HOUSING MARKET OUTLOOK
Kitchener-Cambridge-Waterloo and Guelph CMAs

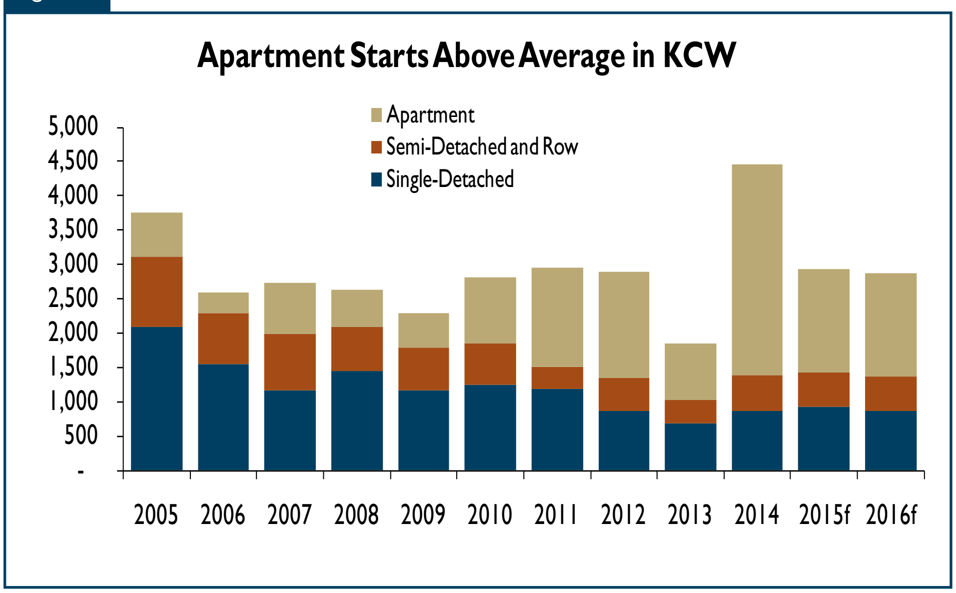
CANADA MORTGAGE AND HOUSING CORPORATION

Date Released: Spring 2015

Kitchener-Cambridge-Waterloo Highlights

- Housing starts to be lower in 2015 as the number of apartment starts decline
- Resale demand will remain strong
- The resale home market will be balanced with price growth slowing
- The average vacancy rate will increase in 2015 and remain steady in 2016

Figure 1



Source: CMHC forecasts

The forecasts and historical data included in this document reflect information available as of April 20, 2015.

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New Home Market: Fewer Apartment Starts in 2015

Housing starts in 2015 in the Kitchener-Cambridge-Waterloo Census Metropolitan Area (CMA), hereafter written KCW, are expected to move lower as apartment starts decline from the record level high set in 2014. However, demand from students, immigrants, young households and seniors will mean apartment starts will still be above the average of the past decade. Single-detached and townhouse starts are expected to remain near 2014 levels. Housing starts in 2016 are expected to be little changed from the 2015 level.

Construction of single-detached homes will be slightly higher in 2015 and then edge lower in 2016. The average price of a new single-detached home has been trending down, as developers responded to greater demand for singles on the low end of the price spectrum. However, developers' costs continue to escalate, outside of construction materials, making it more difficult to bring low price singles to market. A moderately tight resale market will mean some spill-over of demand to the new home market. The supply of permit-ready lots for building single-detached homes is a stumbling block to higher starts. Builders have difficulty getting the lots they need to build homes. In most cases the challenge is not the amount of available land, but completing the servicing required before permits can be issued. A longer term problem that has already affected new home construction is the shortage of skilled trades and the age of the workers. There are not enough apprentices in the trades to meet the increasing demand as older workers retire. According to an Ontario Construction Secretariat survey conducted in March 2015, nearly three-quarters of south-west Ontario contractors reported having a shortage of skilled workers last year. Carpenters and electricians were the most likely to be in short supply.

Strengthening demand in the lower price ranges will translate to stable semi-detached and townhouse starts in both 2015 and 2016. Based on trends in the resale market, the strongest demand among new homes is for those priced from $250,000 to $350,000. Developers have responded by producing more new homes in this range. Builders offering townhouses are experiencing above average traffic.

Condominium apartment starts will decline significantly in 2015, before recovering slightly in 2016. With more than 2,300 condominium units under construction at the end of March, developers are holding off starting new projects until the current crop are nearing completion. Construction of the light rail transit project (ION) has started. New condominium projects will continue to be developed close to the ION corridor. Developers have already purchased most of the land around future LRT stops in anticipation of demand for new commercial space and housing. New mixed-use developments will include residential apartments with commercial space on the main floor. Several projects are in the planning or selling stage in KCW. Condominium apartments are a more affordable housing alternative to single-detached homes. With a demographic shift to smaller households, particularly one-person households, condominium apartments are in demand. Condominium apartments are also being bought by investors to be rented to students and young professionals.

