

Durham Region Housing Market Overview



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Ontario Business Centre

Agenda



Economic Factors

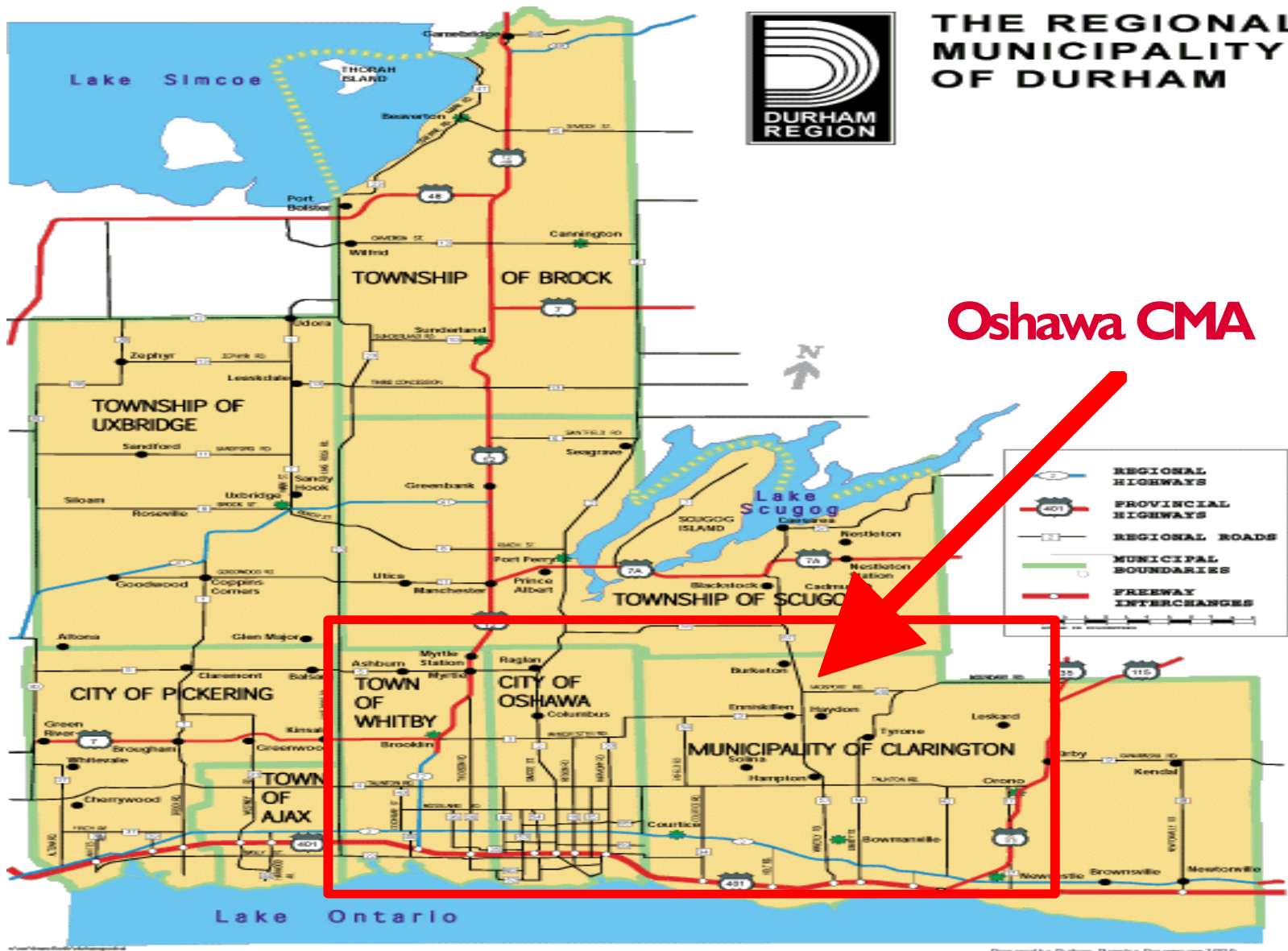
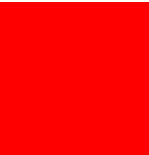
- Macroeconomic Factors
- Interest Rates Outlook

Demographic Factors

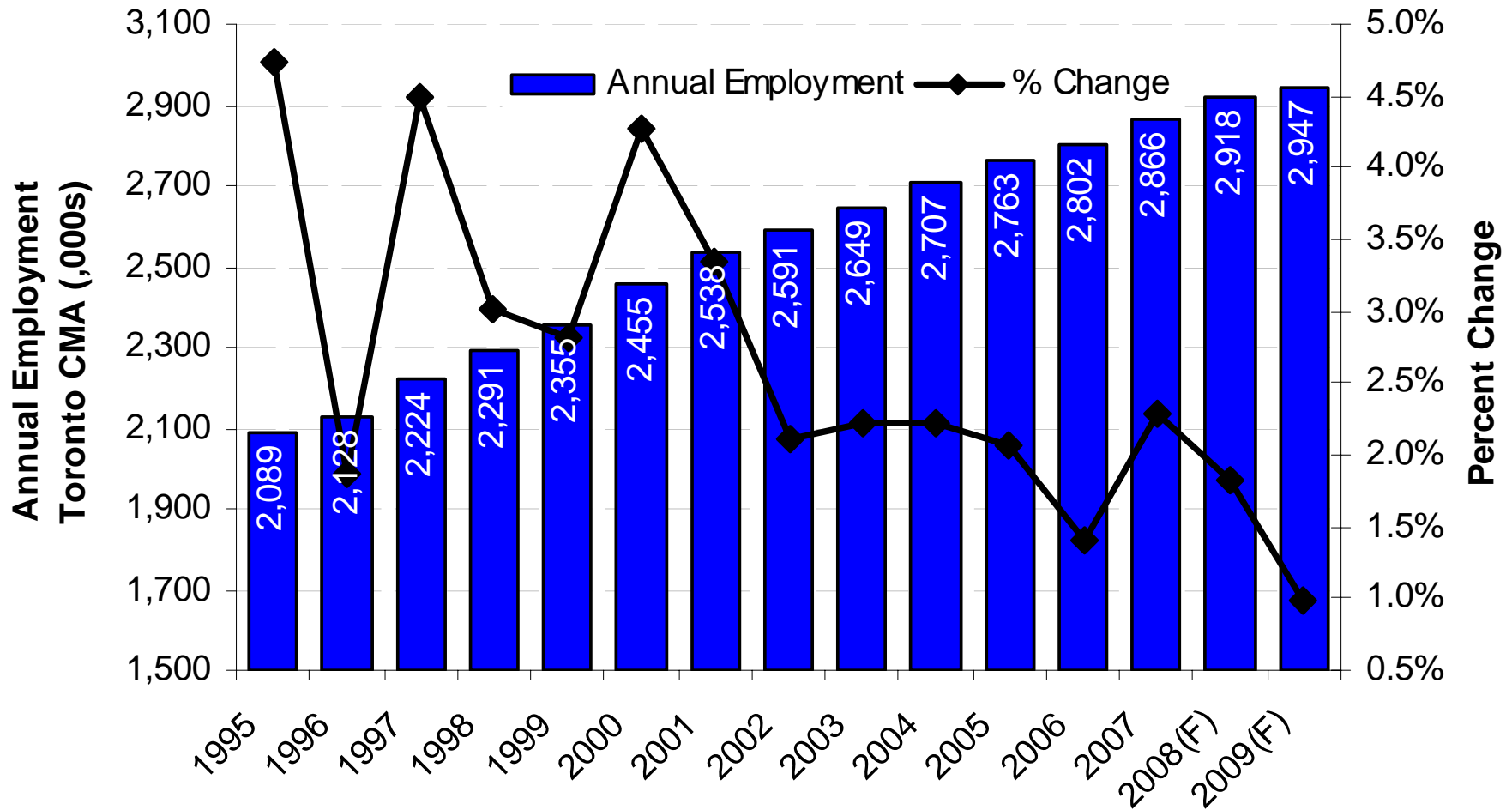
- Population
- Migration

Housing Markets

- Resale Market
- New Home Market
- Rental Market

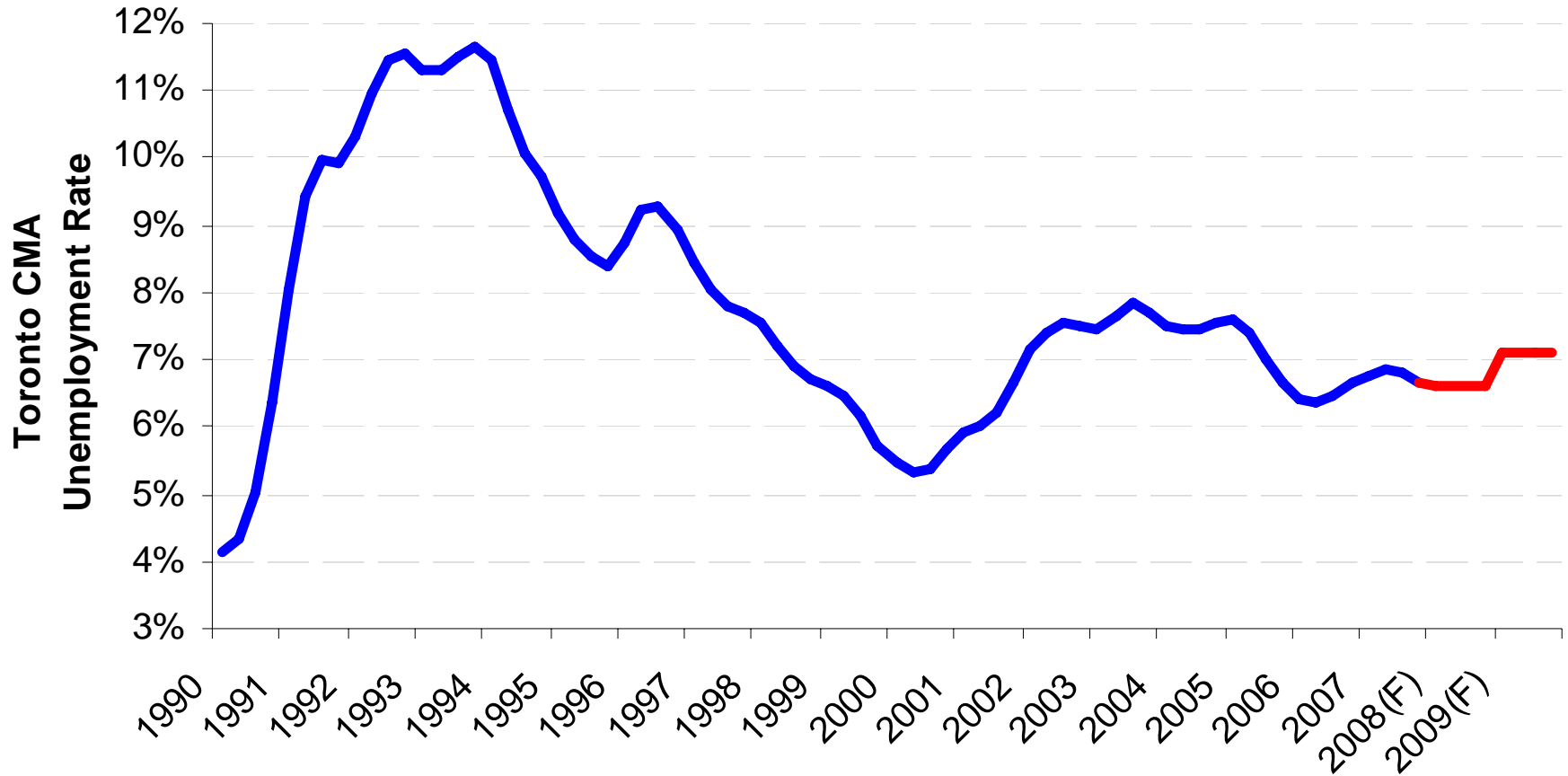


Steady Job Growth



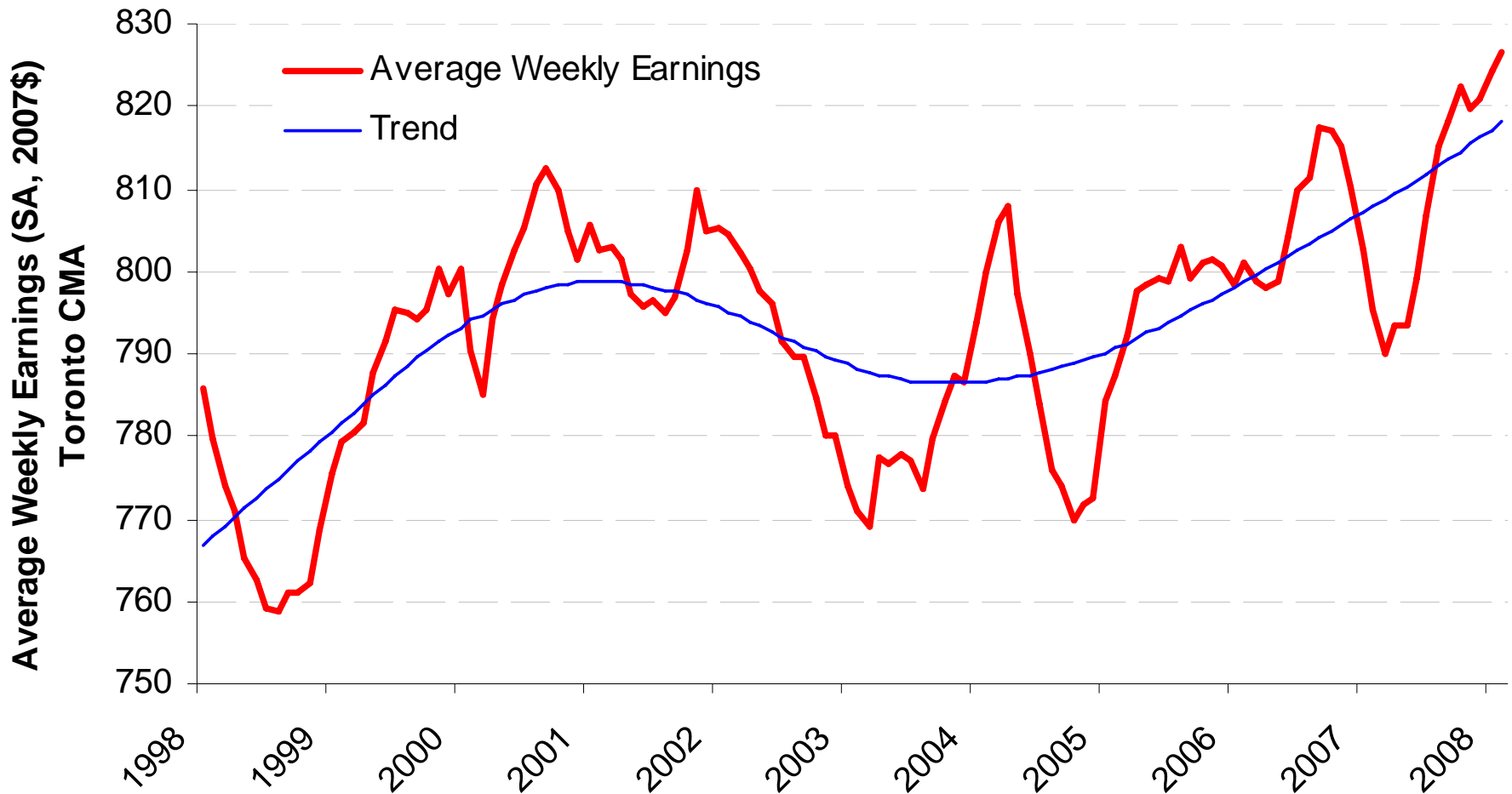
Source: Statistics Canada; CMHC Forecast

