



R E L E A S E

Canada Mortgage and Housing Corporation

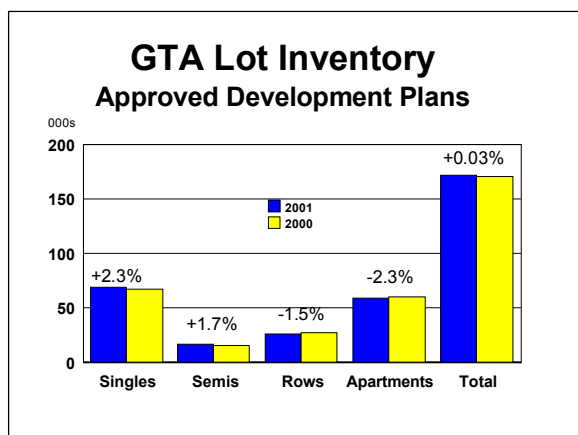
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2001 GTA Land Survey Shows Supply Still on Target

TORONTO - November, 2002 - The Greater Toronto Area is meeting the provincial target for the supply of land for new homes, according to the *2001 GTA Residential Land Survey*. Overall, supply of land for housing remains virtually unchanged between 2000 and 2001. Jointly released by the Canada Mortgage and Housing Corporation (CMHC) and the Ministry of Municipal Affairs and Housing (MMAH), the survey monitors the status of the area's residential land supply.

The survey shows that there is an adequate supply of land for development and that the GTA is meeting the requirements of the Provincial Policy Statement (PPS). The PPS calls for all municipalities across Ontario to maintain at least a three-year supply of serviced land for new residential development. In 2001, there were 170,894 lots approved for development in the GTA; 49 units over the 170,845 unit count recorded in 2000. Duration of supply dropped slightly to between 3.1 and 4.7 years in 2001, down from 3.6 and 5.4 years in 2000.



Ted Tsiakopoulos, senior market analyst, CMHC, points out that a vibrant local economy – driven by strong job growth and migration, low mortgage rates, and tight resale markets - has helped create a brisk new home market over the past several years.

“Residential construction has been growing at a pace faster than the rate of growth in draft-approved residential lots. As a result, duration of supply for all dwelling types has marginally declined from the 2000 survey.”



However, more accommodating local resale markets suggest growth in residential construction should slow, alleviating pressures on land supply over the next few years, Tsiakopoulos said.

“The supply of land reported in the survey reflects the robust economic activity in both the province and the GTA over the past several years,” said Bryan Kozman, manager, Building and Development Branch, MMAH. “From a strategic planning perspective, land monitoring is important to the province because land supply affects development costs and growth patterns. It’s especially relevant given the government’s Smart Growth vision for promoting and managing growth in ways that create strong economies, build strong communities and promote a healthy environment. ”

BACKGROUNDER

The GTA Residential Land Inventory Survey annually gathers information on the number of current applications to develop residential lots by house type and development approvals for each municipality across the area. The information is based on municipal records as of January 1 each year and is a collaborative effort between the CMHC, the province, the Urban Development Institute, PMA Brethour Research, and GTA municipalities. Annual surveys have been conducted since 1994.

The 2001 GTA Land Inventory Survey contains a wealth of information on the current state of land supply across the region. It shows how demand factors have an impact on lot inventories. Maps visually depict survey results. The survey should be of interest to builders and developers, planners, policy makers, and analysts/economists.

The housing policies of the Provincial Policy Statement (PPS) require that municipalities maintain at least a three-year supply of residential units with servicing capacity in draft approved or registered plans where new development is to occur.

The survey provides a regional monitoring system for land supply and offers a common set of definitions for house types (i.e., single, semis, rows, apartments, etc.) and stage of development approvals. This information ensures that information collected from local municipalities can be aggregated to the regional and GTA levels.

2001 Highlights

- GTA inventory of approved development lots remained relatively unchanged compared to 2000 for a total of 170,894 units.
- The inventory of lots in approved development plans consisted of 69,115 (40 per cent) single-detached, 26,505 (15.5 per cent) row and 16,267 (9.4 per cent) semi-detached houses. Apartment units accounted for 59,007 lots (34.5 per cent).
- Supplies of semis and singles were up 2 per cent while rows and apartments fell marginally (less than 2.5 per cent).

- Across the GTA, supply of all unit types appears to be less than in previous years. For the most part, however, land availability in 2001 still meets the three-year target established by the Provincial Policy Statement. The supply of lots for row and single houses in the GTA was estimated at between 2.5 and 4 years. Semi-detached unit supply was between 2 to 3.1 years. Apartment supply continues to be more than adequate, ranging between 6.8 to 10.3 years.
- Tighter than average resale markets across the GTA, new home affordability, strong migration and job growth suggests that growth in residential construction should continue in 2002, albeit at a slower rate. Growth in multiple construction (semi, row and apartments) should lead the way with residential starts rising to over 47,000 units in 2002.

To obtain a copy of this report please call 1-800-493-0059

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