

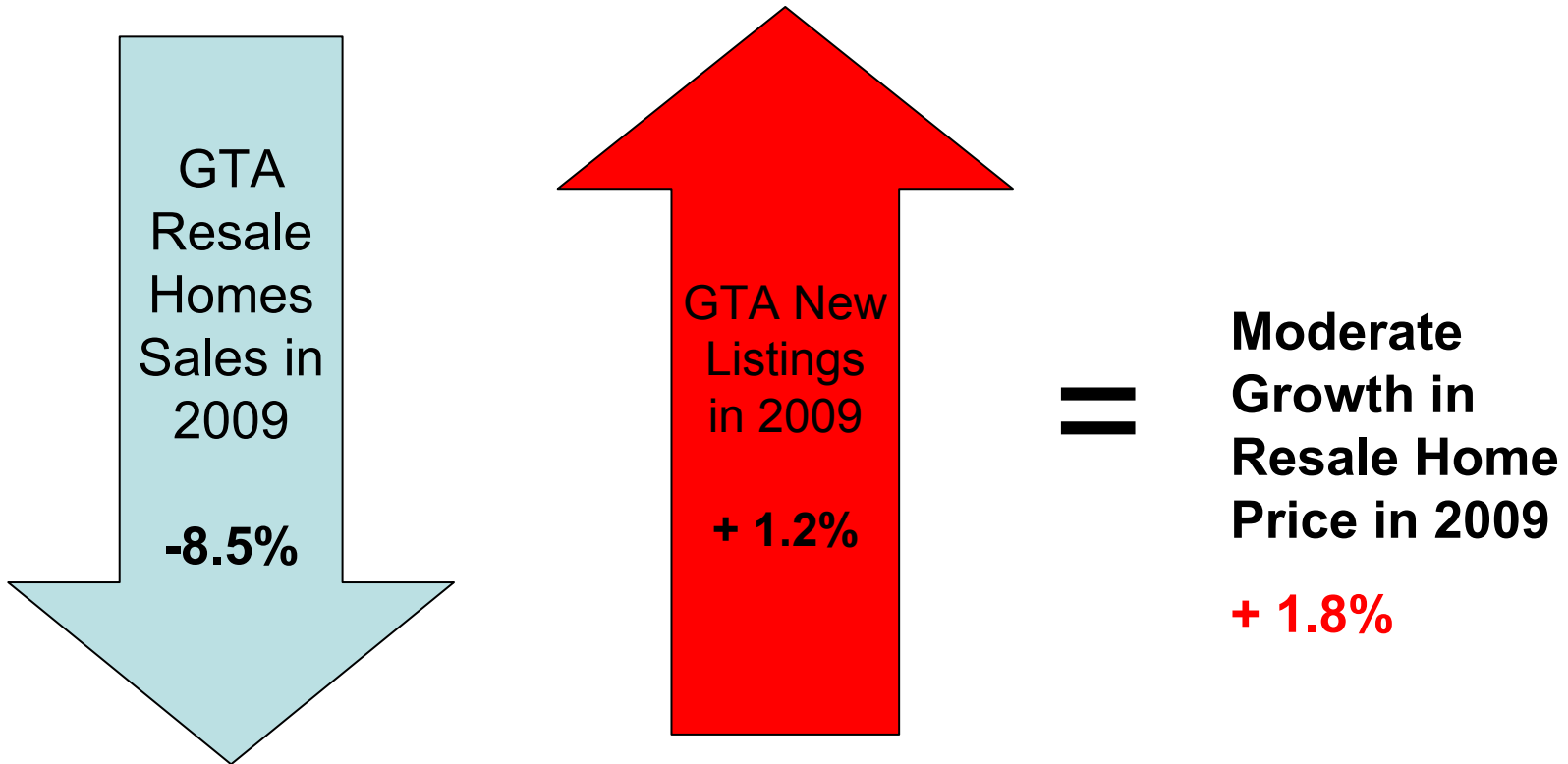
2008 CMHC TORONTO HOUSING OUTLOOK CONFERENCE