Labour Market Will Remain Tight in '08 and '09



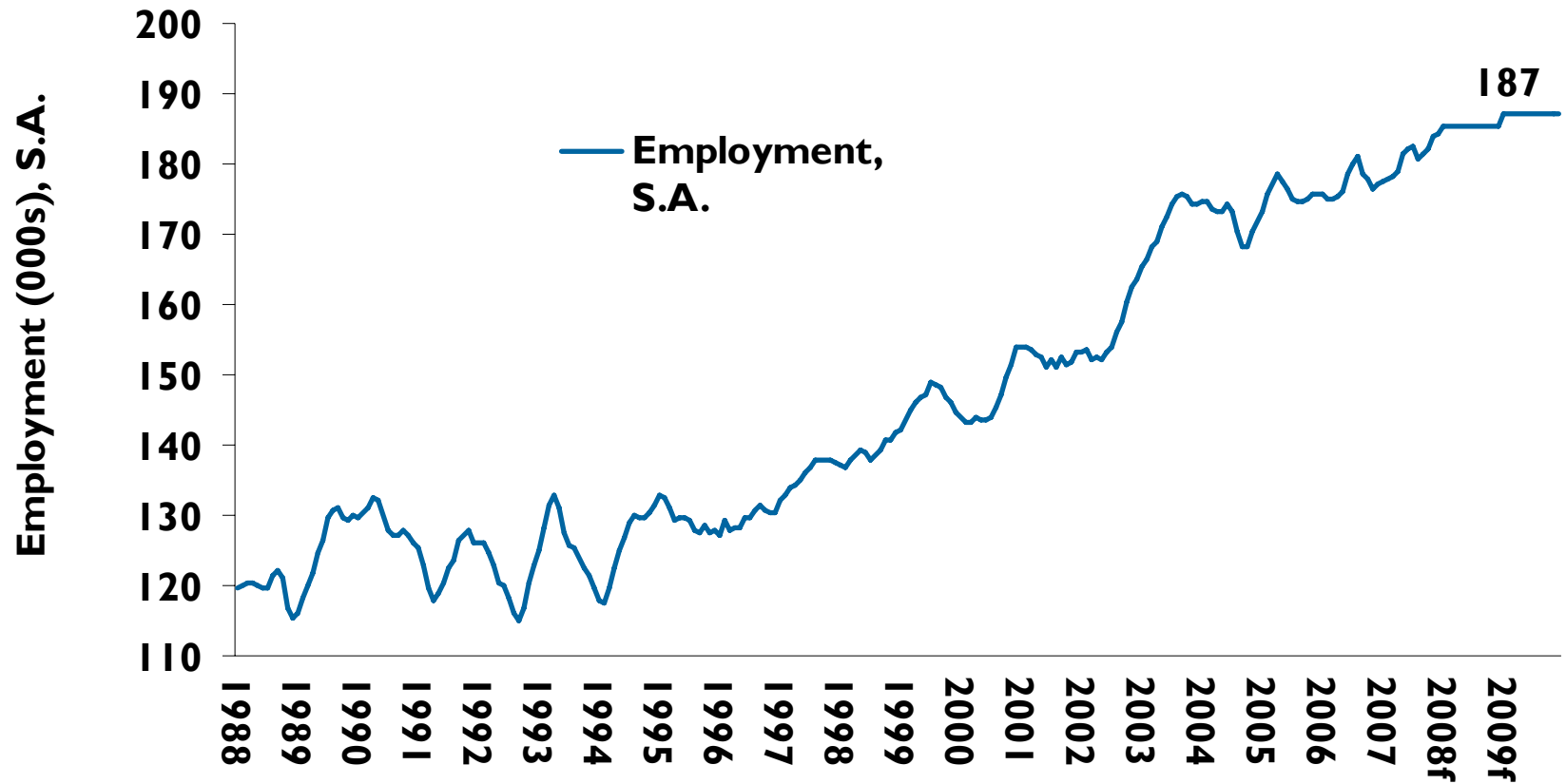
Source: Statistics Canada, Labour Force Survey

Labour Income Growing Above Inflation



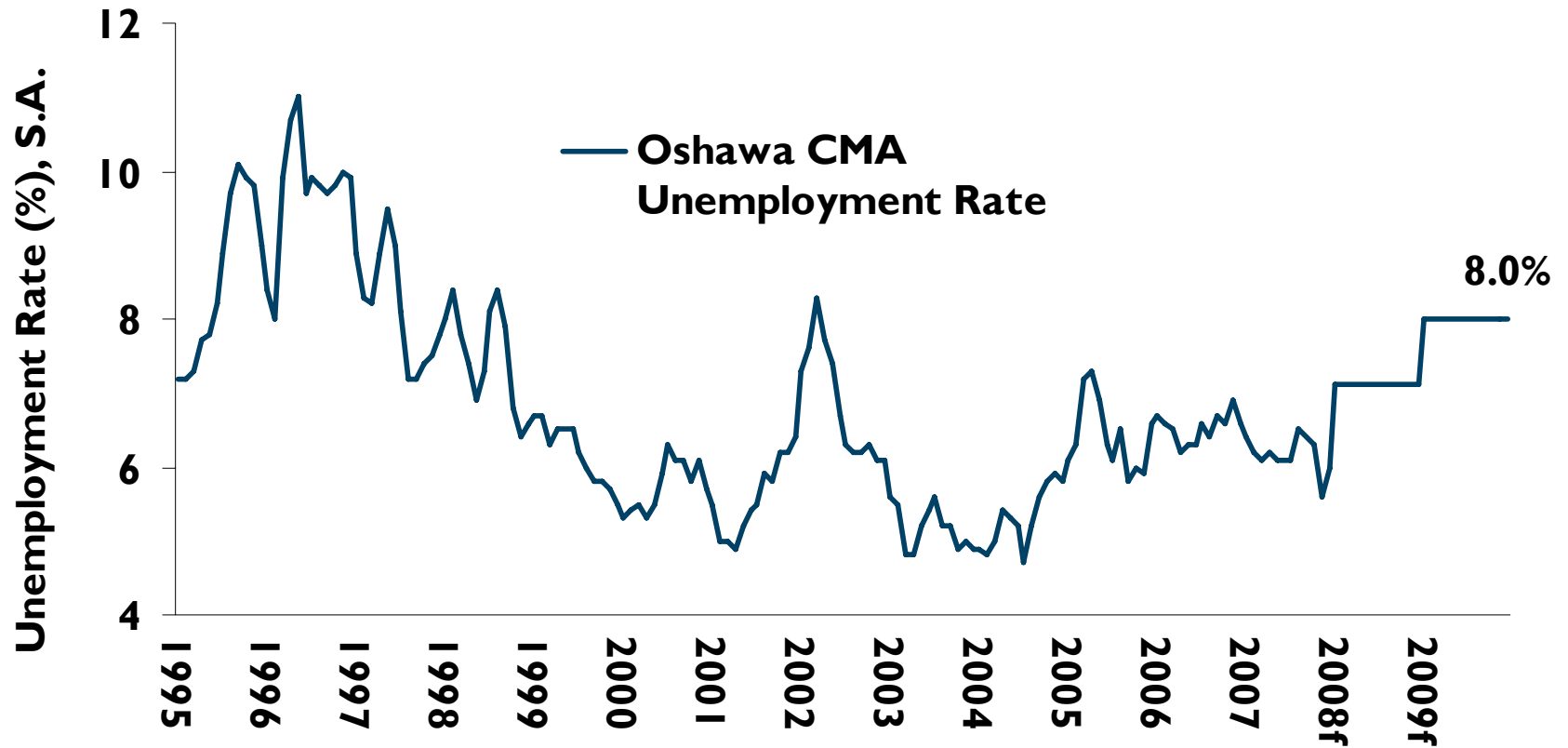
Source: Statistics Canada Labour Force Survey, CMHC Adjustment