Rental apartment starts will decline in 2015 and 2016, as the supply of student housing already under construction and the few planned projects will be enough to meet student demand. Student enrolment at the post-secondary institutions in KCW has stabilized. In the next five years, the population aged 15-24 years old in both Ontario and Waterloo Region will decline. Fewer people in the Ontario student age group may be partially offset by a greater number of international students. The number of international students permitted to study in Ontario has increased each year since 2009. In addition, it is expected that a larger percentage of the 15-24 age group will be attending university and more of them will be going to graduate school. Graduate school enrolment at the University of Waterloo has also increased each year from 2009 to 2013. Demand for purpose-built rental will remain strong. The vacancy rate declined to 2.3 per cent in 2014. Strong demand from immigrants, young households and seniors will translate into the need for new supply.

Resale Market: Stronger Price Growth in a Balanced Market

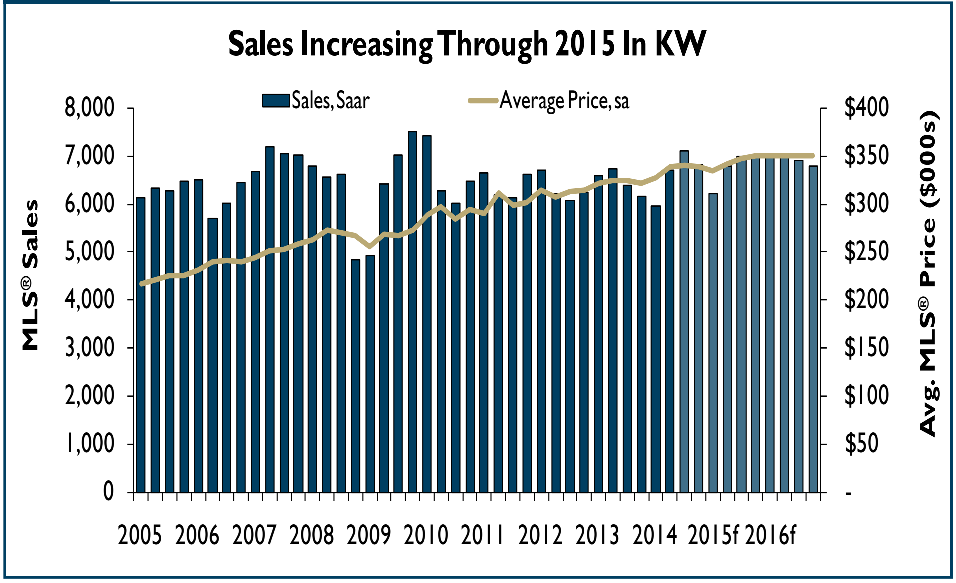
Sales through the Kitchener-Waterloo Association of Realtors® will increase slightly in both 2015 and 2016. With the Bank of Canada expected to hold off on increasing the bank rate until early 2016, demand will remain relatively steady through 2016. Sales will increase by 2.3 per cent in 2015 and by 1.5 per cent in 2016. Continuing low mortgage rates, steady employment growth and migration will support sales.

Employment will continue to support housing demand. Job growth will continue, with employment growth of 2.1 per cent in 2015 and 1.7 per cent in 2016. The weaker Canadian dollar will translate into higher demand for manufactured goods. Nearly 20 per cent of employment in KCW is in the manufacturing sector. The increase in jobs will support the increase in existing home sales in 2015 and 2016. Stronger employment for the 25-44 age group in 2014 has and will mean more housing activity, for both first-time and repeat buyers. An increase in full-time jobs over the last year will support housing demand.

Sales have increased for homes priced above $300,000. This is an indication that more repeat buyers are active in the market. Sales of single-detached and semi-detached houses and townhouses have increased. The income required[1] to purchase the average resale home in the CMA will grow due to annual price growth of approximately two per cent. It will grow more than average household income and constrain sales, particularly from first-time buyers. As mortgage rates are stable, there will be no rush to get into homeownership through much of 2015. First-time buyer activity will increase near the end of 2015 and in early 2016 in anticipation of higher mortgage rates.

New listings will remain strong. Existing homeowners will be more apt to list their homes for sale after seeing price appreciation of about four per cent in each of the past two years. Prices have increased above inflation in the last four quarters. With more repeat buyers, new listings have increased. However, the resale market will remain balanced. The average price will increase to $344,000 in 2015, up 1.8 per cent from 2014. In 2016, the average resale price will increase by 1.7 per cent to $350,000. Price growth will slow more in line with wage growth in 2015 and 2016. Carrying costs will increase. With wage growth not keeping up with price growth, homeownership will be slightly less affordable. However, homeownership still remains relatively affordable in KCW, compared to Hamilton and the Greater Toronto Area (GTA).