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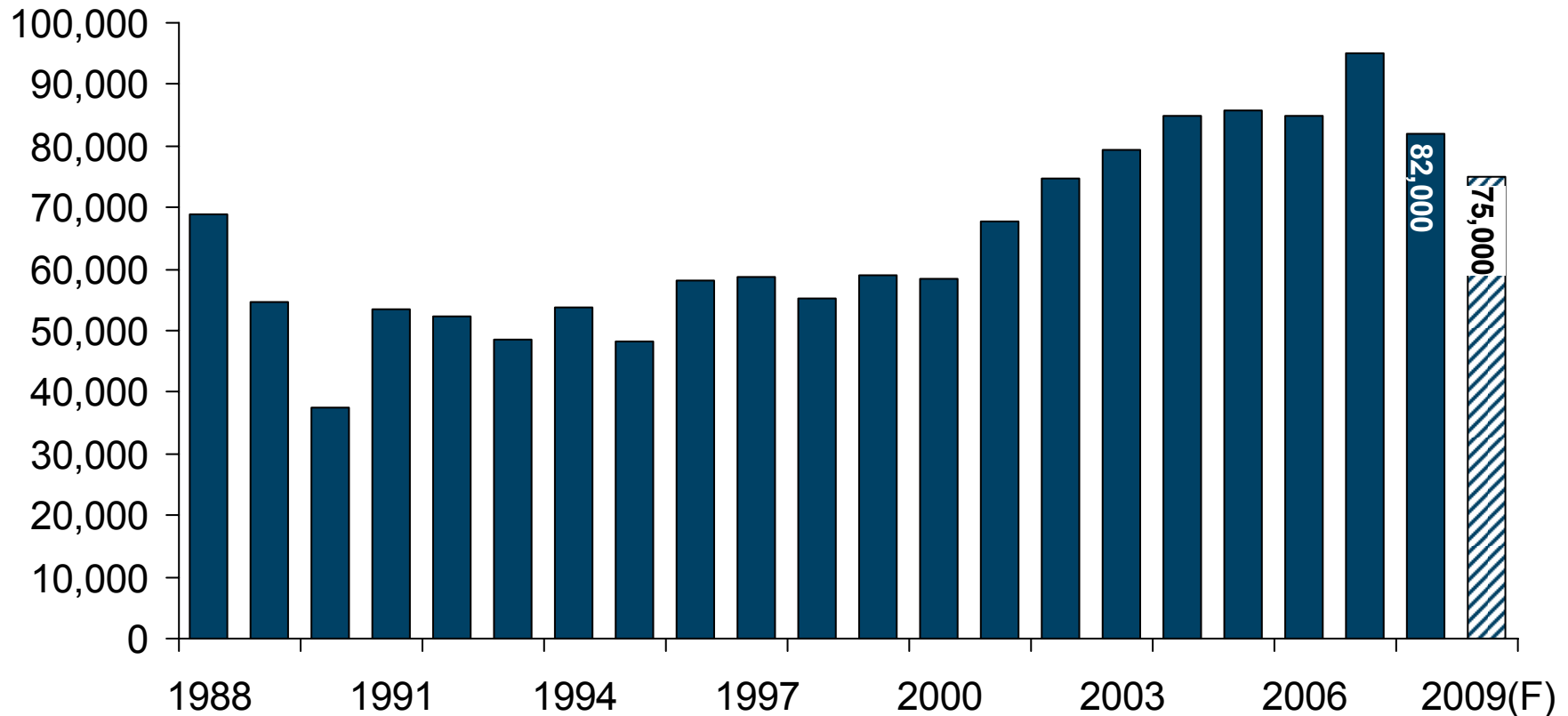
- 1. How will the GTA resale home market perform in 2009?**
- 2. What is the direction of the GTA new home market?**
- 3. What are the key trends in the condominium apartment market?**

How will the GTA resale market perform in 2009?