Oshawa employment



Source: Statistics Canada

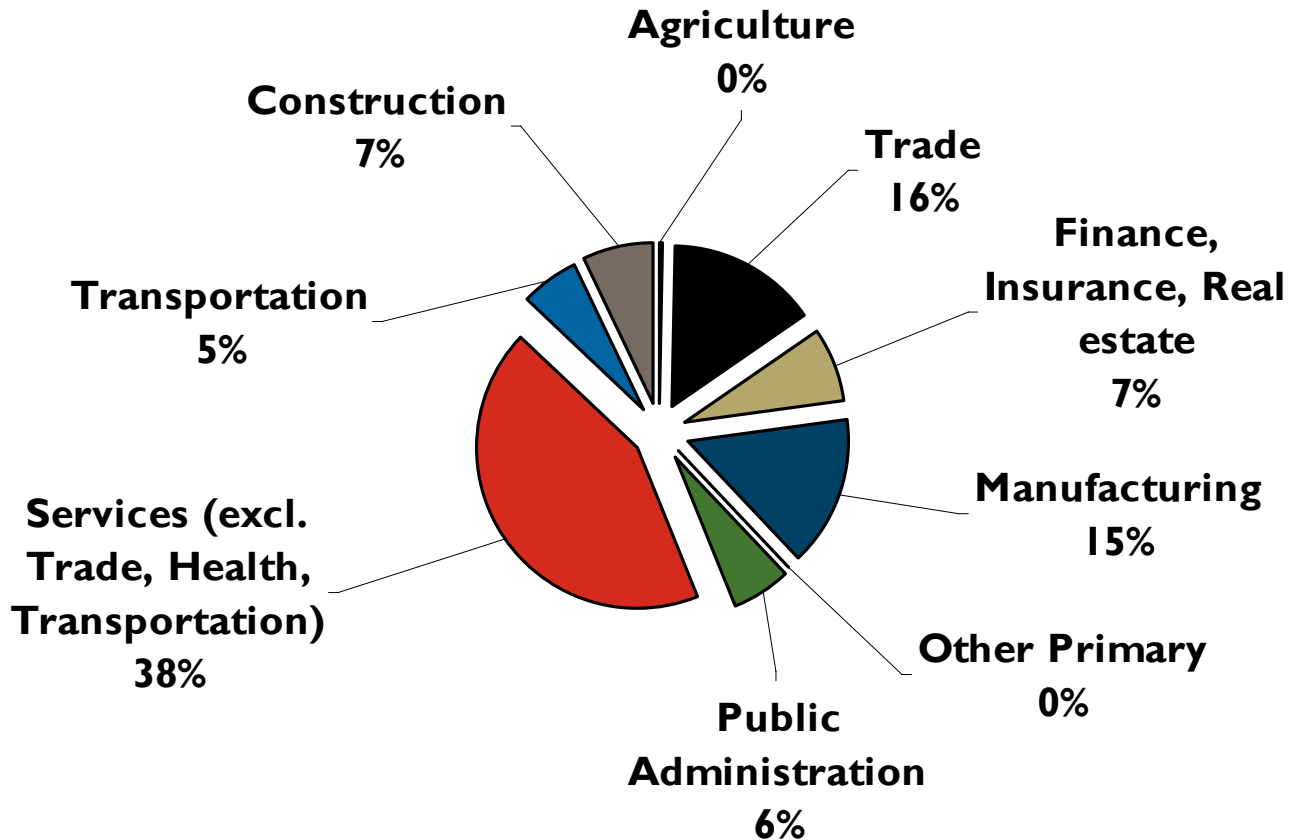
Oshawa unemployment



Source: Statistics Canada

Employment by industry

Oshawa Employment, December 2007



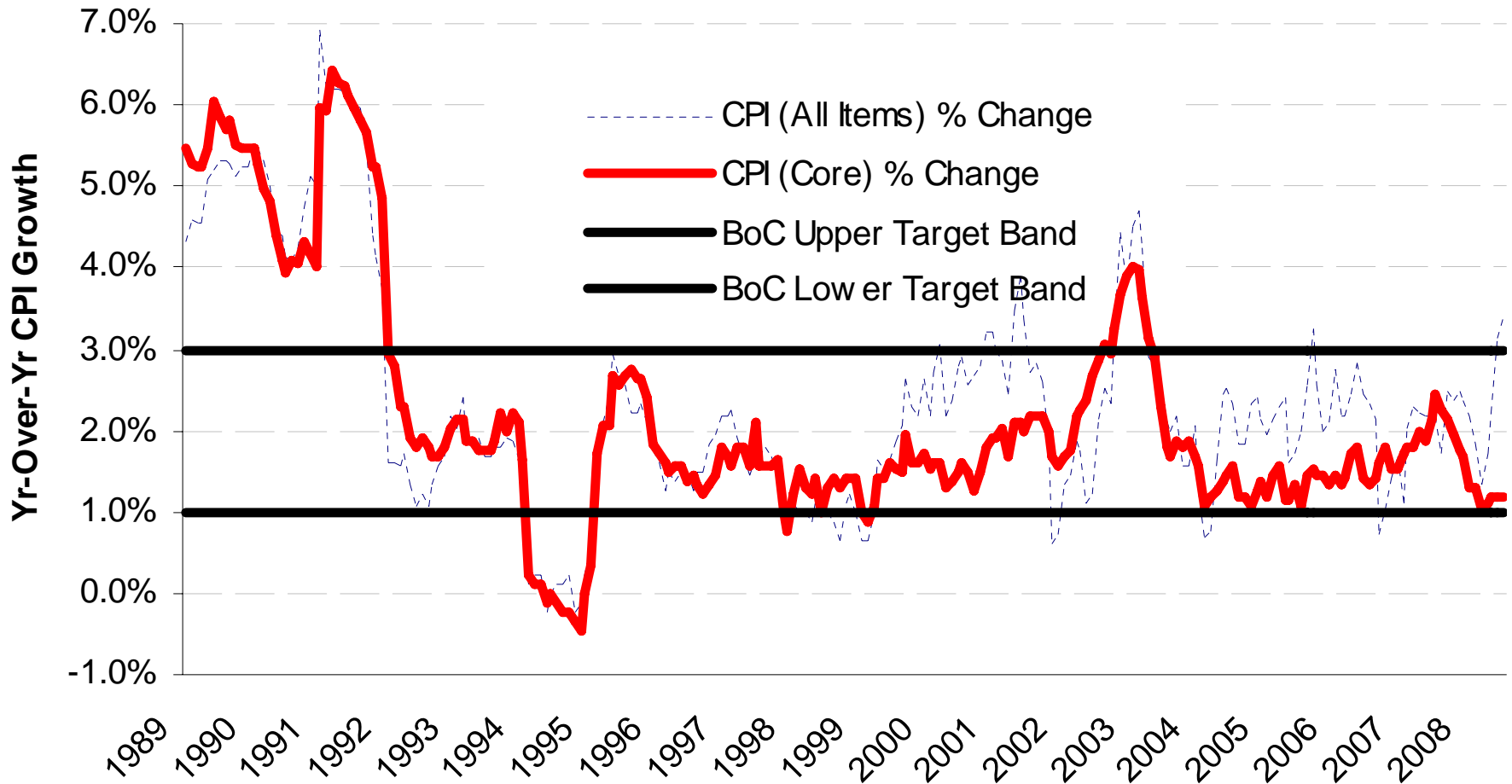
Source: Statistics Canada

Mortgage Rates Remain Very Low Historically



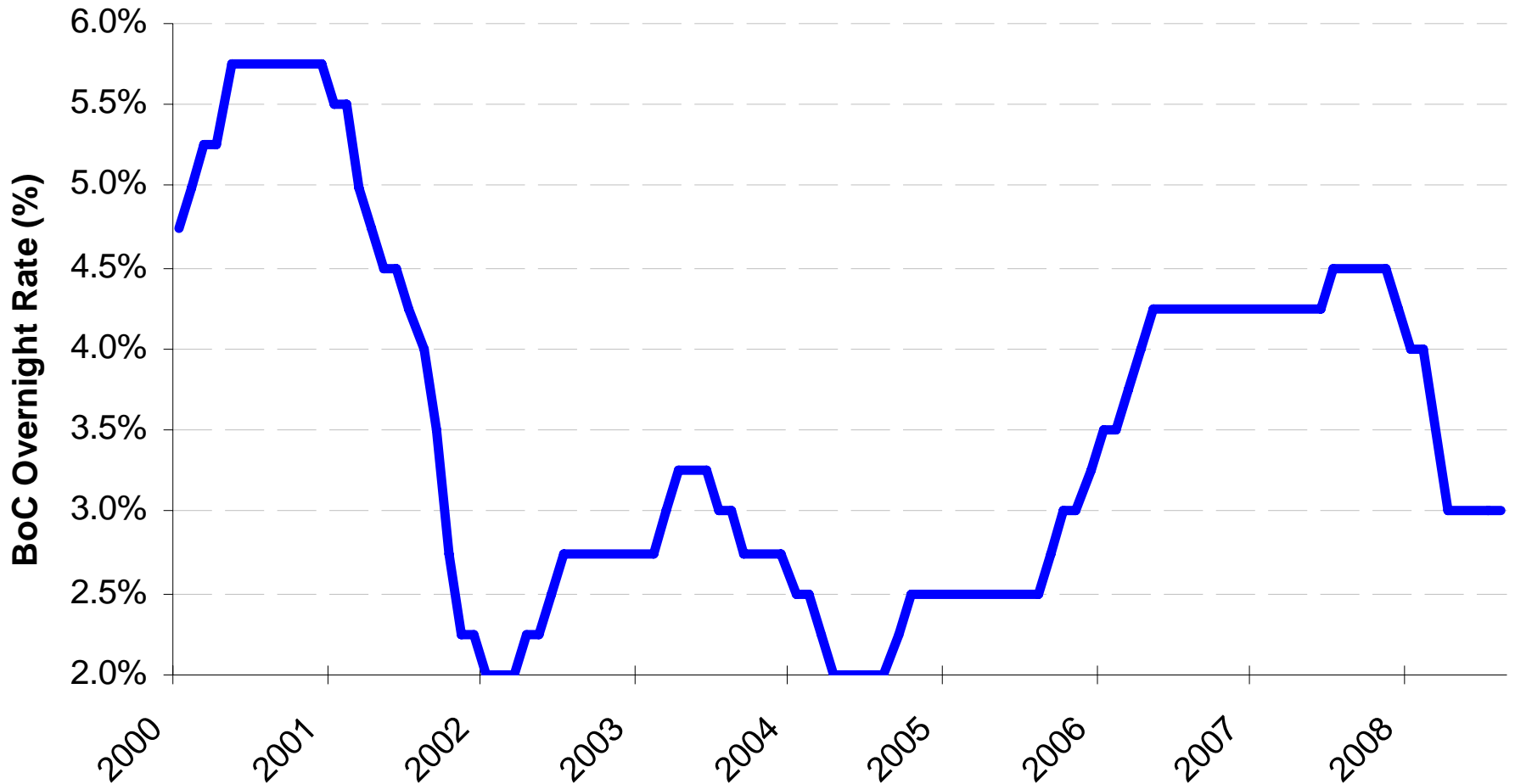
Source: Bank of Canada

BoC Interest Rate Decisions Based on Inflation



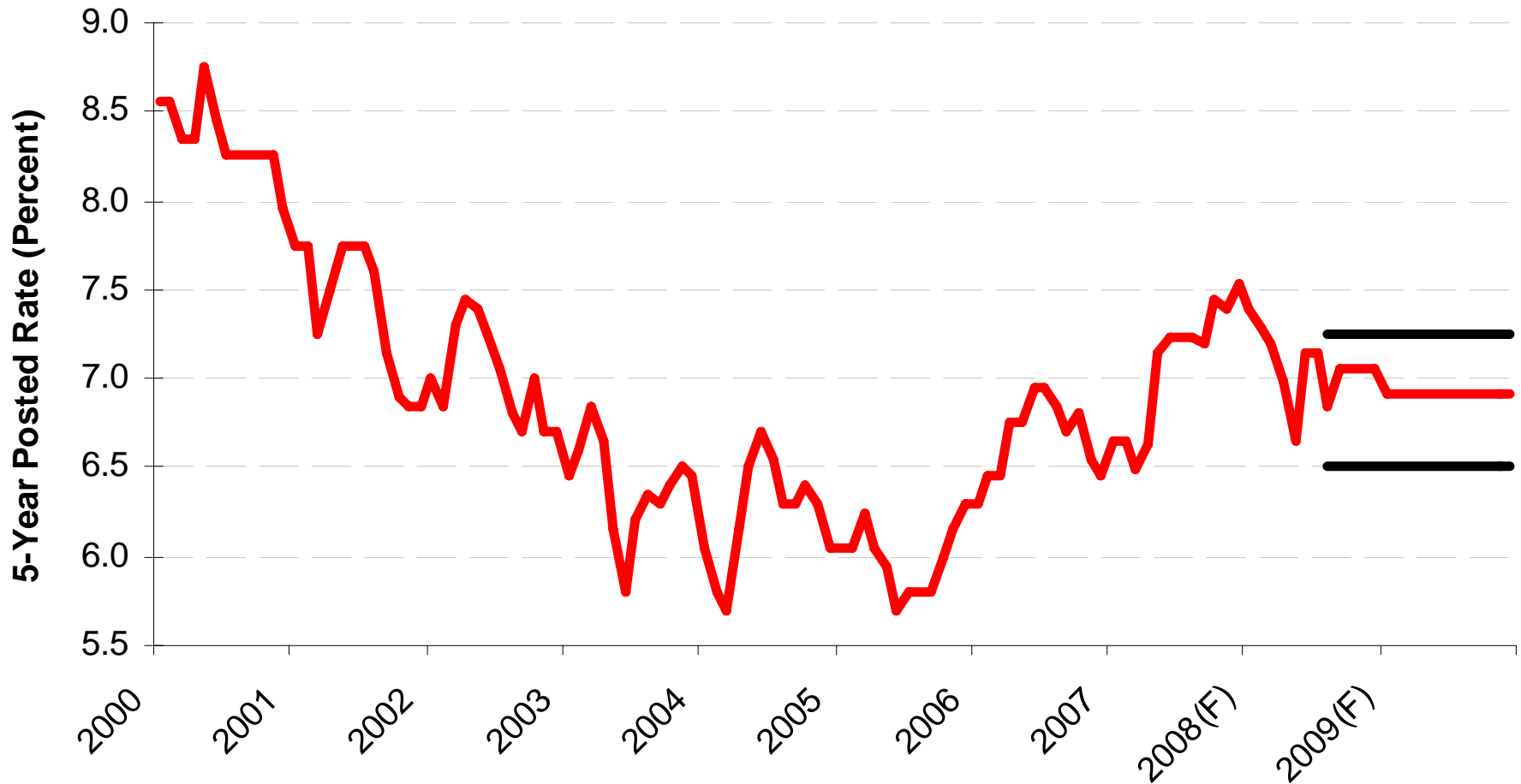
Source: Statistics Canada

BoC Holding Steady with Overnight Rate



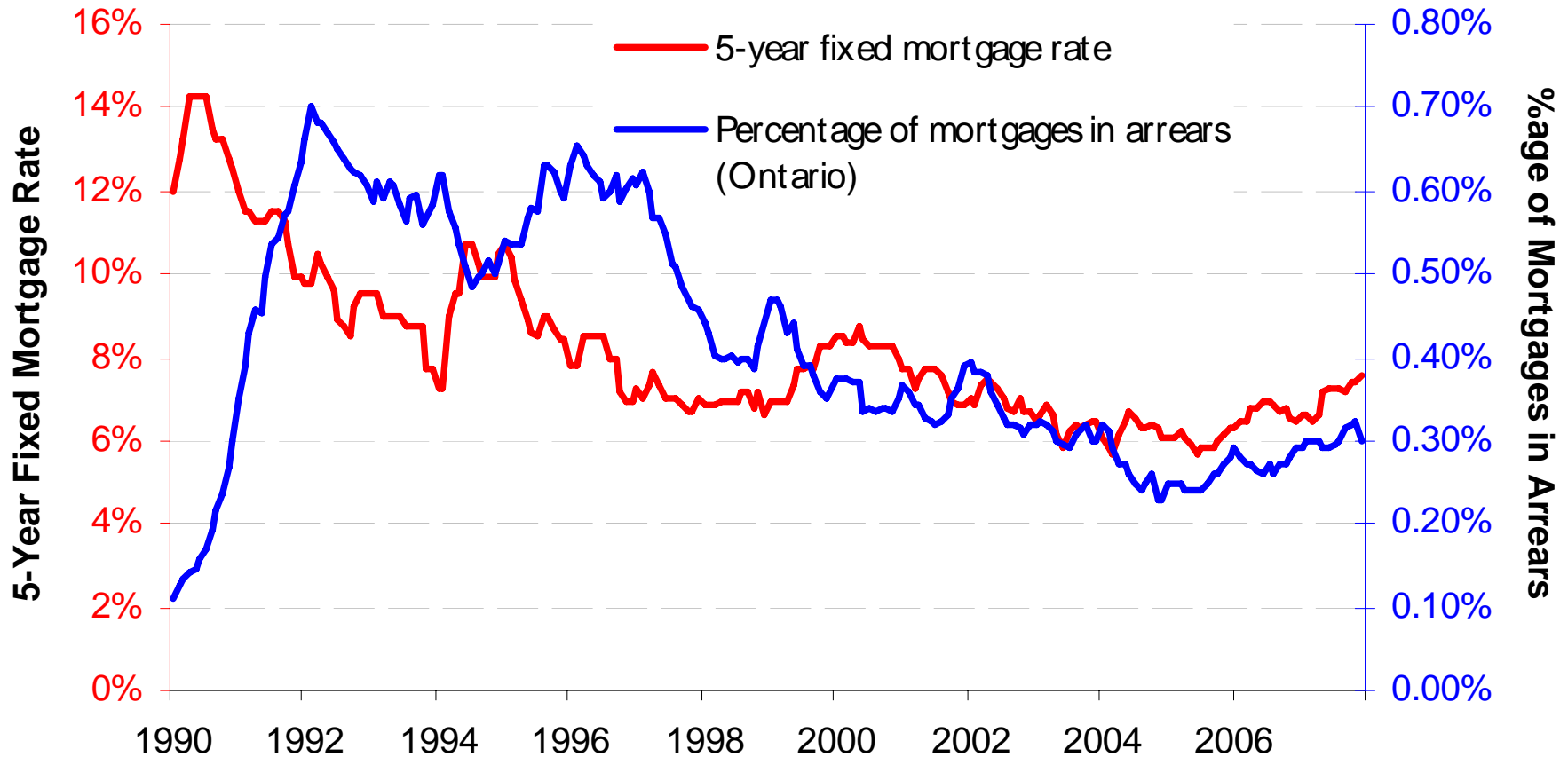
Source: Bank of Canada

Mortgage Rates Will Remain Low



Source: Bank of Canada, CMHC Forecast

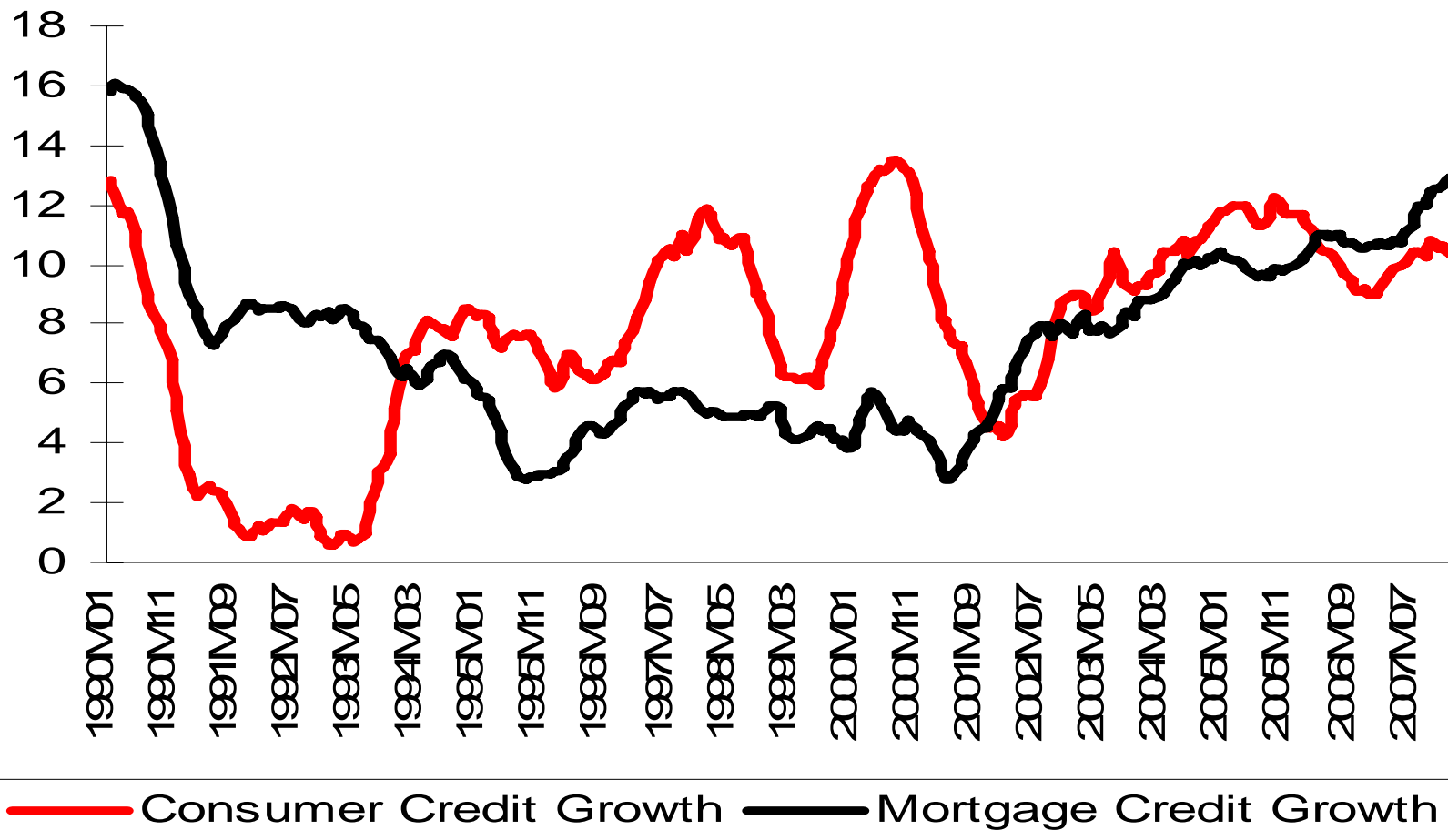
Low Default Rate in Ontario



Source: Canadian Bankers Association, Statistics Canada