Figure 2



Source: CMHC forecasts, adapted from CREA (MLS®)
Note: Sales are seasonally adjusted and are multiplied by 4 to show an annual rate. Prices are seasonally adjusted. MLS® is a registered trademark of the Canadian Real Estate Association

Rental Market: Vacancy Rate to Increase in 2015

The vacancy rate will increase to 2.7 per cent in 2015, as the supply of rental housing will increase more than rental demand. There will be an increase in rental completions in 2015, including both purpose-built apartments and student housing, as well as more condominium units available for rent. Rental demand will remain stable this year. Although enrolment at the three post-secondary institutions in KCW has stabilized, students will remain a very significant source of rental demand. Young households, immigrants and seniors will add to rental demand. Waterloo Region attracts a steady number of immigrant and young households which tend to rent on first arrival in the Region. Offsetting this demand is the movement of renter households into homeownership, despite an increasing gap between the cost of renting and the cost of carrying a mortgage. The cost of owning will increase more than the cost of renting since the

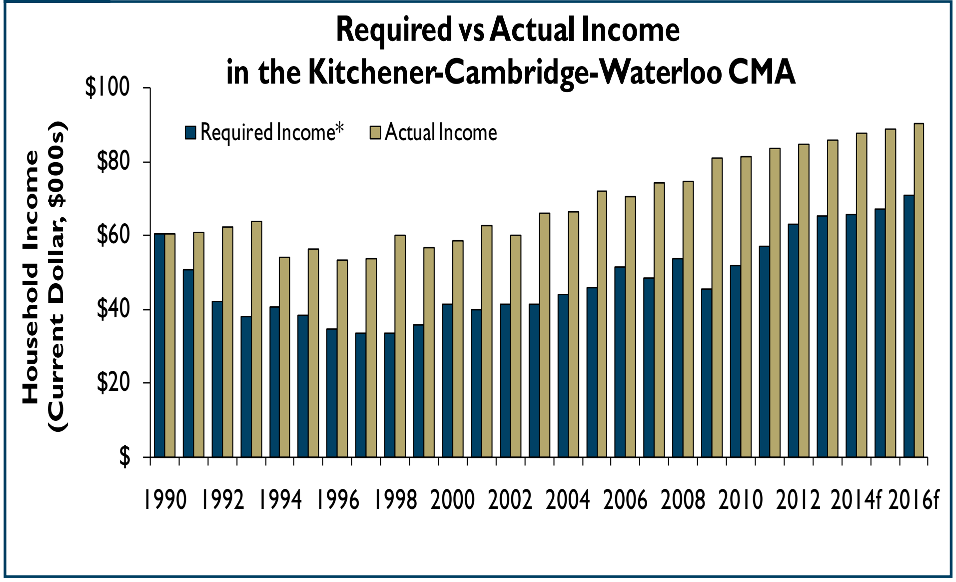
[1] Required income is mortgage carrying costs divided by 0.32 to reflect the usual 32 percent gross debt service ratio. Mortgage carrying costs are calculated on the average MLS® price, a 10 per cent down payment, the fixed five-year mortgage rate and the longest available amortization.

Ontario Rent Review Guideline for 2015 was set at 1.6 per cent, a slightly lower increase than the growth rate of home prices. The rent for existing tenants in buildings built before 1990 cannot increase more than this guideline. Approximately 80 per cent of rental apartments in KCW were built before 1990.

Several rental and condominium apartment projects are under construction in the neighbourhood surrounding the University of Waterloo and Wilfrid Laurier University. Waterloo Region already has one of the largest concentrations of post-secondary students in Ontario. This area is undergoing a makeover as older buildings geared only to student rentals are being demolished and replaced by new privately initiated rental structures and condominium apartments. Many of the condominium apartment projects are being sold to investors who will rent the apartments to students and young professionals. Currently, more than 2,200 rental and condominium apartment units are under construction in the City of Waterloo. Student rental demand will move farther afield in the future as the light rail transit will allow students to have a quick access to the universities. Students will be attracted to the newer buildings, thus creating vacancies in older stock, including basement apartments and houses.

In 2016 the vacancy rate will move slightly lower to 2.5 per cent. Rental supply will continue to increase in 2016, but the number of completions will decline from 2015. Demand will increase slightly due to higher employment for young adults, strong demand from students and seniors and steady migration. The number of first-time buyers exiting

Figure 3



Source: CMHC, Statistics Canada, CREA. *Required income is mortgage carrying costs divided by 0.32 to reflect the usual 32 percent gross debt service ratio. Mortgage carrying costs are calculated on the average MLS® price, a 10 per cent down payment, the fixed five-year mortgage rate and the longest available amortization.

the rental market will grow early in 2016 in anticipation of mortgage rates increases in 2016. However, the widening gap between the cost of renting and cost of owning will make the transition from rental to homeownership more difficult as affordability erodes.