GTA MLS[®] Sales still strong from historical standpoint

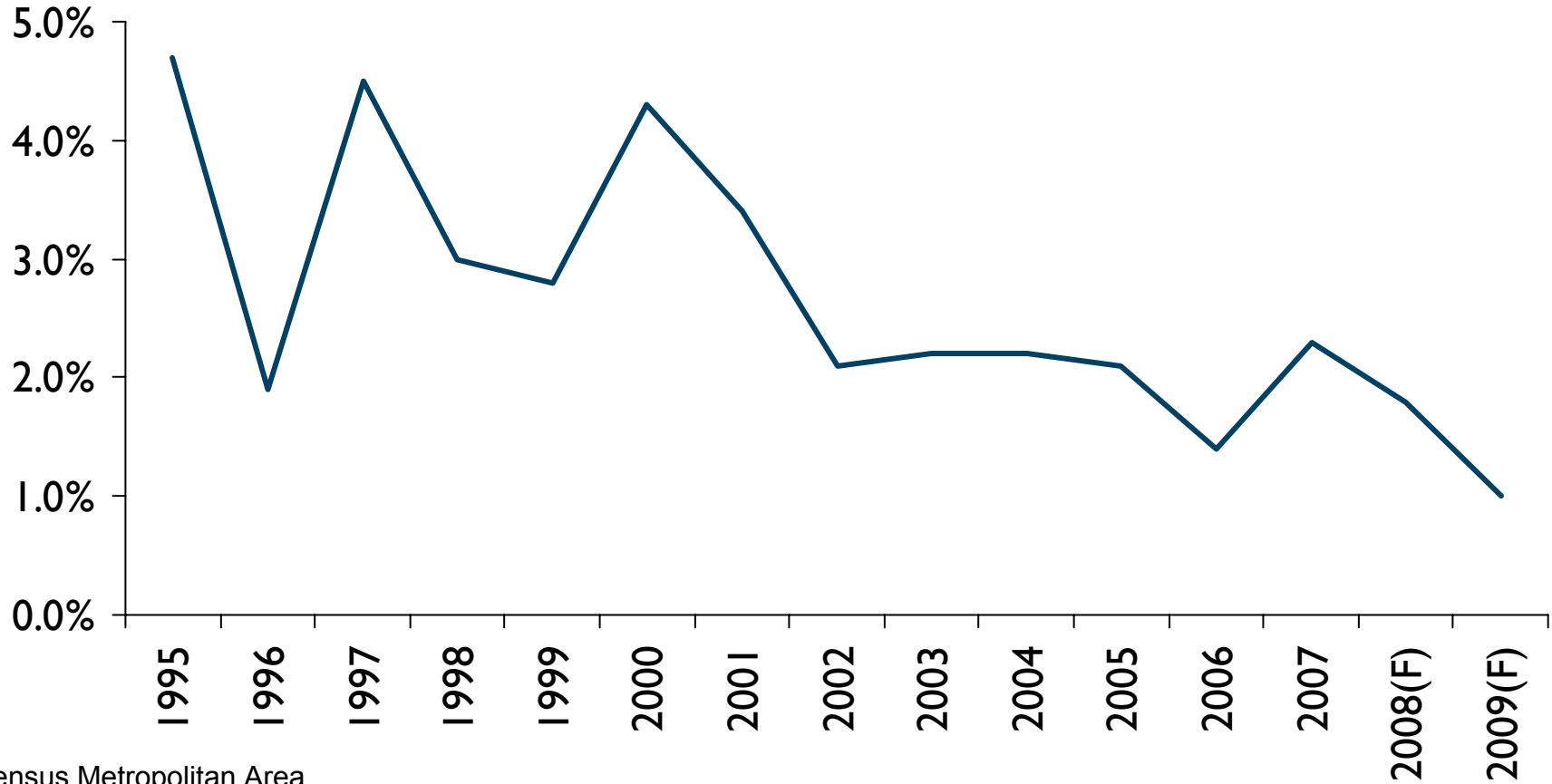
GTA MLS[®] Home Sales



Source: CREA & CMHC Forecast

Moderate Employment Growth