Residential mortgage credit still growing in Canada despite global credit crunch

Mortgage, consumer credit % chg. (yr-yr) - CANADA



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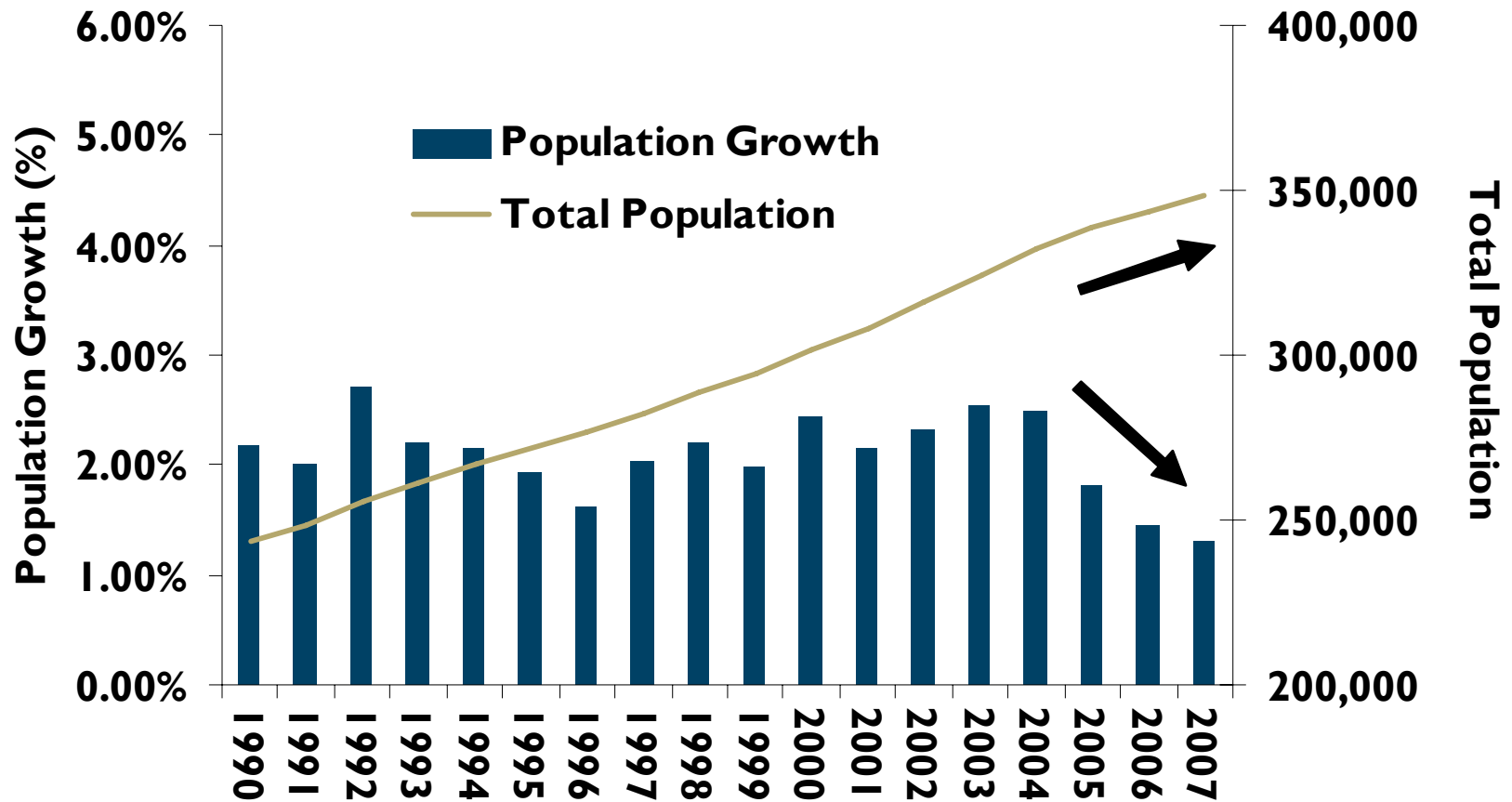
Population and Migration

Population and Migration key to housing demand...

Population growth = natural increase (births – deaths) + net migration

Net migration = net immigration + net interprovincial migration + net intraprovincial migration

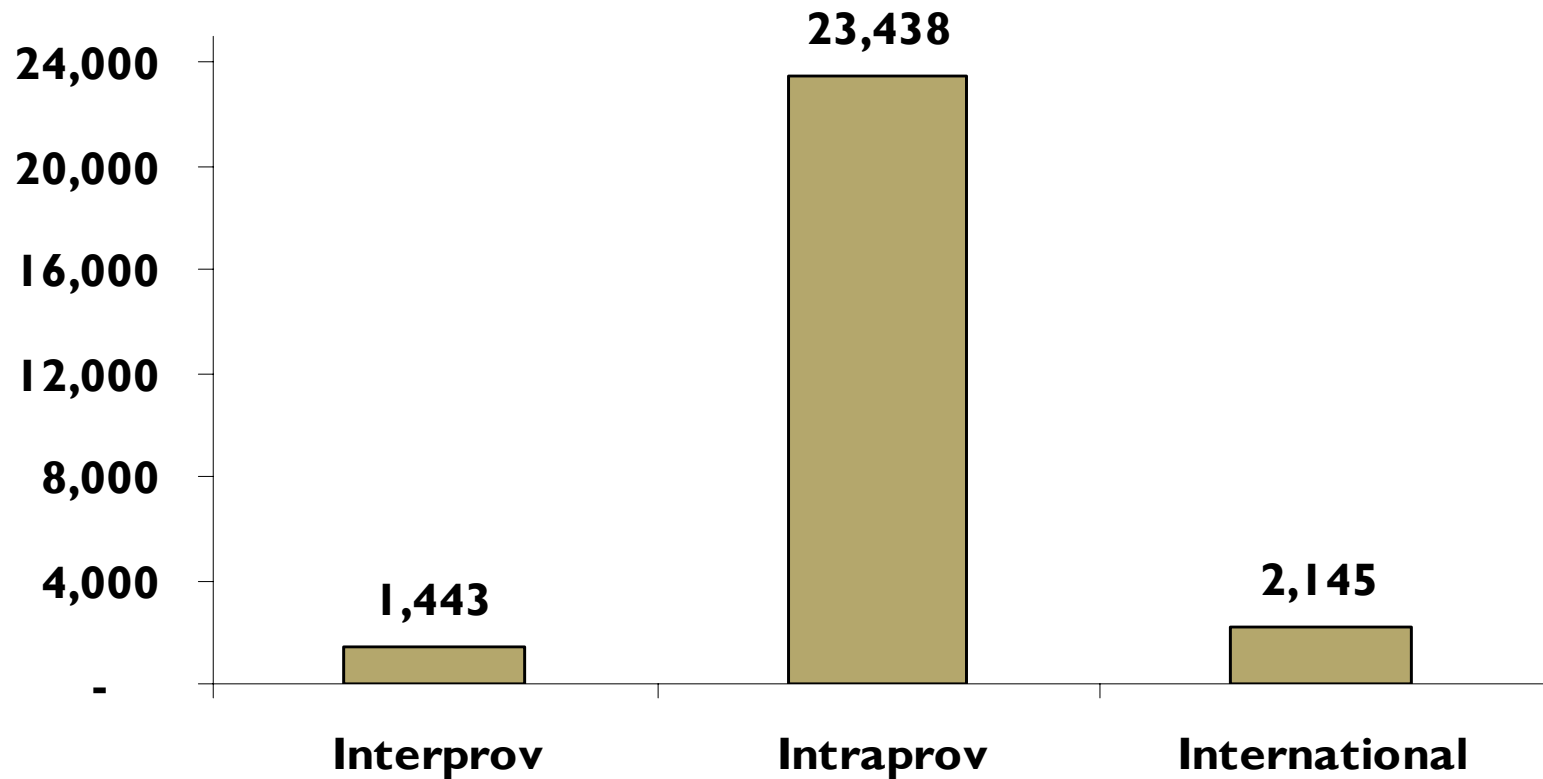
Oshawa's population slowing



Source: Statistics Canada

Intra-provincial migration highest..

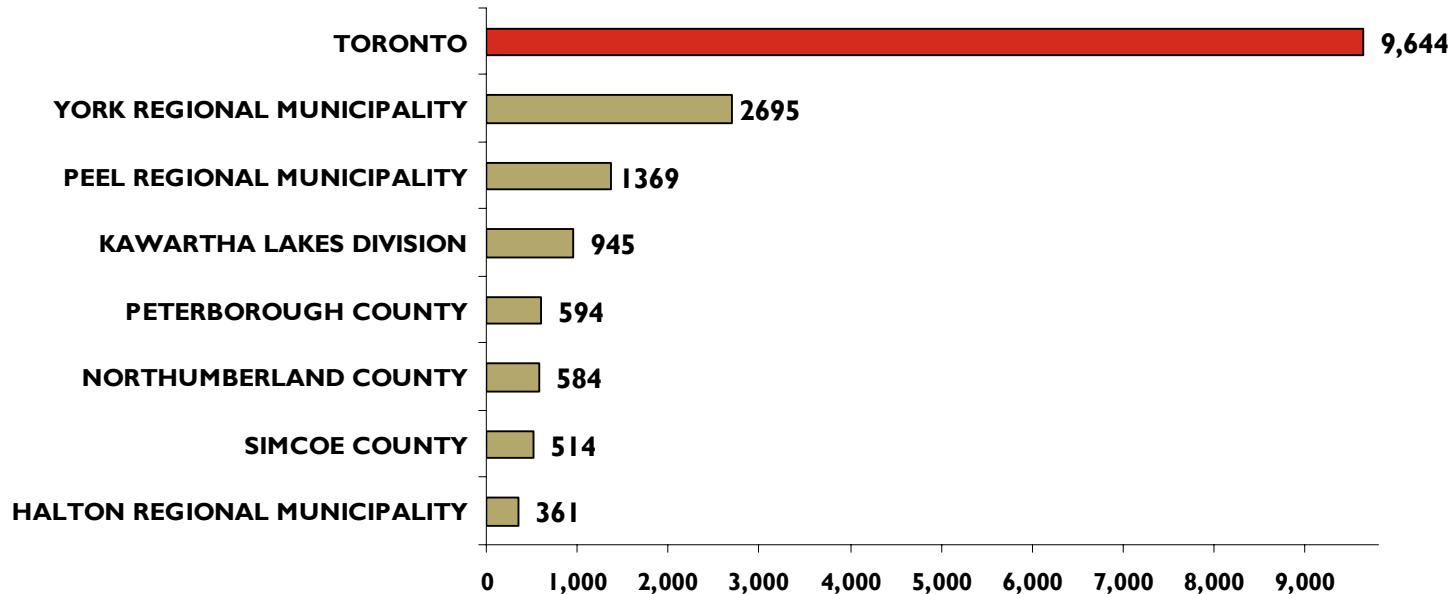
Durham Region Migration by Type 2005-2006



Source: Statistics Canada

Torontonians moving East..

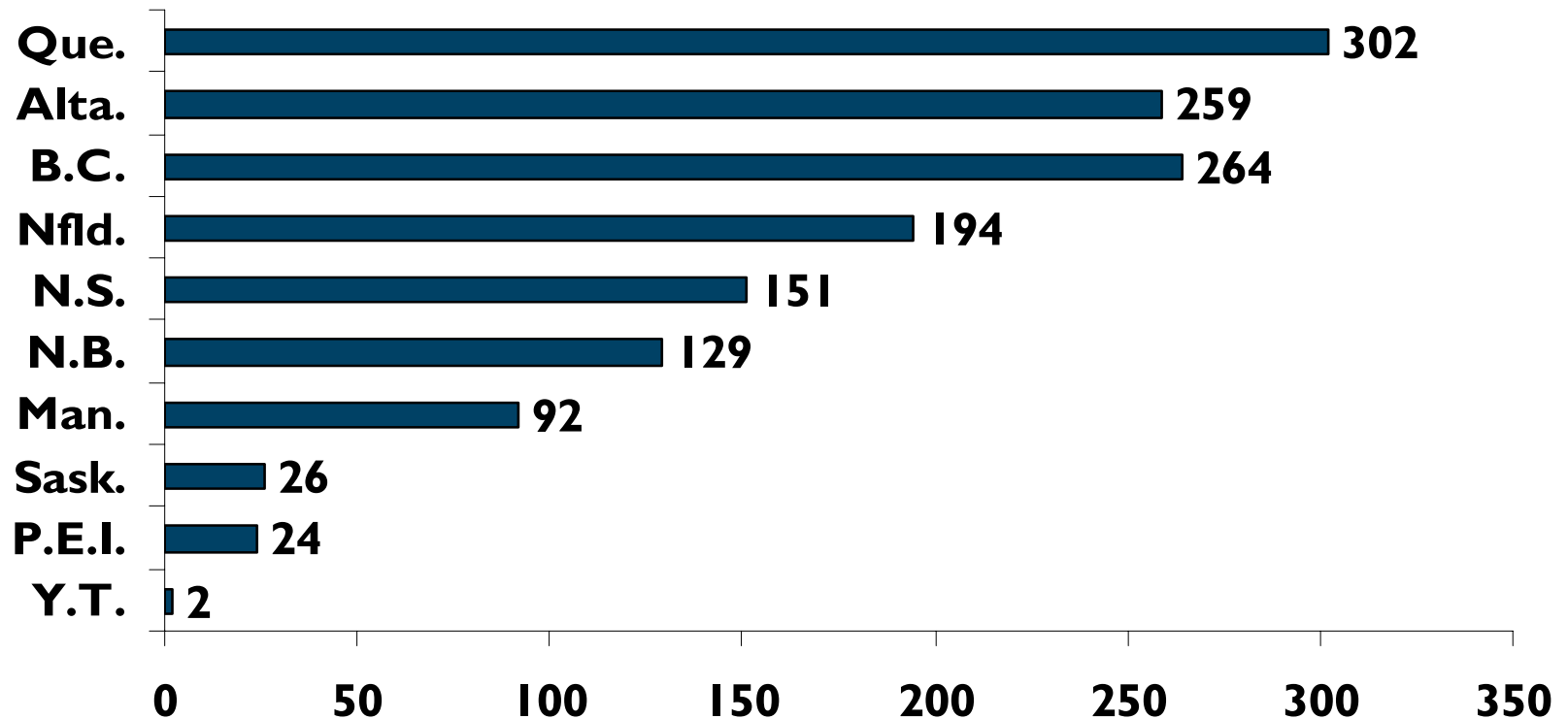
Durham Region In-Migration by Place of Origin 2005-2006