In the longer term, the population in the 15-24 age group will be declining which will translate into fewer households being formed. However, the declining number of young households moving to rental will be offset by increased demand from seniors who move from their larger homes.

Economic Trends: Employment Will Edge Higher in 2015

The economy will support housing demand through 2016. The unemployment rate will edge lower, as employment growth will outpace growth in the labour force.

Employment in KCW has continued to increase since 2010. KCW's diverse economy has been able to grow despite layoffs at several local employers in the past few years. Employment growth is expected to increase 2.1 per cent 2015 and another 1.7 per cent in 2016.

According to a recent Workforce Planning Ontario's Employer One survey, 81 per cent of Waterloo Region employers hired in 2014 and 71 per cent of employers anticipate hiring in the next 12 months. These numbers support the growth in employment expected in 2015. With the lower Canadian dollar relative to the US dollar, Canadian exports to the US become less expensive for their consumers. Exports will increase and the manufacturing sector in KCW will benefit. Approximately 20 per cent of employment in KCW is in manufacturing. Another sector that will show strength in 2015 is construction. The construction of the LRT, as well as the many residential and non-residential projects currently under construction and planned, will support job creation in this sector. Information and Communication Technology (ICT) is another sector that is growing. There has been a large increase in the number of start-up companies. Established firms such as Google and Open Text are investing in Waterloo Region.

Migration figures for 2013/2014 are still preliminary. However, higher starts in 2014 and higher existing home sales in both 2013 and 2014 suggest that net migration was greater last year. Net migration will continue to increase through 2016 as the strong economy and relatively affordable home prices attract migrants to KCW.

Forecast Risks

This outlook is subject to some risks, including:

- If demand for Canadian goods does not materialize as expected, employment growth in KCW will be lower than expected, negatively impacting housing demand.
- While lower oil prices are a net positive globally, global growth in the first quarter has disappointed. There is risk of a period of protracted global economic weakness and slow, possibly negative, price growth.
- Growth in Emerging Market Economies (EMEs) could disappoint. In China, economic growth projections have been revised downwards closer to 7%.
- While a soft landing in the housing market remains the most likely scenario, near record-high house prices and debt levels relative to income leave households vulnerable to adverse shocks. A disorderly unwinding of household sector imbalances, should it materialize, could have sizable negative effects on other parts of the economy and on inflation.
- An upside risk to our outlook is a stronger than expected growth in the United States since it would benefit Canadian exporters and likely drive greater-than-expected housing demand.

Trends at a Glance

Key Factors and Their Effects on Housing Starts	
Mortgage Rates	Mortgage rates are expected to remain at or close to current levels over the forecast horizon.
Employment	Employment in KCW will increase by 2.1 per cent in 2015 and by 1.7 per cent in 2016. Stronger employment will increase housing demand.
Income	Average incomes will grow by about 1.5 per cent a year through 2016. Income growth will be below price growth in 2015 and 2016.
Net Migration	Positive net migration will continue to stimulate demand for all types of housing, specifically rental accommodation. Slightly more in-migration in 2015 will provide greater support to housing demand.
Resale Market	Sales will increase by 2.3 per cent to 6,800 in 2015. Sales will increase by 1.5 per cent to 6,900 in 2015. The market will be balanced. A gradual increase in listings will moderate price gains.

Guelph Highlights

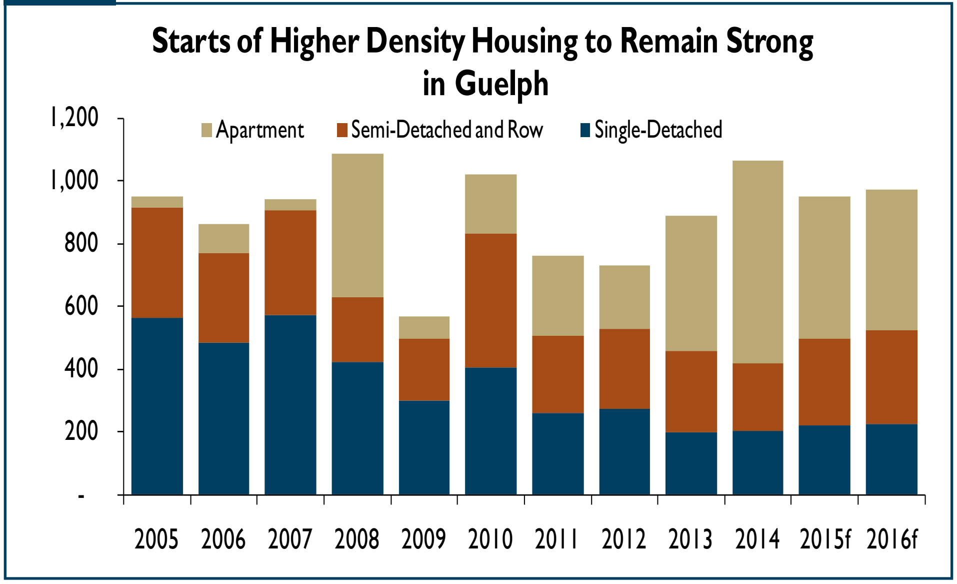
- Starts will be lower in 2015 after record starts in 2014
- Existing home sales will increase in 2015 and 2016
- Prices will continue to trend higher, but the rate of growth will slow
- The rental market will remain tight with the vacancy rate edging higher in 2015