Toronto CMA* Employment Growth



*Census Metropolitan Area

Source: Statistics Canada and CMHC Forecasts

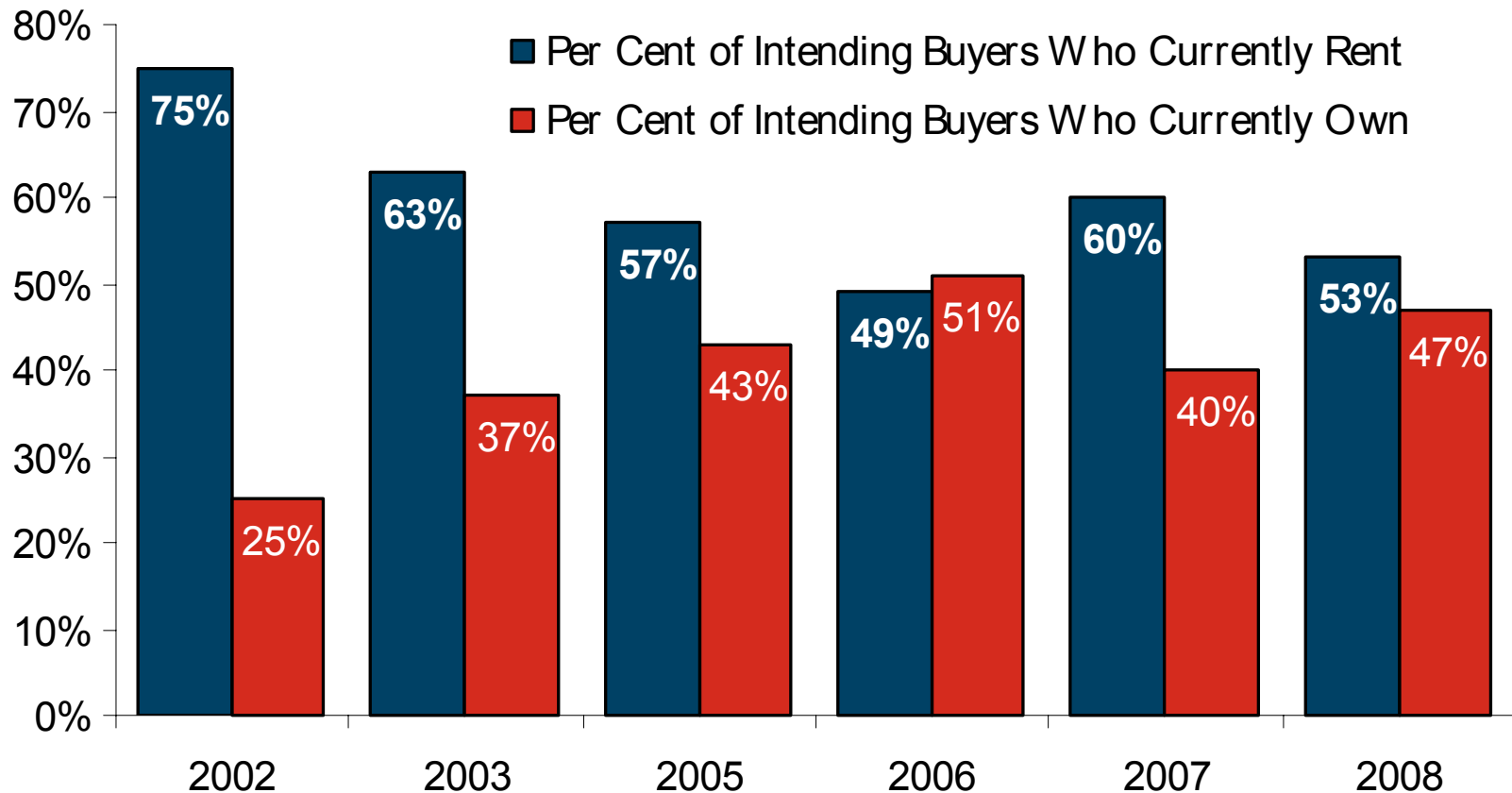
Moderate Growth in Wages



