Metropolitan Area

<i>Intended Market</i>	<i>Under Construction</i>	<i>Units Unoccupied</i>	<i>Short-Term Supply</i>	<i>Monthly Absorption</i>	<i>Dur. of Supply (in months)</i>
	December 2003			Trend 2003	
Freehold	4,188	607	4,795	934	5.1
Condominium	5,924	830	6,754	461	14.6
Rental	3,980	483	4,463	252	17.7
	December 2002			Trend 2002	
Freehold	3,762	556	4,318	863	5.0
Condominium	3,969	518	4,487	343	13.1
Rental	2,335	327	2,662	164	16.3

Source: CMHC

Table 5
Economic Overview
Montréal Metropolitan Area

	2003						2002					
	<i>Dec.</i>	<i>Nov.</i>	<i>Oct.</i>	<i>Sept.</i>	<i>Aug.</i>	<i>July</i>	<i>Dec.</i>	<i>Nov.</i>	<i>Oct.</i>	<i>Sept.</i>	<i>Aug.</i>	<i>July</i>
Labour Market*												
Job Creation (Loss) - in thousands	36	39	18	11	6	9	87	67	58	55	59	55
Unemployment Rate (%)	8.6	8.7	9.6	10.1	10.1	9.9	7.7	7.8	7.9	8.5	8.4	8.3
Mortgage Rates (I)												
1-year	4.8	4.8	4.5	4.5	4.5	4.5	4.9	4.9	5.3	5.3	5.3	5.3
5-year	6.5	6.5	6.4	6.3	6.3	6.2	6.7	6.7	7	6.7	6.8	7
Annual Inflation Rate (%)	1.4	1.4	1.3	1.6	1.6	1.6	3.2	3.5	3.2	2.3	2.2	2.3
New House Price Index (1992=100)												
House	6.0	5.8	7.7	7.5	7.2	7.0	8.6	8.6	6.1	5.8	5.8	5.0
Land	6.8	6.4	7.5	7.1	7.0	5.7	8.6	8.6	7.5	8.1	7.7	6.7
Total	6.3	6.0	7.7	7.4	7.1	6.6	8.3	8.3	6.3	6.2	6.1	5.4
MLS Sales - Single-Family Houses	1,374	1,772	2,075	1,766	1,267	1,561	1,304	1,782	1,870	1,370	1,189	1,158

* Three-month average

Sources: Statistics Canada, Conference Board of Canada, GMREB

Definitions et Concepts

Intended Markets	The freehold market refers to single-family houses (detached, semi-detached and row) owned under freehold tenure; the condominium segment comprises houses and apartments held under divided co-ownership; and finally, the rental market encompasses apartment dwellings.
Housing Starts	Refer to the beginning of construction work on a building, usually when the concrete has been poured for the entire footing around the structure, or at an equivalent stage where a basement will not be a part of the structure.
Under Construction	Units started but not completed. The number of units under construction at the end of a period may take into account certain adjustments that took place, for various reasons, after the strats were reported.
Completions	Refer to units where all the proposed construction work has been performed or, in some cases, where ninety percent of all the construction work has been completed and the structure is fit for occupancy.
Unoccupied	Refer to new completed units that have remained unoccupied.
Absorptions	Newly completed units sold or rented. The number of absorptions is obtained from a survey initiated when the structure is completed. Units presold or pre-leased are not included until the completion stage. The number of absorbed units is the number of completed and unoccupied units from the previous month plus the completions for the current month minus the completed and unoccupied units for the current month.
Duration of Inventory	Refer to the period necessary for the absorption of the unoccupied units, that is, the ratio between unoccupied units and absorbed units (average for the last 12 months). This figure is expressed in month.
Short-Term Supply	Refer to the total supply of new units and includes units under construction and units that are completed but not occupied.
Duration of Supply	This is the period required to absorb the units under construction and unoccupied, that is, the ratio between the total supply and the absorbed units (average for the last 12 months). This figure is expressed in months.

Montréal Metropolitan Area Zones

Zones	<i>Municipalities, Boroughs or Sectors</i>
1	Baie d'Urfé, Beaconsfield, Dollard-des-Ormeaux, Dorval, Kirkland, Pierrefonds, Pointe-Claire, Roxboro, Senneville, Ste-Anne-de-Bellevue, Ste-Geneviève, St-Raphaël-de-l'Île-Bizard
2	Centre-Ouest (Mtl), Côte-des-Neiges, Côte St-Luc, Hampstead, Lachine, LaSalle, Montréal-Ouest, Mont-Royal, Notre-Dame-de-Grâce, Outremont, St-Laurent, Saraguay/Cartierville, Sud-Ouest (Mtl), Verdun/Île-des-Soeurs, Ville St-Pierre, Westmount
3	Ahuntsic, Anjou, Centre (Mtl), Mercier/Hochelaga-Maisonneuve, Montréal-Nord, Petite-Patrie/Rosemont, Plateau Mont-Royal, St-Léonard, Villieray/St-Michel
4	Bout-de-l'Île (Mtl), Montréal-Est
5	Chomedey, Duvernay, Laval-des-Rapides, Pont-Viau, St-Vincent-de-Paul
6	Auteuil, Fabreville, Laval-Ouest, Laval-sur-le-Lac, Ste-Dorothée, St-François, Ste-Rose, Vimont
7	Deux-Montagnes, Mirabel, Oka, Pointe-Calumet, St-Eustache, St-Joseph-du-Lac, Ste-Marthe-sur-le-Lac, St-Placide, Gore, St-Colomban
8	Blainville, Boisbriand, Bois-des-Filion, Lorraine, Rosemère, Ste-Anne-des-Plaines, Ste-Thérèse
9	Lachenaie, La Plaine, Mascouche, Terrebonne
10	Charlemagne, L'Assomption, Lavaltrie, Le Gardeur, Repentigny, St-Antoine-Lavaltrie, St-Gérard-Majella, St-Sulpice
11	Boucherville, Brossard, Greenfield Park, LeMoynes, Longueuil, St-Hubert, St-Lambert
12	Beloeil, McMasterville, St-Amable, St-Basile-le-Grand, St-Bruno-de-Montarville, Ste-Julie, St-Mathieu-de-Beloeil, Varennes
13	Carignan, Chambly, Mont-St-Hilaire, Notre-Dame-de-Bon-Secours, Otterburn Park, Richelieu, St-Mathias
14	Beauharnois, Candiac, Châteauguay, Delson, La Prairie, Léry, Maple Grove, Melocheville, Mercier, Ste-Catherine-d'Alexandrie, St-Constant, St-Isidore, St-Mathieu, St-Philippe
15	Notre-Dame-de-L'Île-Perrot, Pincoirt, Pointe-des-Cascades, Vaudreuil-sur-le-Lac, St-Lazare, Terrasse-Vaudreuil, Vaudreuil-Dorion, Hudson, Île-Cadieux, Île-Perrot, Les Cèdres
16	Bellefeuille, Lafontaine, St-Antoine, St-Jérôme

Housing Now is published 12 times a year for the Montréal Metropolitan Area. Annual subscription for the Montréal Housing Now is \$100.00 plus applicable taxes. For more information, or to subscribe, contact our Customer Service Centre at 1-866-855-5711.

© 2003 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.