New Home Market: Starts Lower in 2015

Starts will decline in 2015 as apartment starts pull back from the strong level in 2014. Starts will remain stable in 2016. Apartment starts will decline from record levels in 2014, but remain above historical averages. Apartment starts are in line with the City of Guelph's intensification targets and Places to Grow. With a shortage of registered lots, starts of ground-oriented dwellings have been constrained. However, a tight resale market and strong demand from in-migrants will push single-detached, semi-detached and townhouse starts slightly higher in 2015. Starts in 2016 will increase marginally as the factors supporting demand in 2015 will continue into 2016.

According to the 2014 City of Guelph Development Priorities Plan, slightly more than 700 units in plans of subdivision are expected to be registered in 2015, down from 1,500 in 2014. These units are both infill and within the greenfield area of the City. Actual numbers registered in 2014 have not yet been released. With the above-average number of dwelling units registered in 2014, it is expected that low-rise development will increase in 2015 to 500 units.

Figure 4



Source: CMHC forecasts

Single-detached starts are expected to increase slightly in both 2015 and 2016 as demand remains strong for this type of home. More than half of all purchasers of new single-detached homes are from outside Guelph, most from the GTA where prices are significantly higher. Demand is exceeding supply. Price growth was close to 15 per cent in 2014 as significantly more homes with prices above $400,000 were completed. With a tight resale market, purchasers unable to find a home are turning to the new construction market to make their purchase. There is no backlog of completed and unsold new homes that would slow down single-detached construction. The average price for single-detached homes will increase by more than eight per cent in 2015 compared to 2014.

Apartment starts will be lower in 2015 and 2016 as the current inventory will need to be absorbed before new projects are started. Apartment starts in 2014 were at the highest level for any year since the 1970s. However, several new apartment townhouse and apartment projects are in the planning stages. Strong price growth in both the new home and resale market will continue to support demand for higher-density housing. In addition, students, young households, and seniors support demand for apartments. This will encourage developers to bring more product to the market.

Resale Market: Demand Increases in 2015

Sales will increase in both 2015 and 2016, supported by slightly higher employment and migration. Sales will increase by 4.7 per cent in 2015 and at a slower pace of 1.4 per cent in 2016. As mortgage rates will remain low through 2016, employment and population growth will sustain the growth in existing home sales. Migration will be boosted by GTA buyers looking for more affordable homes. GO Train service between Guelph and Toronto has made it easier to live in Guelph but work in the GTA.

The existing home market will continue to be a seller's market, but price growth will not be as strong as in recent years. Prices are expected to grow by 3.7 per cent in 2015 and by two per cent in 2016. Buyers will be looking for more modestly priced homes as carrying costs rise, eroding affordability. The income required[2] to purchase the average resale home in the CMA will grow more than average household income, making homeownership more expensive each year.

Rental Market: Vacancy Rate to Increase in 2015

Guelph will continue to have one of the tightest rental markets in Ontario. The vacancy rate will increase slightly in 2015 to 1.3 per cent from 1.2 per cent in 2014. Although demand remains strong, new supply will enter the market, pushing the vacancy rate slightly higher.

The gap between renting and owning will widen. The Ontario Rent Increase Guideline of 1.6 per cent for 2015 will be less than price growth in the resale market. This will mean rental households will find it harder to transition to ownership housing, putting downward pressure on the vacancy rate. Demand will also be supported by a relatively stable number of students and immigrants, as well as growth in young and seniors households. A higher employment rate for 15-24 year olds will provide support for rental demand. On the other hand, apartment completions, both condominium and rental will increase supply in the tight Guelph market. Guelph is also seeing