	Wage Growth (%)	Inflation (%)
2007	2.1	2.1
2008F	4.2	2.5
2009F	2.6	1.4

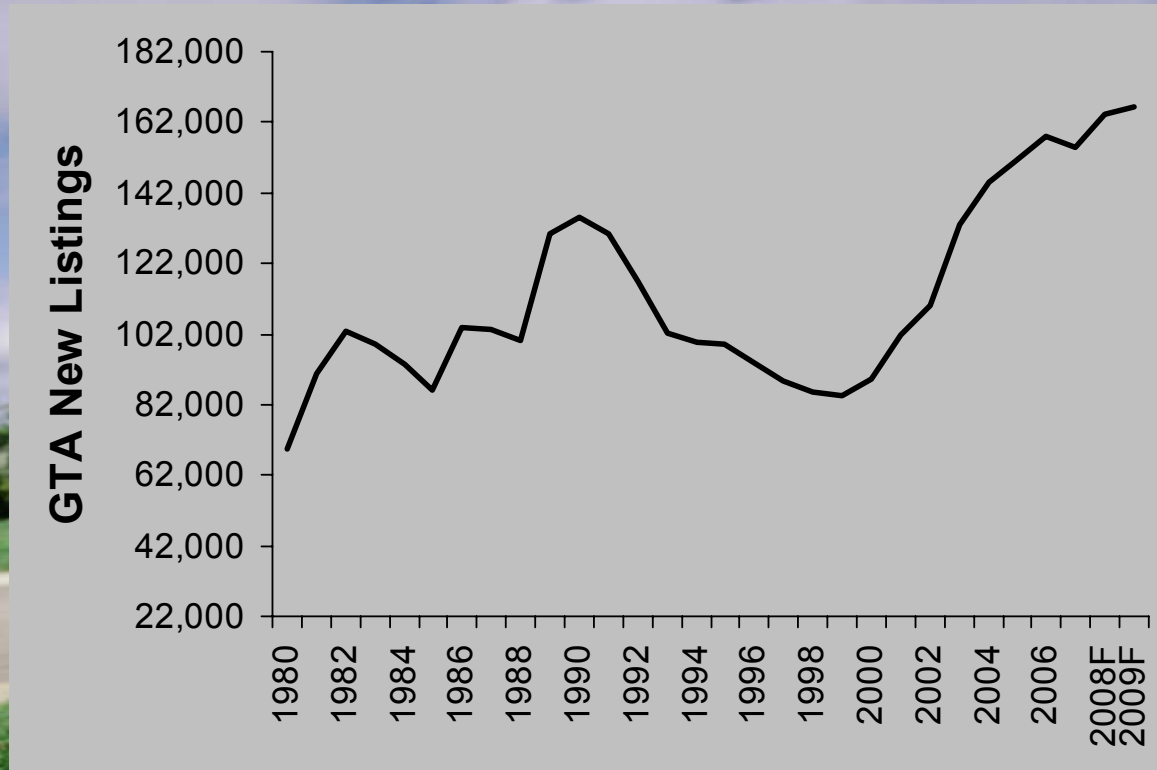
Source: Statistics Canada, Bank of Canada and CMHC Forecasts