Source: Statistics Canada

Inter-provincial migration highest from Quebec

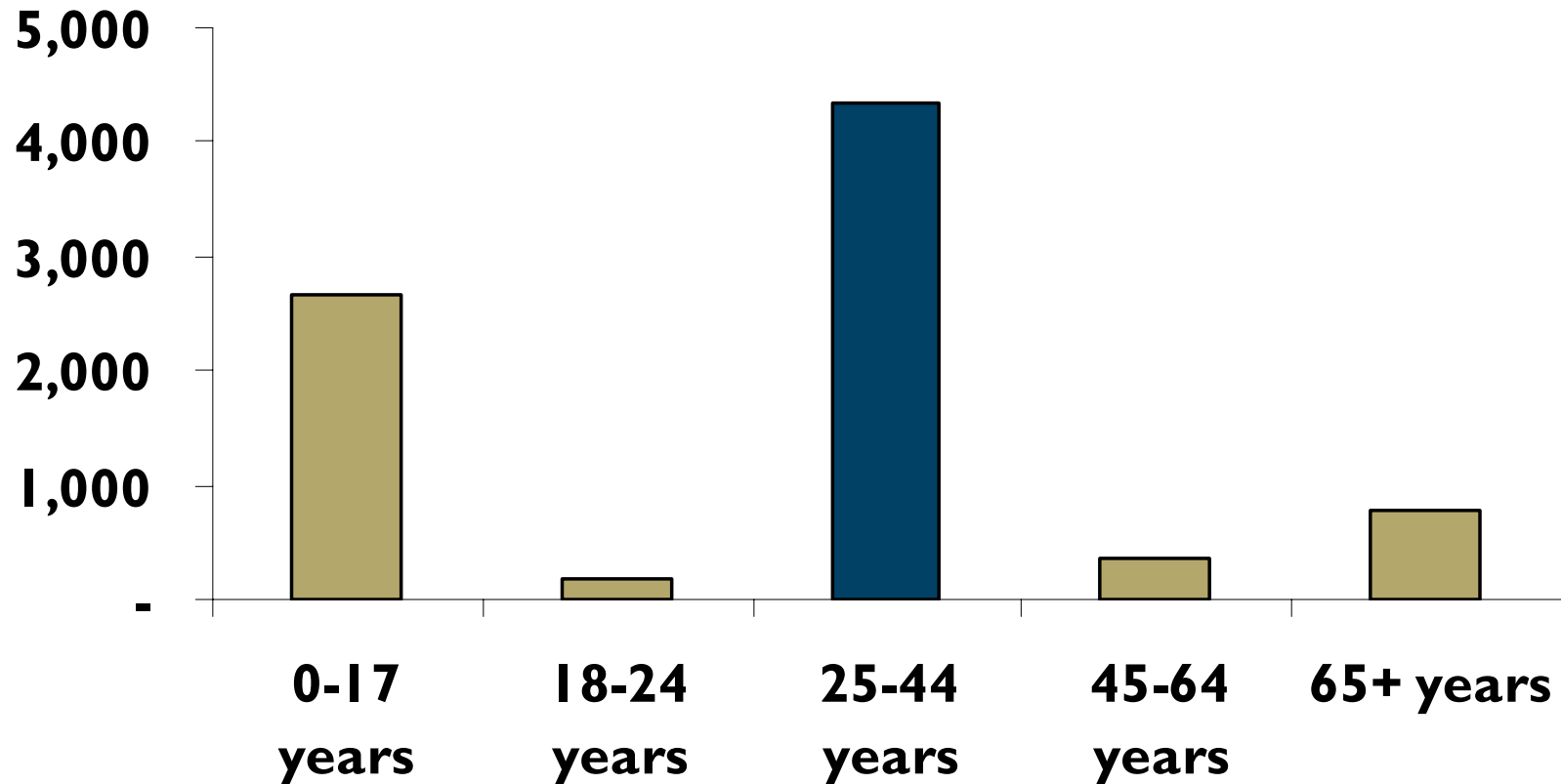
Durham Region Interprovincial Migration by Province of Origin 2005-2006



Source: Statistics Canada

High proportion of first time home buyers

Durham Region Migration by Age Group



Source: Statistics Canada

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- Employment Outlook

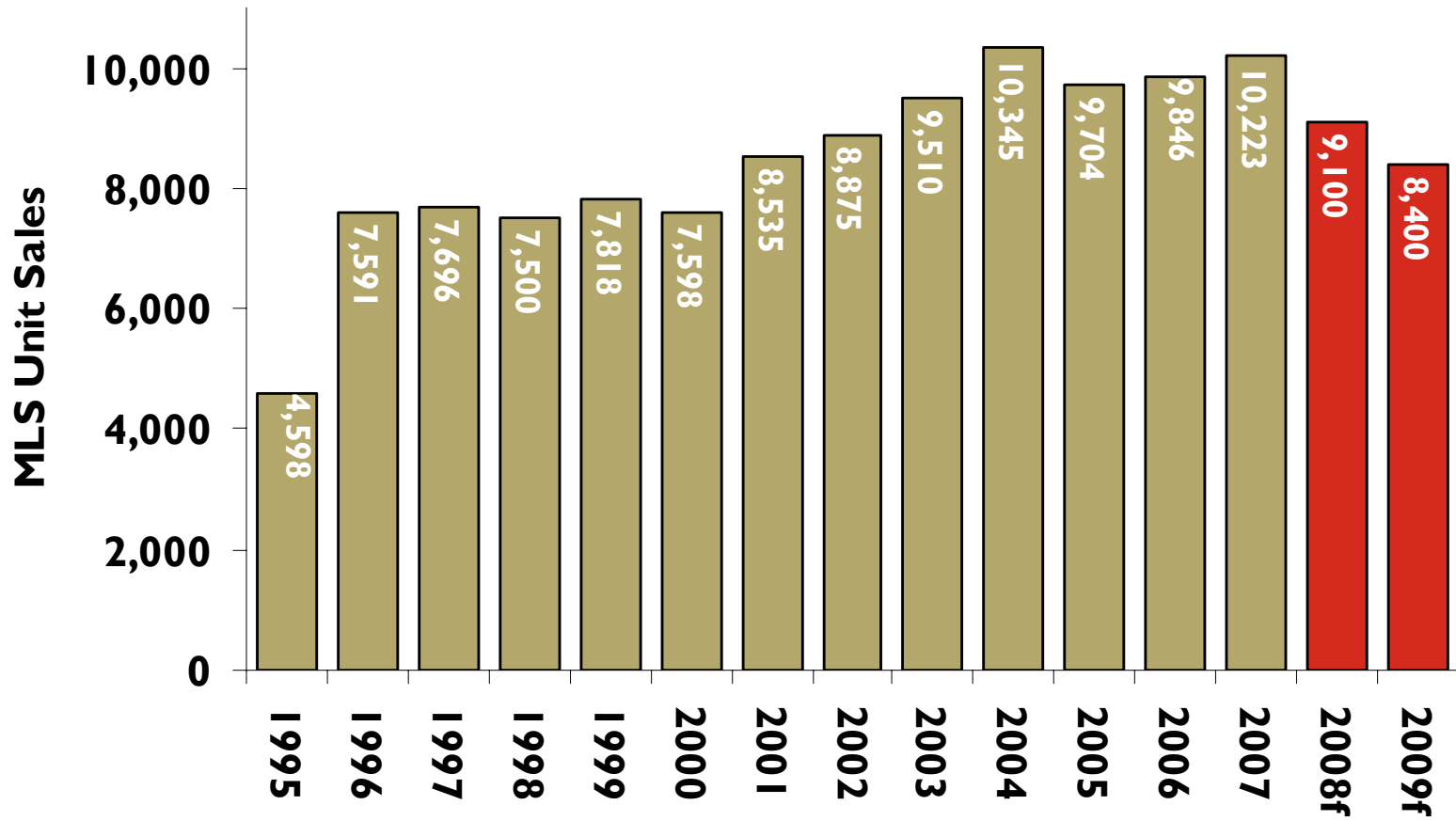
Demographic Factors

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Housing Markets

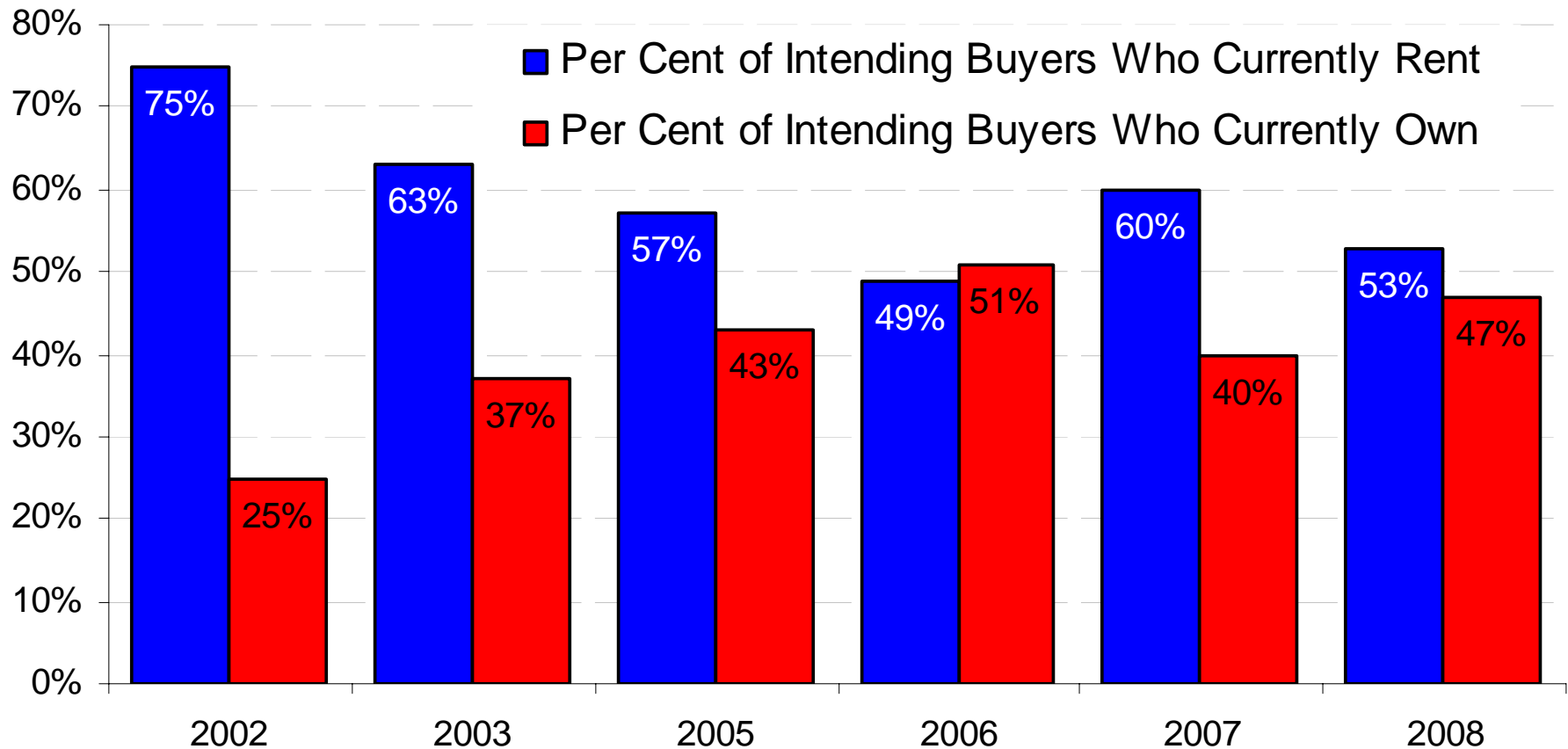
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Resale home sales to edge down



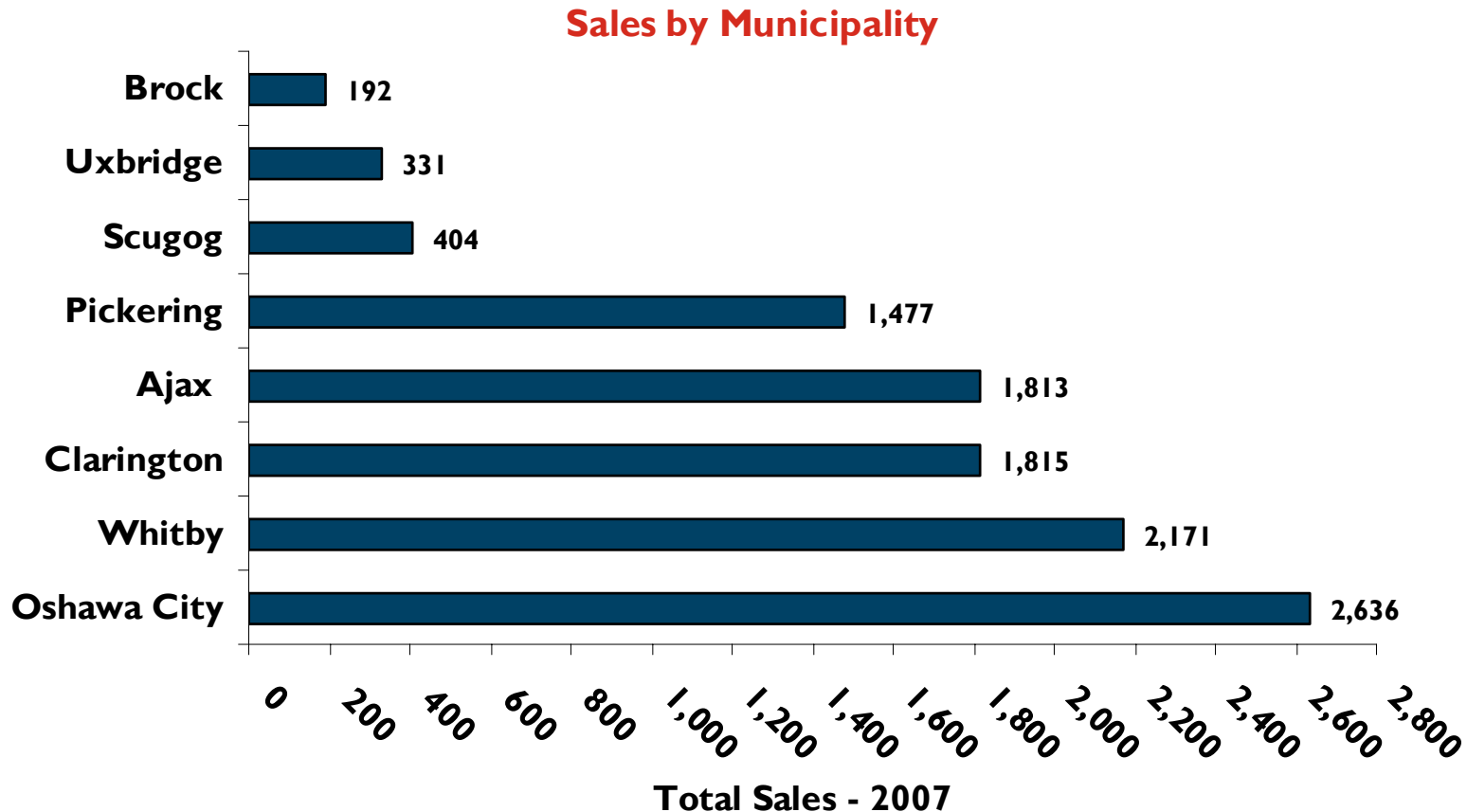
Source: TREB and CMHC

First-Time Buyer Intentions Are Declining



Source: CMHC Consumer Intentions to Buy and Renovate Survey (2002-2006) and Renovation and Home Purchase Survey (2007 - 2008)

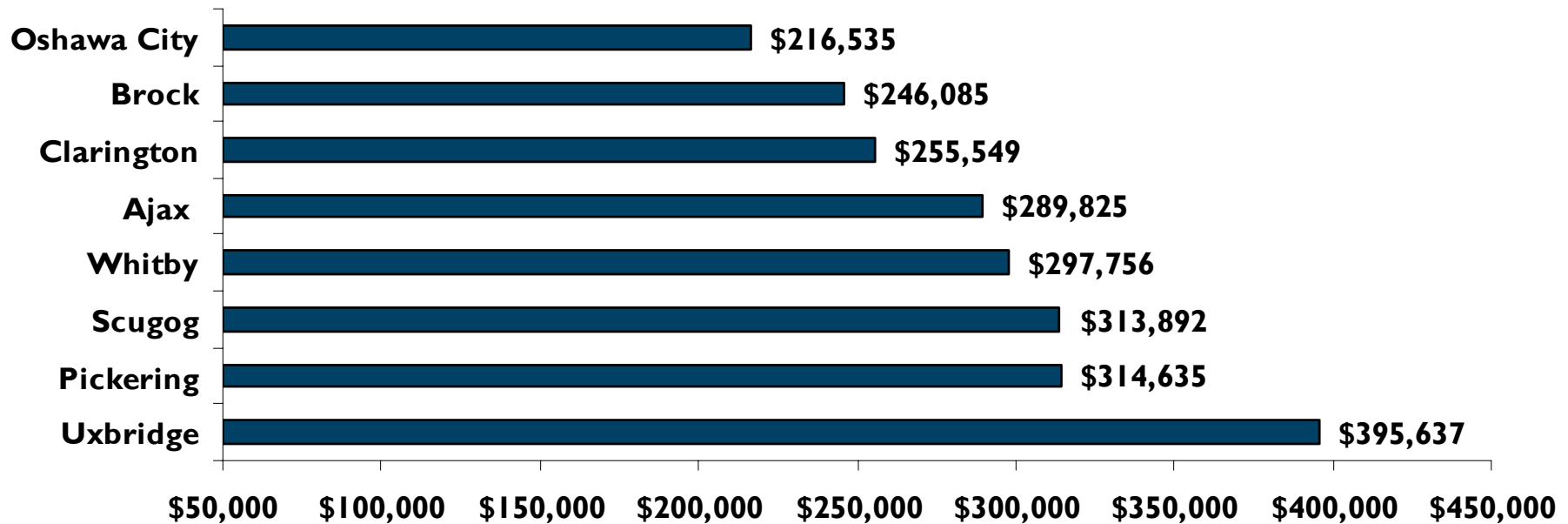
MLS sales highest in Oshawa CMA - 2007



Source: TREB and CMHC

Lowest prices in Oshawa City

2007 Average Resale Prices - All homes



Source: TREB and CMHC

What can you get for \$300,000?