Figure 5

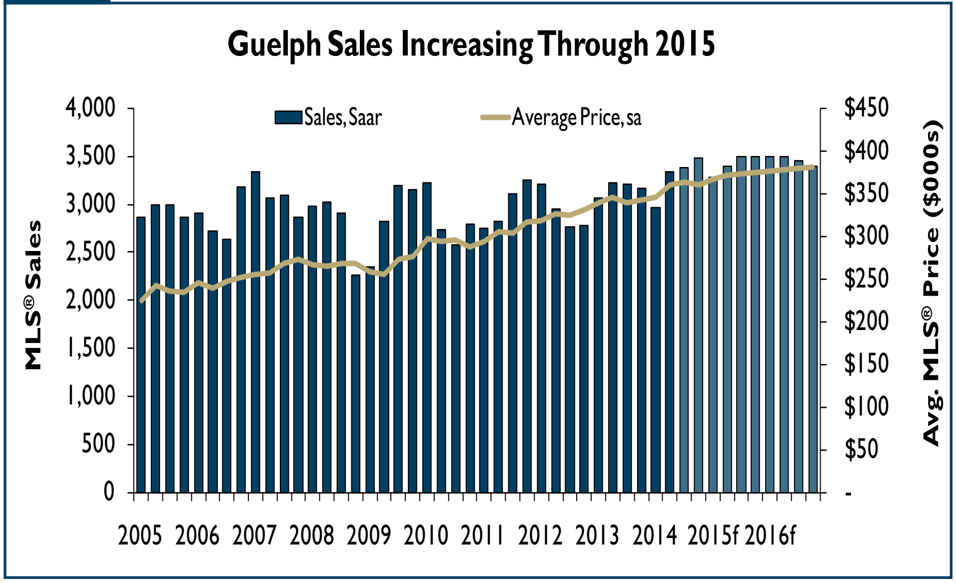


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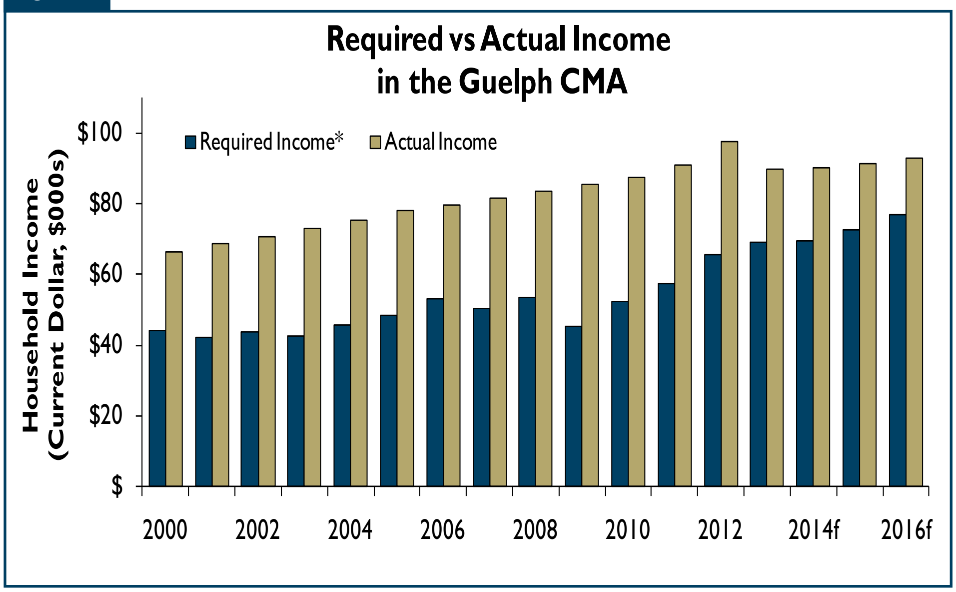
Figure 6



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condominium apartments being sold to investors who will rent to students. This increased supply of student housing will put upward pressure on the vacancy rate.

The vacancy rate will increase in 2016 to 1.5 per cent. Supply will increase with the completion of a new rental building and the increase in condominium apartment rentals. These new units will put upward pressure on the vacancy rate. Student enrolment is expected to be stable or decline slightly. On the other hand, continued employment growth will support household formation and increased rental demand.

Economic Trends: Employment Continues to Grow

Employment in Guelph will provide support for housing demand. Employment growth will average close to three per cent over the next two years. The unemployment rate will move lower, as growth in employment will exceed growth in the labour force. Both residential and non-residential construction will be a source for jobs. Manufacturing jobs are important to Guelph's economy. More than 20 per cent of employment in Guelph is manufacturing based. Guelph manufacturers will benefit from a strengthening US economy and weaker Canadian dollar. With a third of manufacturing jobs in the transportation sector, Guelph's large auto parts manufacturing sector should continue to grow, given the upward trend in manufacturing sales in Ontario.

Net migration to Guelph will continue to increase as the local economy grows above the provincial average. Guelph is attractive to households from the GTA that are looking for more affordable housing. Migration figures for 2013/2014 are still preliminary. However, higher starts and existing home sales in 2014 suggest that net migration was greater last year, particularly from other areas of Ontario.

Forecast Risks

This outlook is subject to some risks, including:

- While lower oil prices are a net positive globally, global growth in the first quarter has disappointed. There is risk of a period of protracted global economic weakness and slow, possibly negative, price growth.
- Growth in Emerging Market Economies (EMEs) could disappoint. In China, economic growth projections have been revised downwards closer to 7%.
- While a soft landing in the housing market remains the most likely scenario, near record-high house prices and debt levels relative to income leave households vulnerable to adverse shocks. A disorderly unwinding of household sector imbalances, should it materialize, could have sizable negative effects on other parts of the economy and on inflation.
- An upside risk to our outlook is a stronger than expected growth in the United States since it would benefit Canadian exporters and likely drive greater-than-expected housing demand.

