

## OUSING NOW

Montréal

### YOUR LINK TO THE HOUSING MARKET

Canada Mortgage and Housing Corporation

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## NOVEMBER: ANOTHER EXCELLENT MONTH FOR HOME BUILDING IN GREATER MONTRÉAL

In November, residential construction continued in its stride from recent months in Greater Montréal, with an increase of 36 per cent in housing starts. CMHC enumerated 2,592 new dwellings under construction this past month, compared to 1,899 during the same period last year.

The Island of Montréal came out the big winner from this intense activity on residential job sites. For instance, on the territory of the new city of Montréal, housing starts almost tripled (+187 per cent), reaching a total of 976 units. Rental housing construction set the tone. In fact, construction got under way on 585 dwellings in this market segment last month, compared to just 31 units one year earlier. Once again, apartment complexes intended for seniors accounted for the bulk of this spectacular increase. There are four such new projects, including two in LaSalle, for a total of nearly 450 units.

Condominiums also gained some ground on the Island, where 269 new units were started, for an increase of 39 per cent. In the northern suburbs, the growth was more modest (+7 per cent). The Laval and North Shore sector continued to dominate in the detached home segment, garnering over half (494) of the 948 new units built across the metropolitan area. However, it is interesting to note the remarkable performance of condominiums

in this sector, where construction got under way on 269 such units, the same total as on the Island of Montréal. Finally, 150 dwellings will soon be added to the rental housing stock in the Laval and North Shore sector, which is still contending with a slightly more pronounced scarcity of housing units for rent (vacancy rate of 0.4 per cent in October) than the other sectors.

The southern suburbs, for their part, posted a somewhat calmer month for residential construction (-6 per cent). While the detached home (+3 per cent) and condominium (+52 per cent) segments still showed great vigour, activity on new rental job sites was very quiet, as only 6 units were started.

The rise in housing starts in November was the fifth straight gain, which brought the overall increase to 18 per cent since January.

The results recorded in recent months show just how strong new housing demand has remained. The latest mortgage rate hikes and the mitigated performance of the job market since the beginning of the year do not seem to have had any negative impact on residential construction. Even the decline in consumer confidence in recent months has not managed to curb the enthusiasm of new home buyers, which demonstrates that the real estate market is very solid at this time.

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Montréal Metropolitan Area 8 Zones



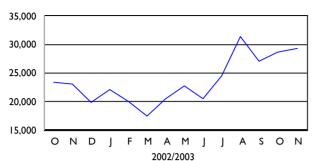
HOME TO CANADIANS

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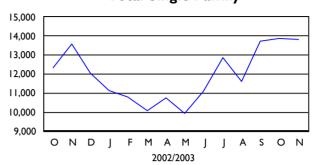
#### **Housing Starts - October 2002 to November 2003**

Seasonnally Ajusted Data at Annual Rate

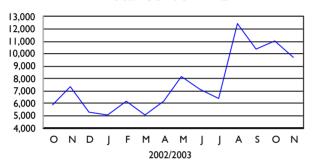




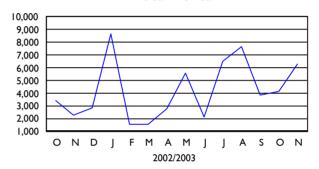
#### **Total Single-Family**



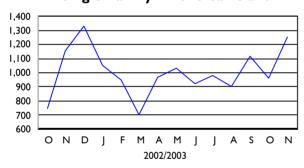
#### **Total Condominium**



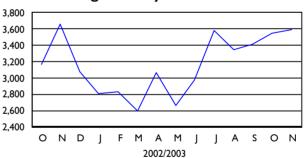
#### **Total Rental**



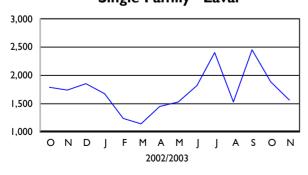
#### Single-Family - Montreal Island



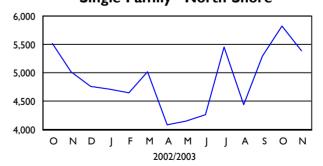
Single-Family - South-Shore



#### Single-Family - Laval



Single-Family - North-Shore



# Table I Summary of Activity by Intended Market Montréal Metropolitan Area

Activity / Period	Freehold	Condominium	Rental	Total
, , ,	(Single-Family)			1
		+		
Housing Starts				
November 2003	1,056	795	741	2,592
November 2002	1,034	600	265	1,899
Cumulative 2003	10,797	7,140	4,338	22,275
Cumulative 2002	10,784	5,184	2,960	18,928
Under Construction*	1 2 4 5			1 12 122
November 2003	4,045	5,552	3,803	13,400
November 2002	3,704	3,627	2,108	9,439
Completions				
November 2003	968	648	364	1,980
November 2002	930	313	354	1,597
Cumulative 2003	10,491	5,484	2,951	18,926
Cumulative 2002	9,409	3,707	1,891	15,007
	•			•
Unoccupied*				
November 2003	625	782	397	1,804
November 2002	504	492	338	1,334
Absorption				
November 2003	943	626	442	2,011
November 2002	892	319	330	1,541
Cumulative 2003	10,422	5,220	2,881	18,523
Cumulative 2002	9,648	3,892	1,878	15,418
Duration of Inventory (in				
November 2003	0.7	1.7	1.6	1.1
November 2002	0.6	1.4	1.9	1.0

<sup>\*</sup> 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?