Toronto



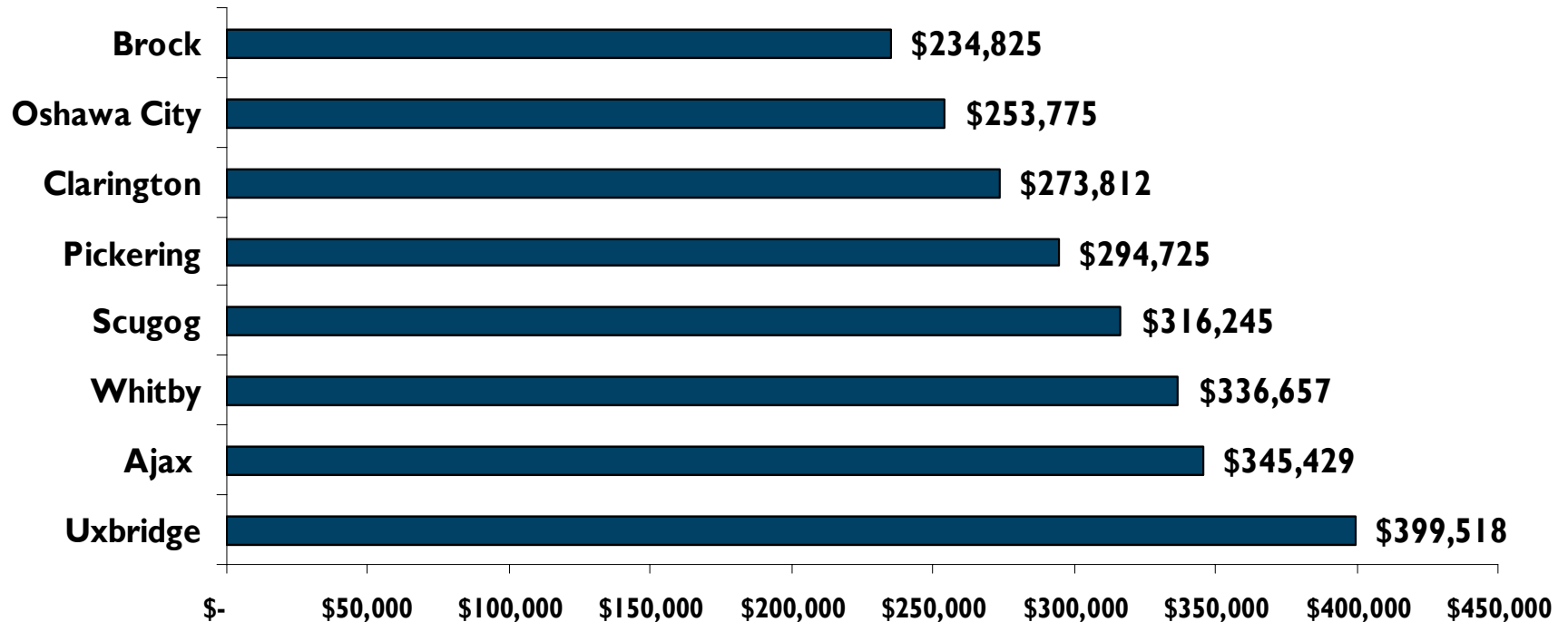
Oshawa



Source: www.mls.ca (September 2008)

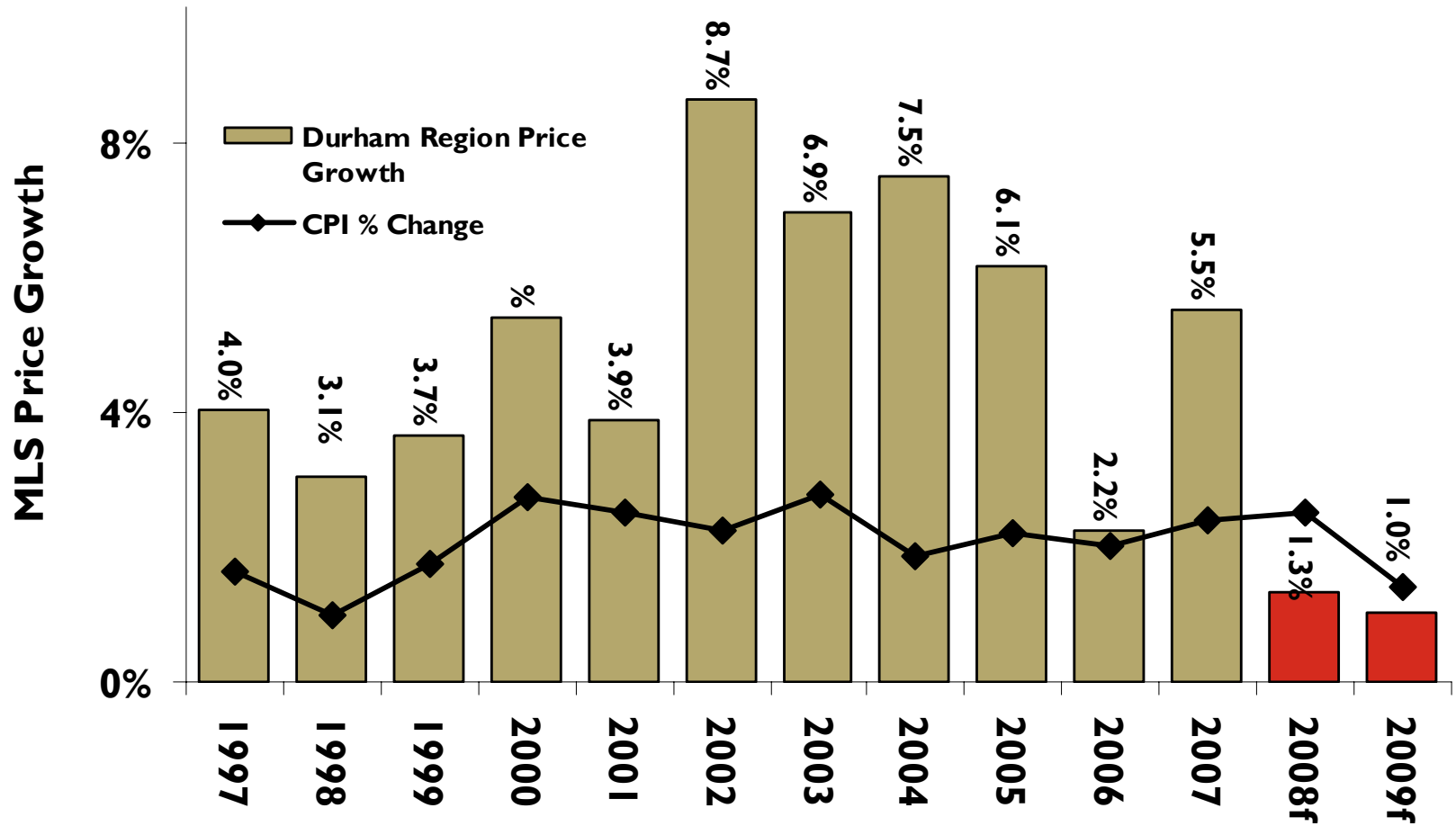
Single-detached home prices highest in Uxbridge