Mortgage Rate Outlook

Mortgage Rates Are Expected to Remain at or Close to Current Levels over the Forecast Horizon

Mortgage rates will continue to be supportive of housing demand. Consistent with the view of Canadian economic forecasters, CMHC expects interest rates to remain at or very close to current levels over the forecast horizon.

According to CMHC's base case scenario for 2015, the one-year mortgage rate is expected to be in the 2.30 to 3.50 per cent range, while the five-year rate is forecast to be within the 4.00 to 5.50 per cent range. For 2016, the one-year mortgage rate is expected to be in the 2.40 to 4.00 per cent range, while the five-year rate is forecast to be within the 4.20 to 6.20 per cent range.

Mortgage rates		
1 Year	Q1 2015	2.97
	Change from Q1 2014	-0.17
	2014	3.14
	2015 (F)	2.30 to 3.50
	2016 (F)	2.40 to 4.00
5 Year	Q1 2015	4.76
	Change from Q1 2014	-0.40
	2014	4.88
	2015 (F)	4.00 to 5.50
	2016 (F)	4.20 to 6.20

Source: Bank of Canada, CMHC Forecast
NOTE: Mortgage rate forecast is based on Q1 2015 data

Forecast Summary
Kitchener-Cambridge-Waterloo CMA
Spring 2015

	2012	2013	2014	2015(F)	% chg	2016(F)	% chg
New Home Market							
Starts:							
Single-Detached	871	690	869	925	6.4	875	-5.4
Multiples	2,029	1,150	3,581	2,000	-44.1	2,000	0.0
Semi-Detached	42	28	40	50	25.0	50	0.0
Row/Townhouse	431	315	484	450	-7.0	450	0.0
Apartments	1,556	807	3,057	1,500	-50.9	1,500	0.0
Starts - Total	2,900	1,840	4,450	2,925	-34.3	2,875	-1.7
Average Price ($):							
Single-Detached	434,415	481,687	455,683	470,000	3.1	475,000	1.1
Median Price ($):							
Single-Detached	405,860	430,000	425,415	430,000	1.1	434,000	0.9
New Housing Price Index (% chg.)	2.9	0.7	0.8	0.5	-	0.5	-
Resale Market							
MLS® Sales	6,314	6,467	6,646	6,800	2.3	6,900	1.5
MLS® New Listings	11,433	11,234	11,502	11,600	0.9	11,700	0.9
MLS® Active Listings	2,196	2,362	2,108	2,140	1.5	2,160	0.9
MLS® Average Price ($)	312,418	324,604	337,806	344,000	1.8	350,000	1.7
Rental Market							
October Vacancy Rate (%)	2.6	2.9	2.3	2.7	0.4	2.5	-0.2
Two-bedroom Average Rent (October) ($)	908	952	975	990	1.5	1,010	2.0
Economic Overview							
Mortgage Rate (1 year) (%)	3.17	3.08	3.14	2.30 to 3.50	-	2.40 to 4.00	-
Mortgage Rate (5 year) (%)	5.27	5.24	4.88	4.00 to 5.50	-	4.20 to 6.20	-
Annual Employment Level	271,600	278,900	283,100	289,000	2.1	294,000	1.7
Employment Growth (%)	0.4	2.7	1.5	2.1	-	1.7	-
Unemployment rate (%)	6.6	6.9	6.4	5.9	-	5.5	-
Net Migration	3,121	1,437	1,099	1,600	45.6	1,800	12.5

MLS® is a registered trademark of the Canadian Real Estate Association (CREA).

Source: CMHC (Starts and Completions Survey, Market Absorption Survey), adapted from Statistics Canada (CANSIM), CREA, Statistics Canada (CANSIM)
NOTE: Rental universe = Privately initiated rental apartment structures of three units and over