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which provide the summary results of the survey

#### **RENTAL MARKET REPORTS**

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

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or by Email: cam\_qc@cmhc.ca

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

7 / 5 : /	<u> </u>	C	5	- · ·
Zone / Period	Freehold (Single-Family)	Condominium	Rental	Total
	(Single-ramily)			ļ
Zone I: West Island				
November 2003	80	24	22	126
November 2002	61	16	0	77
Cumulative 2003	449	372	106	927
Cumulative 2002	688	93	234	1,015
Zone 2: West-Centre				
November 2003	22	147	468	637
November 2002	12	68	16	96
Cumulative 2003	161	1,315	486	1,962
Cumulative 2003	158	1,335	493	1,986
Culliulative 2002	130	1,333	773	1,766
Zone 3: East-Center				
November 2003	0	98	16	114
November 2002	20	100	15	135
Cumulative 2003	129	1,774	1,003	2,906
Cumulative 2002	146	1,231	271	1,648
Zone 4: East-End				
November 2003	20	0	79	99
November 2002	22	10	Ó	32
Cumulative 2003	185	148	572	905
Cumulative 2002	197	94	31	322
Cumulative 2002	177	7 7	31	322
Zone 5: South-Laval				
November 2003	46	65	0	111
November 2002	42	52	16	110
Cumulative 2003	387	461	244	1,092
Cumulative 2002	417	345	45	807
Zone 6: North-Laval				
November 2003	91	33	0	124
November 2002	106	34	10	150
Cumulative 2003	1,127	285	79	1,491
Cumulative 2002	1,113	339	97	1,549
				,
Zone 7: MRC Deux-Mo		7 27	2:	1 1 - 2
November 2003	125	27	21	173
November 2002	107	11	32	150
Cumulative 2003	1,269	243	183	1,695
Cumulative 2002	1,175	161	143	1,479
Zone 8: MRC Ste-Thérè	se-de-Blainville			
November 2003	80	26	125	231
November 2002	132	76	30	238
Cumulative 2003	822	168	182	1,172
Cumulative 2002	1,021	285	224	1,530

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

7 15 11 5 11 6 1 11 5 1 7 1								
Zone / Period	Freehold (Single-Family)	Condominium	Rental	Total				
Zone 9: MRC des Moulin	16							
November 2003	120	58	0	178				
November 2002	88	24	16	128				
Cumulative 2003	1,419	413	54	1,886				
Cumulative 2003	1,069	98	56	1,223				
Cumulative 2002	1,007			1,223				
Zone 10: MRC L'Assomp	tion							
November 2003	5 1	28	0	79				
November 2002	43	3 4	6	83				
Cumulative 2003	572	166	24	762				
Cumulative 2002	482	47	222	75 I				
7 11 6 11 61 6				•				
Zone II: South-Shore Co		120		202				
November 2003	58	139	6	203				
November 2002	77		87	256				
Cumulative 2003	717	921	576	2,214				
Cumulative 2002	738	740	508	1,986				
Zone 12: East South-Sho	re							
November 2003	48	21	0	69				
November 2002	5.5	6	6	67				
Cumulative 2003	692	347	153	1,192				
Cumulative 2002	779	154	79	1,012				
7 10 0 10 10		•		-				
Zone 13: South South-Sh		<u> </u>	•	70				
November 2003	62	8	0	70				
November 2002	27	0	0	27				
Cumulative 2003	508	74	60	642				
Cumulative 2002	449	12	18	479				
Zone 14: West South-Sh	ore							
November 2003	87	57	0	144				
November 2002	100	50	16	166				
Cumulative 2003	947	164	145	1,256				
Cumulative 2002	975	141	257	1,373				
		•		-				
Zone 15: Vaudreuil-Sould		1		T				
November 2003	129	3 2	0	161				
November 2002	122	12	6	140				
Cumulative 2003	1,033	96	117	1,246				
Cumulative 2002	1,088	5 0	5 2	1,190				
Zone 16: St-Jérôme								
November 2003	37	3 2	4	73				
November 2002	20	15	9	44				
Cumulative 2003	380	193	354	927				
Cumulative 2003	289	59	230	578				
	+	+		+				