2007 Average Single-Detached Resale Price



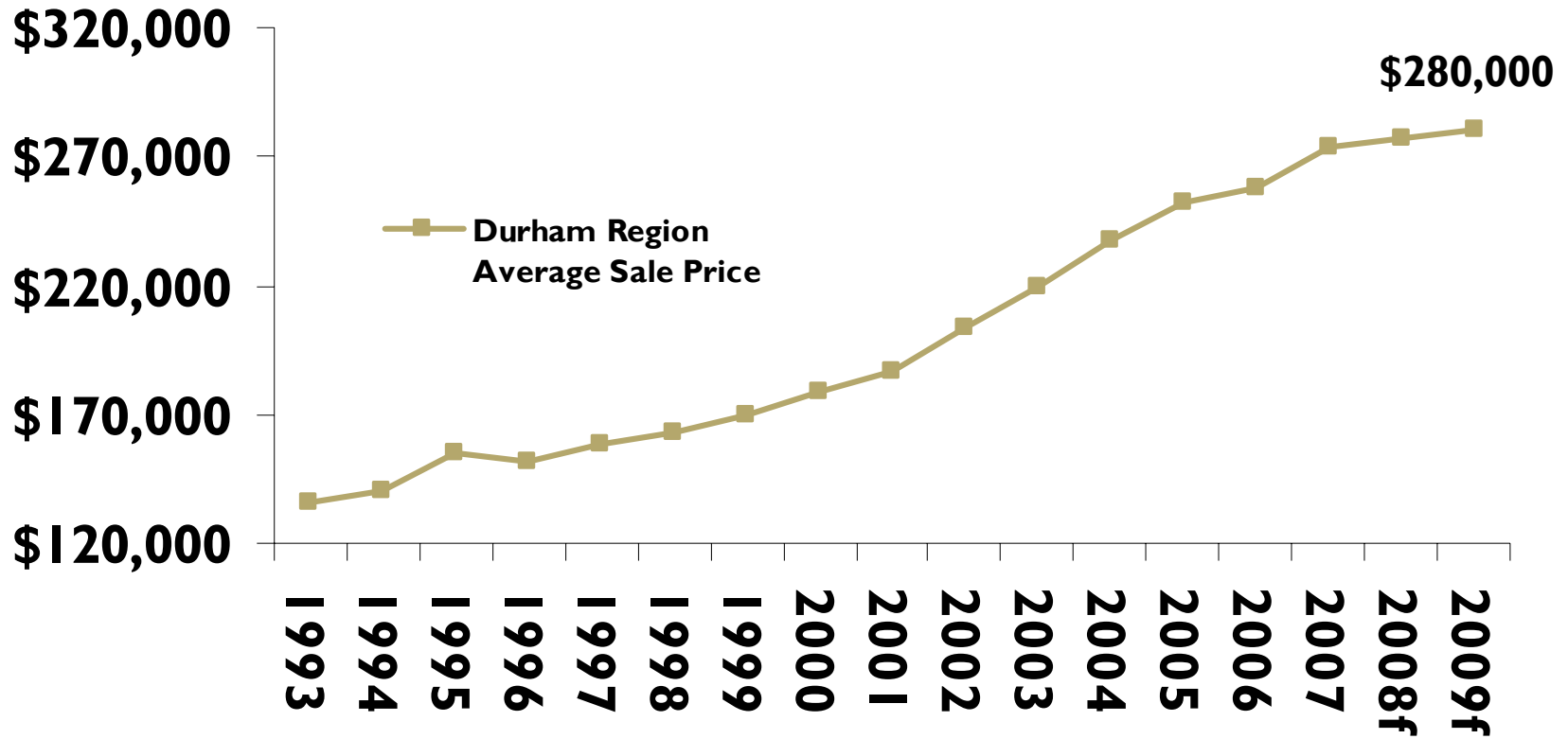
Source: TREB and CMHC

Resale price growth closer to inflation rate



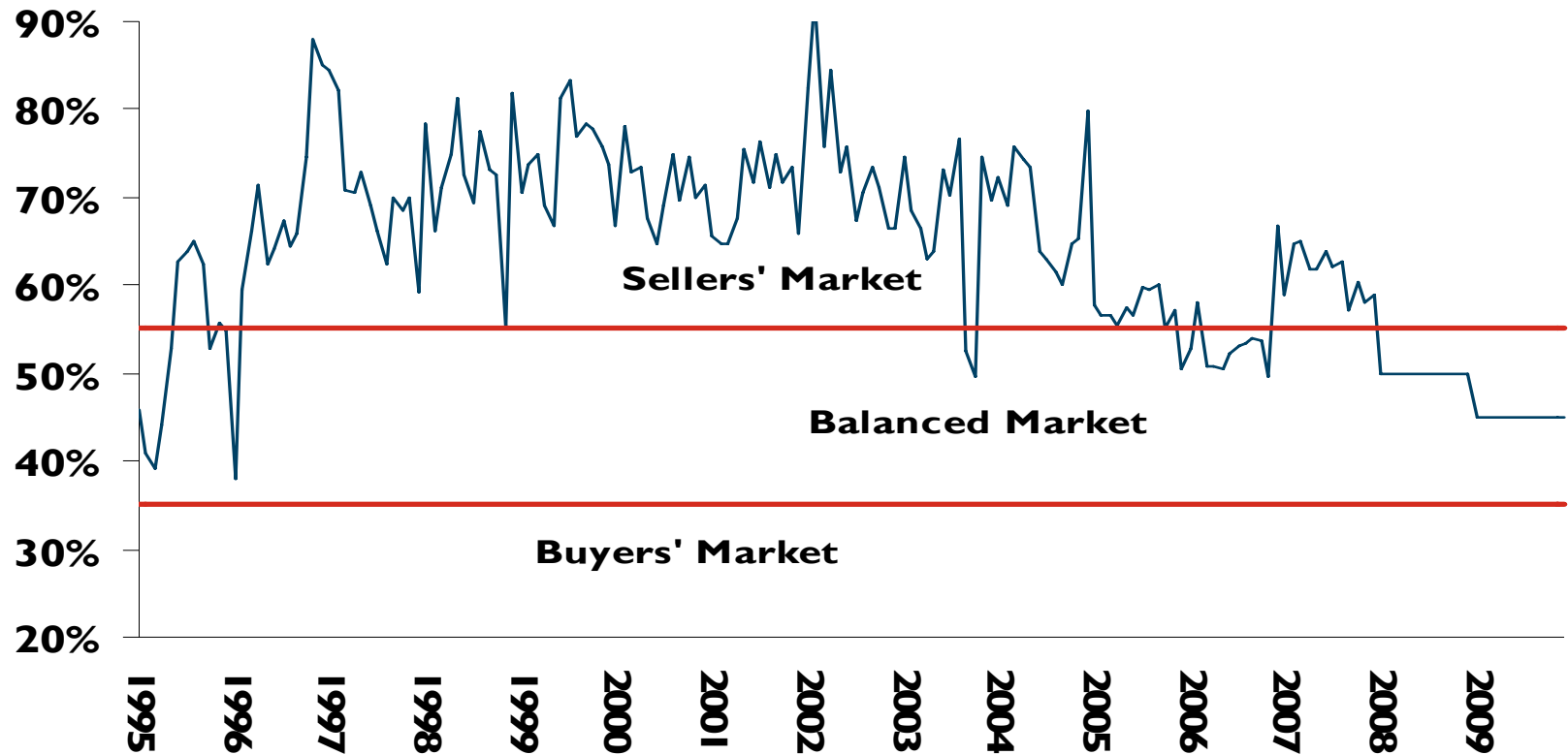
Source: TREB and CMHC

....but resale home prices will still be high



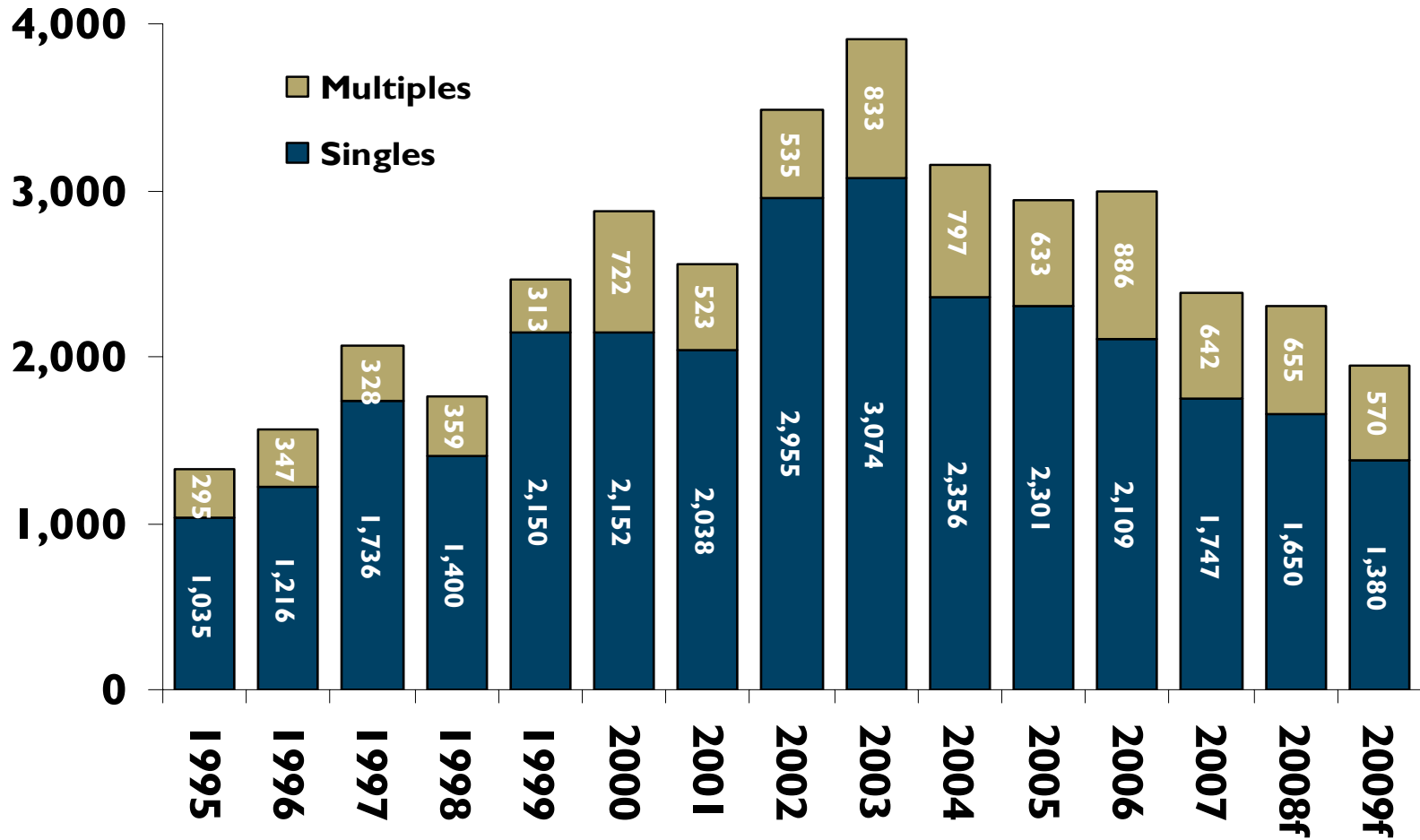
Source: MLS and CMHC

Durham Region is in a balanced market



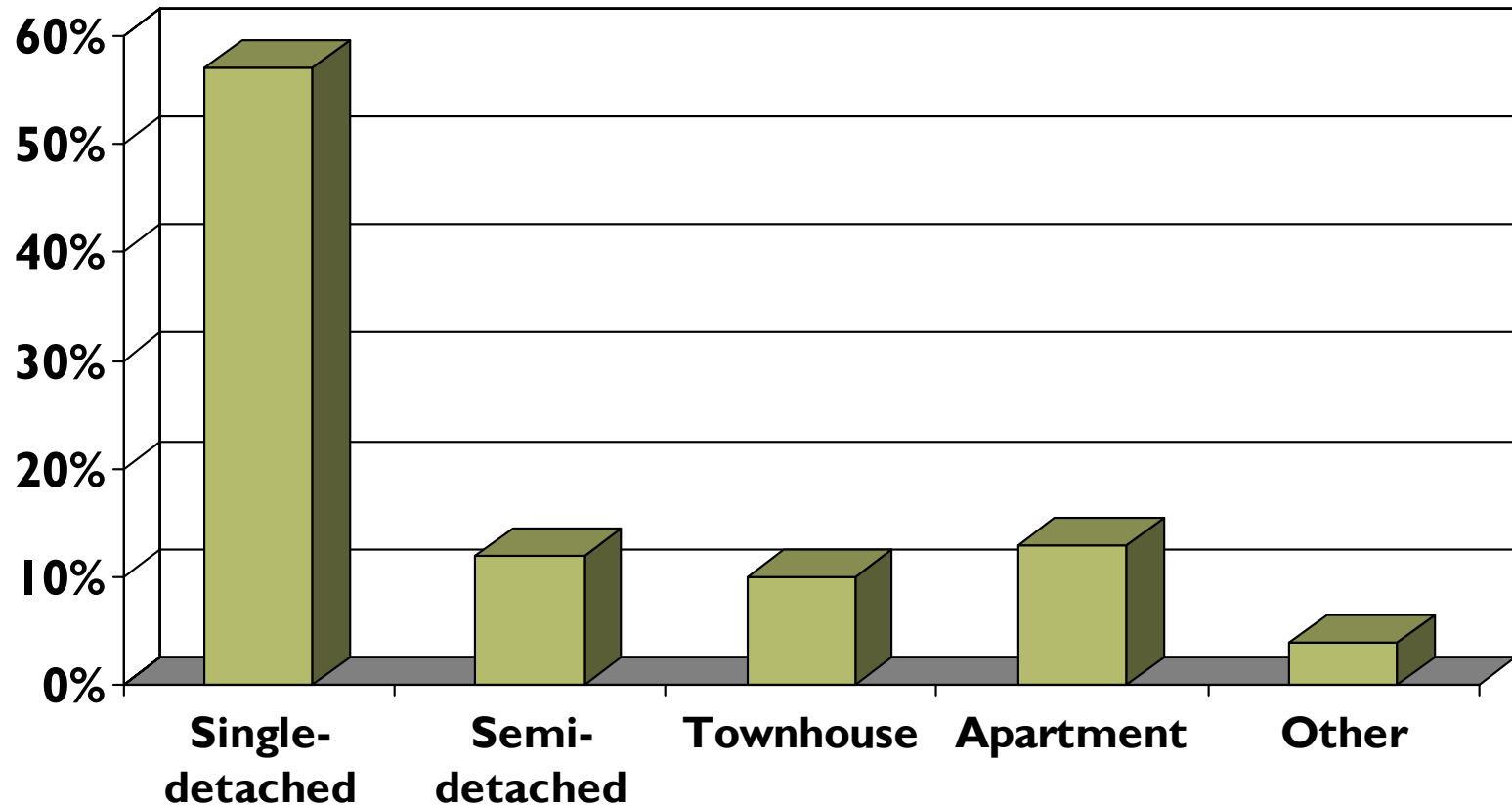
Source: CMHC

Housing starts to edge down in 2009



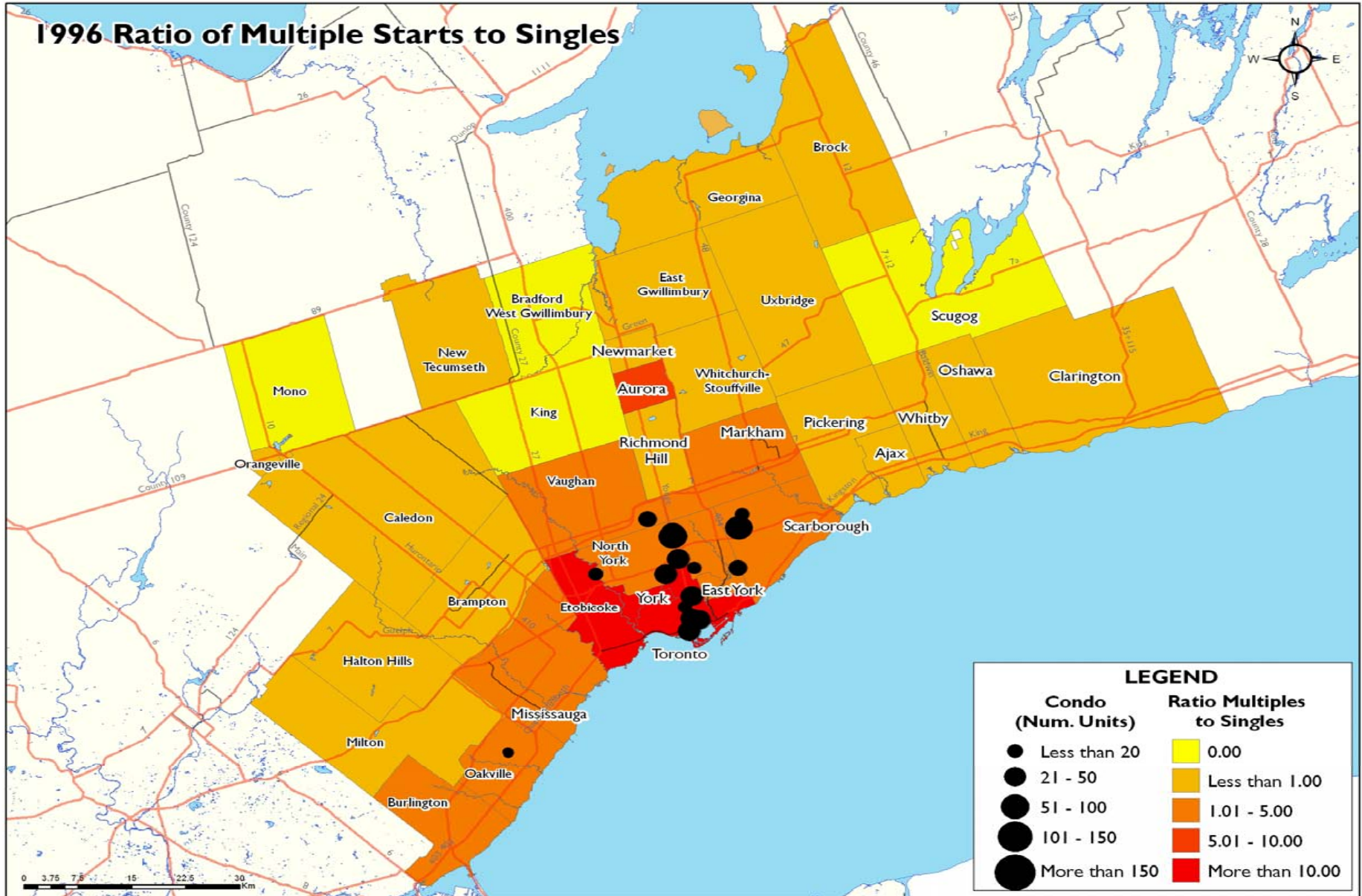
Source: CMHC

Single-detached home most popular choice

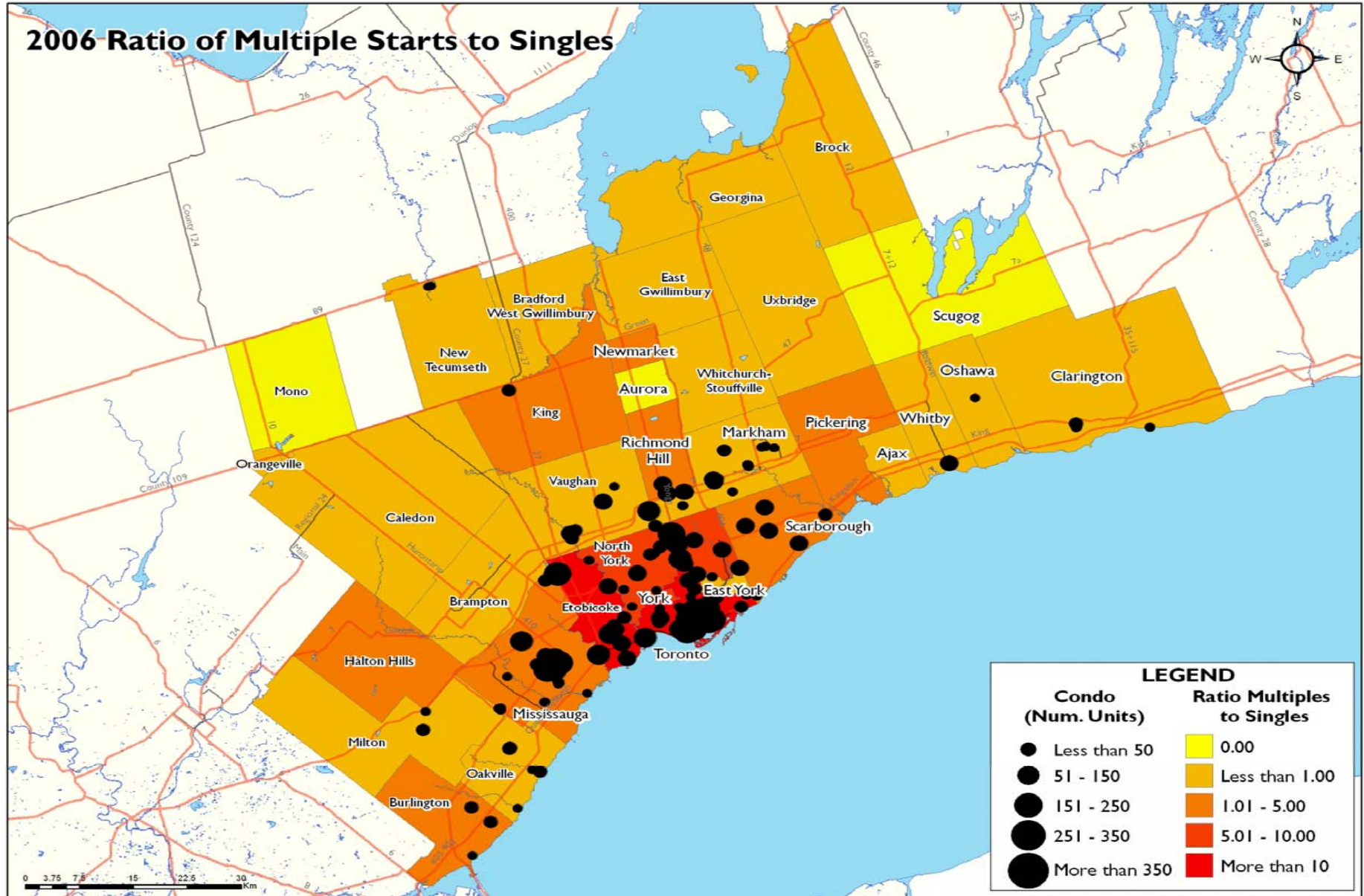


Source: **CMHC Renovation and Home Purchase Survey, 2008**

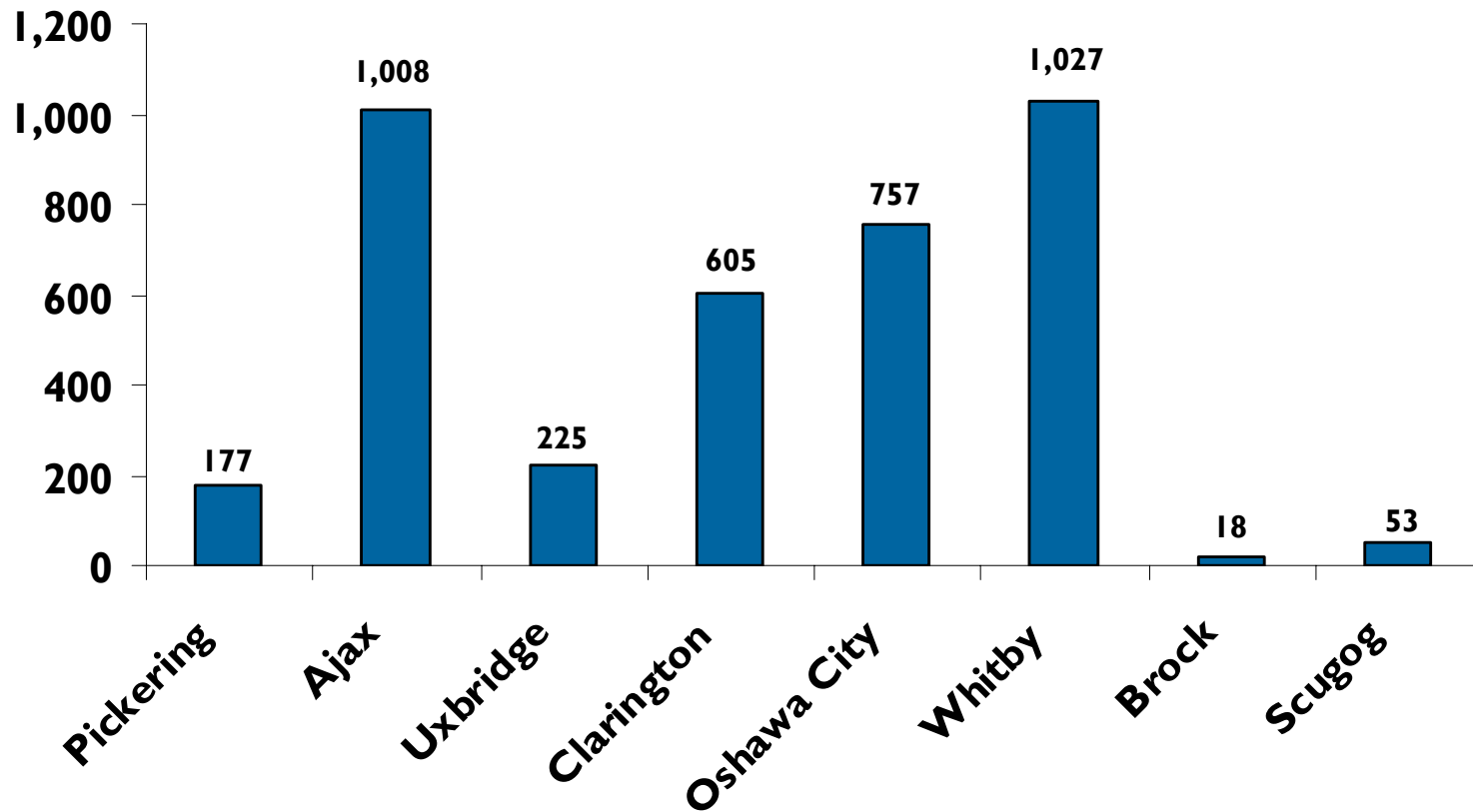
Multiple-Family Share of Housing Starts Rising



Multiple-Family Share of Housing Starts Rising



Starts by municipality



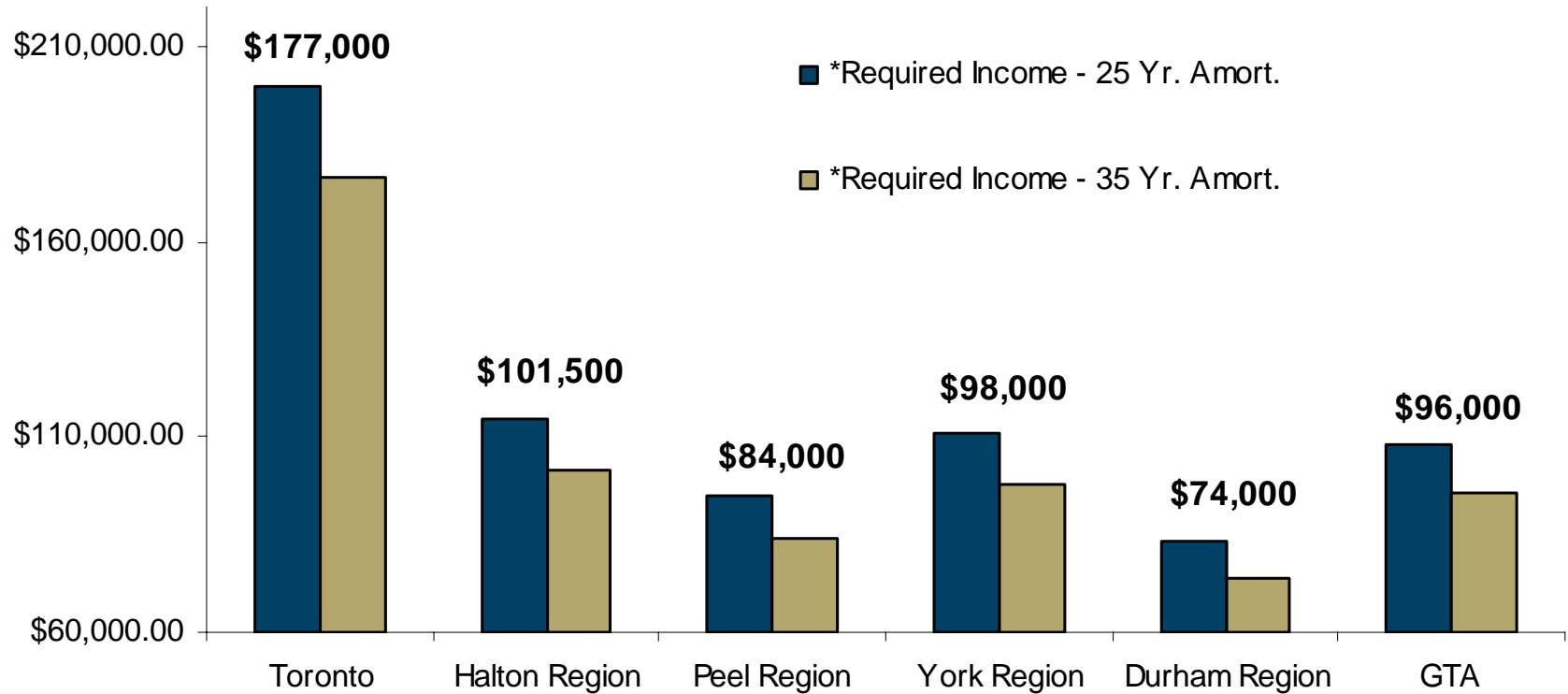
Source: CMHC

New single-detached home prices

GTA AREA	2006	2007	% Change
Peel Region	401,144	438,004	8.4%
York Region	449,706	509,745	11.8%
Halton Region	499,447	528,162	5.4%