Forecast Summary Guelph CMA Spring 2015	2012	2013	2014	2015(F)	% chg	2016(F)	% chg
New Home Market							
Starts:							
Single-Detached	275	198	204	220	7.8	225	2.3
Multiples	456	692	860	730	-15.1	750	2.7
Semi-Detached	44	82	54	80	48.1	80	0.0
Row/Townhouse	210	179	161	200	24.2	220	10.0
Apartments	202	431	645	450	-30.2	450	0.0
Starts - Total	731	890	1,064	950	-10.7	975	2.6
Average Price ($):							
Single-Detached	436,385	457,859	526,385	570,000	8.3	590,000	3.5
Median Price ($):							
Single-Detached	404,350	418,216	460,000	480,000	4.3	490,000	2.1
New Housing Price Index (% chg.) (Ont.)	4.1	2.1	1.7	n/a	-	n/a	-
Resale Market							
MLS® Sales	2,929	3,164	3,295	3,450	4.7	3,500	1.4
MLS® New Listings	4,478	4,796	4,929	5,200	5.5	5,300	1.9
MLS® Average Price ($)	325,554	343,564	358,583	372,000	3.7	379,000	1.9
Rental Market							
October Vacancy Rate (%)	1.4	1.9	1.2	1.3	0.1	1.5	0.2
Two-bedroom Average Rent (October) ($)	941	957	988	1,000	1.2	1,025	2.5
Economic Overview							
Mortgage Rate (1 year) (%)	3.17	3.08	3.14	2.30 to 3.50	-	2.40 to 4.00	-
Mortgage Rate (5 year) (%)	5.27	5.24	4.88	4.00 to 5.50	-	4.20 to 6.20	-
Annual Employment Level	83,900	79,800	81,800	85,000	3.9	87,000	2.4
Employment Growth (%)	2.3	-4.9	2.5	3.9	-	2.4	-
Unemployment rate (%)	5.3	6.6	6.2	5.3	-	4.9	-
Net Migration	1,755	879	802	900	12.2	950	5.6

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** Percent change > 200%
Source: CMHC (Starts and Completions Survey, Market Absorption Survey), adapted from Statistics Canada (CANSIM), CREA, Statistics Canada (CANSIM)
NOTE: Rental universe = Privately initiated rental apartment structures of three units and over

DEFINITIONS AND METHODOLOGY

New Home Market

Historical home starts numbers are collected through CMHC's monthly **Starts and Completions Survey**. Building permits are used to determine construction sites and visits confirm construction stages. A **start** is defined as the beginning of construction on a building, usually when the concrete has been poured for the whole of the structure's footing, or an equivalent stage where a basement will not be part of the structure.

Single-Detached Start:
The start of a building containing only one dwelling unit, which is completely separated on all sides from any other dwelling or structure.

Semi-Detached Start:
The start of each of the dwellings in a building containing two dwellings located side-by-side, adjoining no other structure and separated by a common or party wall extending from ground to roof.

Row (or Townhouse) Start:
Refers to the commencement of construction on a dwelling unit in a row of three or more attached dwellings separated by a common or party wall extending from ground to roof.

Apartment and other Starts:
Refers to the commencement of construction on all dwellings other than those described above, including structures commonly known as stacked townhouses, duplexes, triplexes, double duplexes and row duplexes.

Average and Median Single Detached Home Prices:
Are estimated using CMHC's **Market Absorption Survey**, which collects home prices at absorption and measures the rate at which units are sold or rented after they are completed. Dwellings are enumerated each month after a structure is completed until full absorption occurs. The term "**absorbed**" means that a housing unit is no longer on the market as it has been sold or rented.

New Home Price Indexes:
Changes in the New Home Price Indexes are estimated using annual averages of Statistics Canada's monthly values for New Housing Price Indexes (NHPI).

Resale Market

Historical resale market data in the summary tables of the Housing Market Outlook Reports refers to residential transactions through the Multiple Listings Services (MLS®) as reported by The Canadian Real Estate Association (CREA). In Quebec, this data is obtained by the Centris® listing system via the Quebec Federation of Real Estate Boards.

MLS® (Centris® in the province of Quebec) Sales:
Refers to the total number of sales made through the Multiple Listings Services in a particular year.

MLS® (Centris® in the province of Quebec) Average Price:
Refers to the average annual price of residential transactions through the Multiple Listings Services.

Rental Market

Rental Market vacancy rates and two bedroom rents information is from Canada Mortgage and Housing Corporation's (CMHC's) October **Rental Market Survey** (RMS). Conducted on a sample basis in all urban areas with populations of 10,000 and more, the RMS targets privately initiated structures with at least three rental units, which. have been on the market for at least three months. The survey obtains information from owners, managers, or building superintendents through a combination of telephone interviews and site visits.

Vacancy Rate:
The vacancy rate refers to the average vacancy rate of all apartment bedroom types. A unit is considered vacant if, at the time of the survey, it is physically unoccupied and available for immediate rental.

Two Bedroom Rent:
The rent refers to the average of the actual amount tenants pay for two bedroom apartment units. No adjustments are made for the inclusion or exclusion of amenities and services such as heat, hydro, parking, and hot water.

Economic Overview

Labour Force variables include the Annual Employment Level, Employment Growth, Unemployment Rate. Source: Statistics Canada's Labour Force Survey.

Net Migration:
Sum of net interprovincial (between provinces), net intra-provincial (within provinces), net international (immigration less emigration), returning Canadians and temporary (non-permanent) residents as provided to the CANSIM database by Statistics Canada's Demography Division. Sources of inter-provincial and intra-provincial migration data include a comparison of addresses from individual income tax returns for two consecutive years from Canada Revenue Agency (CRA) taxation records. The migration estimates are modelled, with the tax file results weighted to represent the whole population.

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