Source: CMHC

st 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)		Condo	m in iu m	Rental		
,	Nov. 2003	Nov. 2002	Nov. 2003	Nov. 2002	Nov. 2003	Nov. 2002	
		•	•	•	•	•	
Housing Starts						·	
Island of Montréal (1 to 4)	122	115	269	194	585	3 1	
Laval (zones 5 and 6)	137	148	98	86	0	26	
North-Shore (zones 7 to 10 & 16)	4   3	390	171	160	150	93	
South-Shore (zones   1 to   4)	255	259	225	148	6	109	
Vaudreuil-Soul. *** (zone 15)	129	122	32	12	0	6	
Under Construction*							
Island of Montréal	478	519	3,248	2,082	2,132	846	
Laval	649	547	481	468	223	95	
North-Shore	1,562	1,412	780	458	572	497	
South-Shore	909	875	953	607	796	651	
Vaudreuil-Soulanges ***	447	351	90	12	80	19	
vaddiedii bedianges	117	331	,,,	12	00	'''	
Completions	· · · · · · · · · · · · · · · · · · ·	· · · · · · · · ·		· · · · · · · ·			
Island of Montréal	114	93	293	118	279	142	
Laval	117	139	40	44	12	13	
North-Shore	369	304	74	75	14	174	
South-Shore	280	262	233	76	39	25	
Vaudreuil-Soulanges ***	88	132	8	0	20	0	
Unoccupied*							
Island of Montréal	89	72	377	278	158	283	
Laval	94	87	80	37	26	6	
Rive- Nord	262	194	128	5 1	29	3.5	
South-Shore	136	111	192	123	182	14	
Vaudreuil-Soulanges ***	44	40	5	3	2	0	
Absorption	112	0.5	200	120	1 257	127	
Island of Montréal	112	95	280	130	357	136	
Laval	120	142	51	62		11	
North-Shore	356	282	86	62	17	158	
South-Shore	274	249	205	59	37	25	
Vaudreuil-Soulanges ***	81	124	4	6	20	0	
Duration of Inventory**							
Island of Montréal	1.0	0.7	1.7	1.4	1.4	3.4	
Laval	0.7	0.7	1.3	0.7	1.7	0.7	
North-Shore	0.7	0.6	1.8	1.5	0.5	0.7	
South-Shore	0.5	0.5	2.0	2.1	3.2	0.4	
Vaudreuil-Soulanges ***	0.5	0.5	2.0	0.8	0.5	0.0	

Source: CMHC

 $<sup>^{</sup>st}$  As at the end of the period shown

<sup>\*\*</sup> Trend (in months)

<sup>\*\*\*</sup> Including only municipalities in the delimitations of Montreal metropolitan area

Table 4
Housing Supply
Montréal Metropolitan Area

Intended	Under	Units	Short-Term	Monthly	Dur. of Supply
Market	Construction	Unoccupied	Supply	Absorption	(in months)
		November 2003		Trend	2003
Freehold	4,045	625	4,670	928	5.0
Condominium	5,552	782	6,334	453	14.0
Rental	3,803	397	4,200	247	17.0
		November 2002		Trend	2002
Freehold	3,704	504	4,208	845	5.0
Condominium	3,627	492	4,119	344	12.0
Rental	2,108	338	2,446	180	13.6

Source: CMHC

Table 5  Economic Overview  Montréal Metropolitan Area												
	ı	<b>Montr</b>	2003	etropo	olitan	Area	I		2002			
	Nov.	Oct.	Sept.	Aug.	July	June	Nov.	Oct.	Sept.	Aug.	July	June
	•	•	•	•	•	•						•
Labour Market*												
Job Creation (Loss) - in thousands	39	18	Ш	6	9	10	67	58	55	59	55	56
Unemployment Rate (%)	8.7	9.6	10.1	10.1	9.9	9.9	7.8	7.9	8.5	8.4	8.3	8.3
	•	•	•	•	•	•					•	•
Mortgage Rates (I)												
I-year	4.8	4.5	4.5	4.5	4.5	4.8	4.9	5.3	5.3	5.3	5.3	5.5
5-year	6.5	6.4	6.3	6.3	6.2	5.8	6.7	7.0	6.7	6.8	7.0	7.2
	•				•	•						•
Annual Inflation Rate (%)	1.4	1.3	1.6	1.6	1.6	2.3	3.5	3.2	2.3	2.2	2.3	1.5
	•		•		•	•						•
New House Price Index (1992=100)												
House	NA	7.7	7.5	7.2	7.0	7.0	8.6	6.1	5.8	5.8	5.0	5.0
Land	NA	7.5	7.1	7.0	5.7	5.7	8.6	7.5	8.1	7.7	6.7	6.7
Total	NA	7.7	7.4	7.1	6.6	6.6	8.3	6.3	6.2	6. l	5.4	5.4
	1				+							•
MLS Sales - Single-Family Houses	1,772	2.075	1.766	1.267	1.561	1.637	1.782	1.870	1,370	1.189	1.158	1.424

<sup>\*</sup> 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 frehold 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 tooke 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 unoccupiedd 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	Municipalities, Boroughs or Sectors
I	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, Villeray/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, LeMoyne, 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, Pincourt, 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

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