Toronto	890,223	919,300	3.2%
<i>Durham Region</i>	<i>353,957</i>	<i>383,372</i>	<i>7.7%</i>
GTA	454,994	498,521	8.7%

Source: CMHC

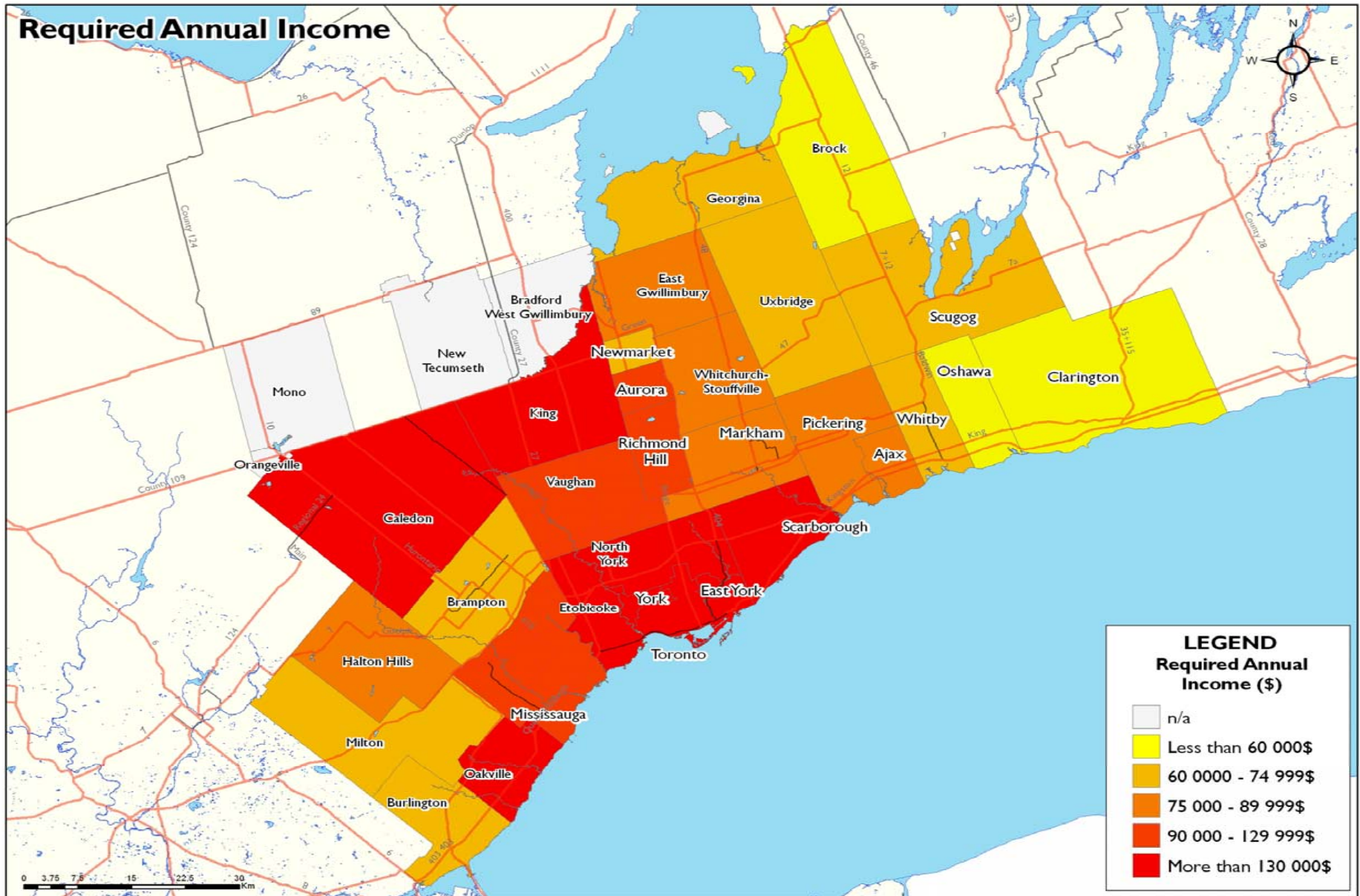
Required Income to own a new single-detached home



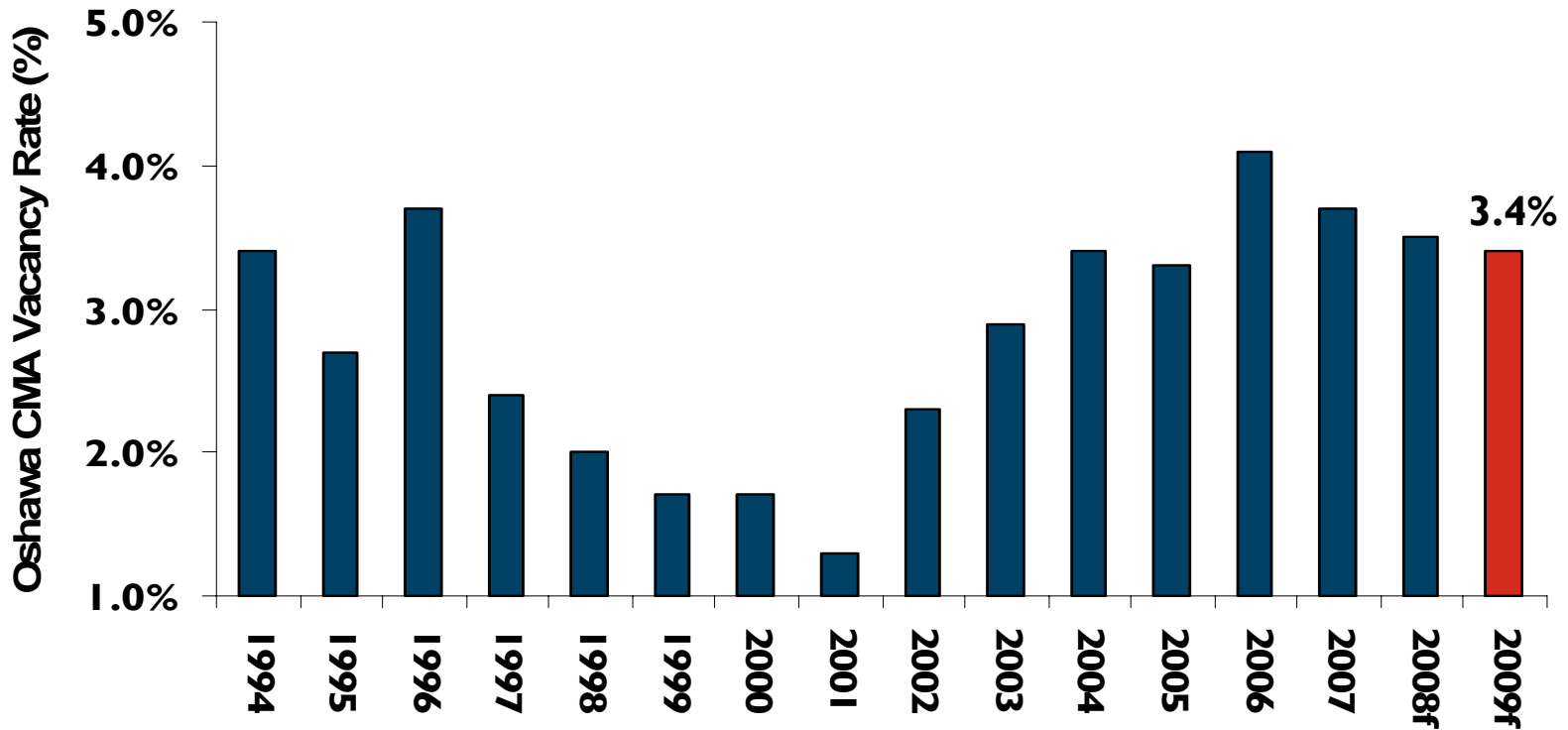
Source: CMHC

*Assumes 10% down payment, 25 year or 35 year amortization using the 5 year fixed rate discounted by 100 bps.

Required Incomes Vary By Sub-Market



Vacancies to remain unchanged in 2009



Source: CMHC

Durham Region Outlook

	2007	2008F	2009F
Durham Resales	10,746	9,100	8,400
Durham Average Resale Price	\$273,415	\$277,100	\$280,000
Oshawa Total Starts	2,389	2,203	2,030
Oshawa Singles Starts	1,747	1,650	1,380
Oshawa Multiple Starts	642	553	650
Oshawa, Overall Vacancy Rate	3.7%	3.5%	3.4%

	2006	2007	% Change
Durham New Single-Detached Price	\$ 353,957	\$ 383,372	7.7%
GTA New Single-Detached Price	\$ 454,994	\$ 498,521	8.7%

Thank you for your time!

Questions?

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market information:

<http://www.cmhc-schl.gc.ca>