

DATE: May 25, 2004

TO: Chairman and Members of the Planning and Development Committee

FROM: Edward R. Sajecki, Commissioner of Planning and Building

SUBJECT: **2004 Housing Matters**
MEETING DATE: June 14, 2004

ORIGIN: Planning and Building Department

BACKGROUND: Attached under separate cover is the *2004 Housing Matters* newsletter. It reports on construction activity, house prices, resale activity and rental vacancy rates and prices in Mississauga.

This information (reports on housing activity from January to December 2003) is presented in newsletter format to facilitate the dissemination of the data. The newsletter is available from the Planning and Building Department and is posted on the City's website.

COMMENTS: Some highlights from the *2004 Housing Matters* newsletter are as follows:

- construction activity in the Toronto Census Metropolitan Area (which includes Mississauga) increased by 3.8%;
- resale activity in Mississauga in 2003 was reported at approximately 11,300 sales, which was an increase of approximately 4.9% over the previous year;

- the average price of a resale home in Mississauga increased by 6.0% to reach \$271,689 in 2003;
- despite slight price increases and concerns regarding an economic downturn, the housing market remained strong in 2003. This was largely because mortgage rates remained at historic lows and continued to fall throughout 2003;
- within Mississauga, the most significant percentage price increases were in the northwest quadrant of the City, with the price of standard condominium apartments and standard condominium townhouses experiencing the greatest percentage gains. Prices for these dwelling types rose 11.7% and 11.1%, respectively;
- vacancy rates for private rental apartments in Mississauga increased from 3.4% in December, 2002 to 4.3% in October of 2003;
- rental rates decreased 0.7% to an average of \$986.00 for all unit types. Average monthly rents for two and three - bedroom apartments continued to exceed \$1,000.00;
- the home ownership market continued to be strong in 2003, particularly for first-time buyers. Many first-time buyers took possession of completed condominium units while investors sold their units due to rising vacancies, softer rents and rising condominium prices;
- a large proportion of low income families continued to contribute more than 30% of their earnings towards housing costs.

RECOMMENDATION:

That the report titled "*2004 Housing Matters*" dated May 25, 2004, from the Commissioner of Planning and Building be received for information.

Original Signed By:
Edward R. Sajecki,
Commissioner of Planning and Building