



**PRESS RELEASE**

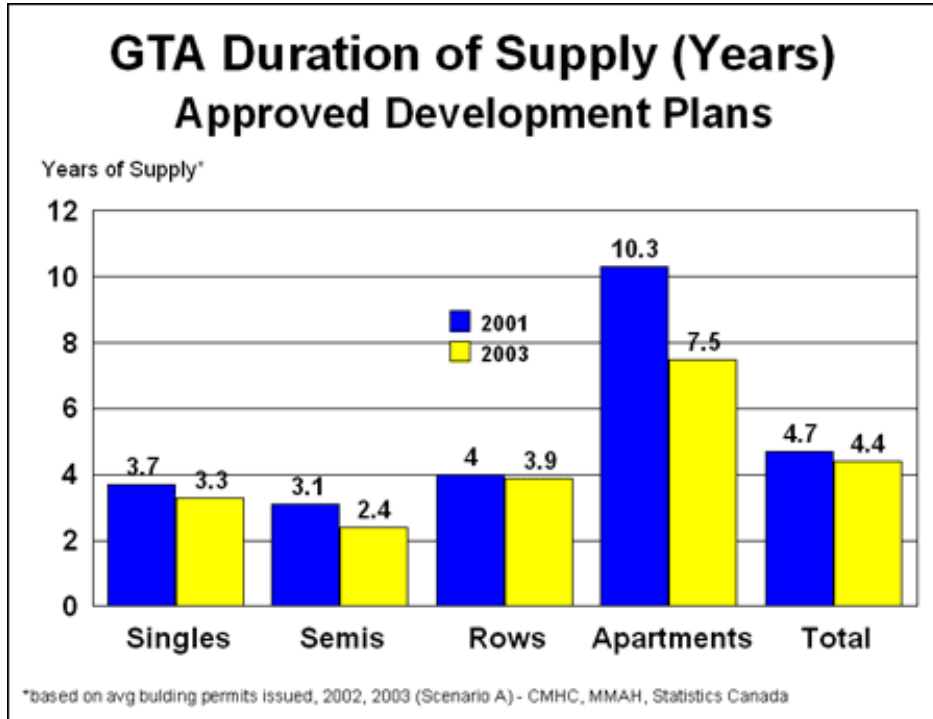


*Canadian Mortgage News - National Archive 2005*

**2003 GTA Land Supply Tighter but still on Target**

**TORONTO, Ontario, January 18, 2005** — The duration of land supply in the GTA has gotten tighter but is still in line with provincial targets, according to the 2003 GTA Residential Land Survey. While the overall supply of draft approved residential lots rose sharply, the absorption of residential lots remained strong. 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 the supply of land for development increased by 18.3 per cent from 2001, in large part due to increases in the supply of apartment units. The Provincial Policy Statement (PPS) calls for all municipalities across Ontario to maintain at least a three-year supply of serviced land for all home types for new residential development. In 2003, there were 202,244 lots approved for development in the GTA; 31,350 units more than the unit count recorded in 2001. Duration of supply however dropped to between 4.4\* and 5.2\*\* years in 2003, down from 4.7\* and 5.5\*\* years in 2001.



Ted Tsiakopoulos, senior market analyst at 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.

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"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 declined from the 2001 survey."

While the pace of housing construction is slowing, the flow of new approved lots for residential development must be in line with the rate of annual absorptions in order to mitigate the downtrend in supply and its contribution to rising lot prices in the immediate term.

\* depicts a short term land supply scenario (Scenario A) using average building permit data for 2002 & 2003

\*\* depicts a long term land supply scenario (Scenario C) using historical 5 yr average building permit data 1998 – 2002

### 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. A survey was not completed in 2002.

The 2003 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.

### 2003 Highlights

- GTA inventory of approved development lots increased 18.3 per cent compared to 2001 for a total of 202,244 units.
- The inventory of lots in approved development plans consisted of 71,432 (35.3 per cent) single-detached, 23,652 (11.7 per cent) row and 14,014 (6.9 per cent) semi-detached houses. Apartment units accounted for 93,146 lots (46.1 per cent).
- Since 2001, supplies of singles were up 3.3 per cent while apartments rose by a sharper 57.9 per cent. Alternatively, both semis and rows posted declines of 13.9 and 10.8 per cent respectively.
- Across the GTA, supply of all unit types are tighter relative to previous years. For the most part, however, land availability in 2003 still meets the three-year target established by the Provincial Policy Statement. The supply of lots for single houses in the GTA was estimated at between 3.3\* and 3.7\*\* years. Semi-detached unit supply was between 2.4\* to 2.7\*\* years while row housing enjoyed a supply of 3.9\* to 3.8\*\* years. Apartment supply continues to be more than adequate, ranging between 7.5\* to 11.3\*\* years.
- With less stimulus coming from the interest rate, migration and employment front, Toronto home starts peaked in 2003. Similarly, demographic projections suggest that home starts will gradually edge lower in years to come

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