Homebuyer Intentions for Rental Households Lower



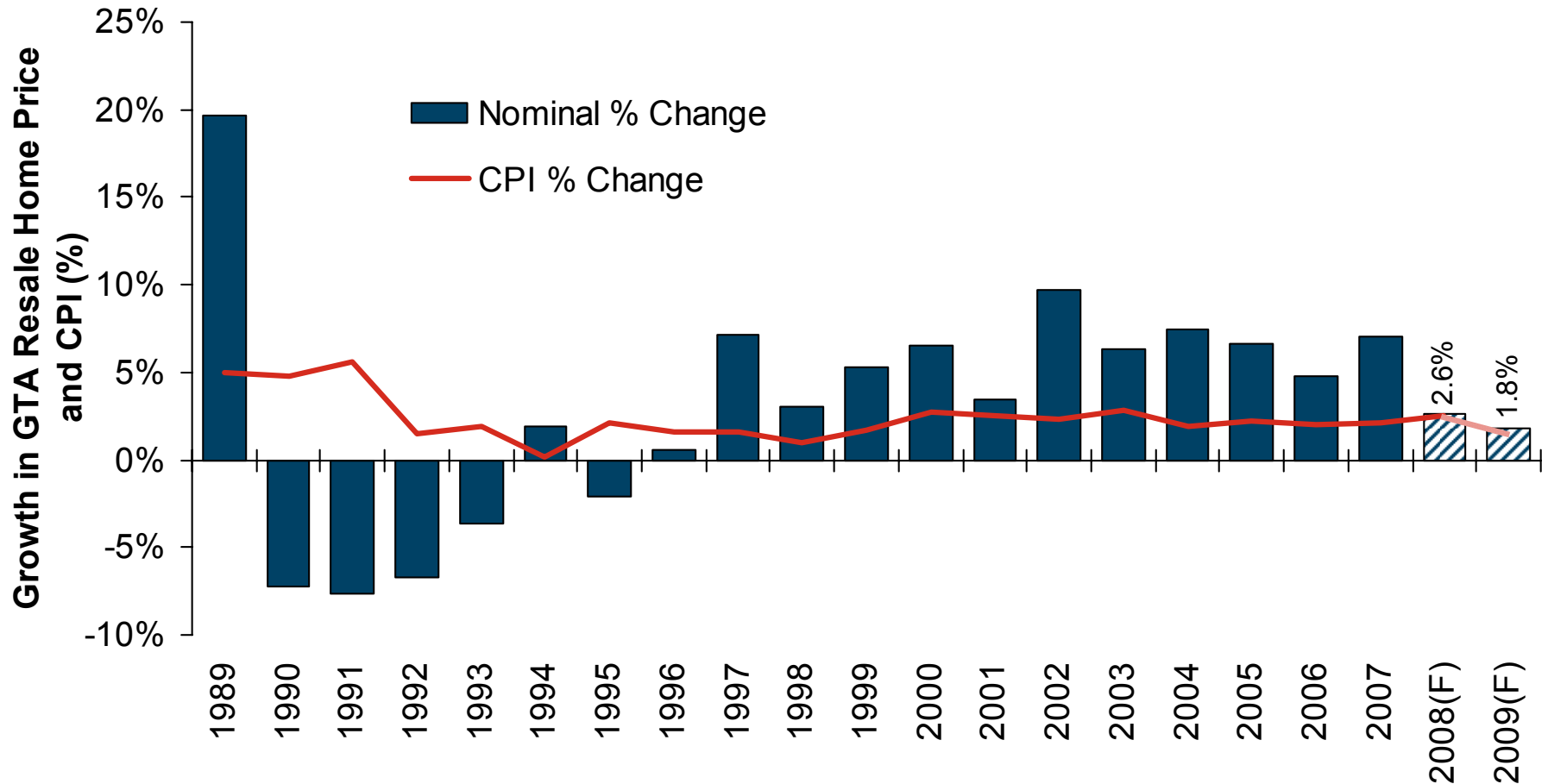
Source: CMHC Consumer Intentions to Buy and Renovate Survey (2002-2006) and Renovation and Home Purchase Survey (2007 - 2008)

Increasing Choice in the Resale Home Market



Source: CREA and CMHC Forecasts

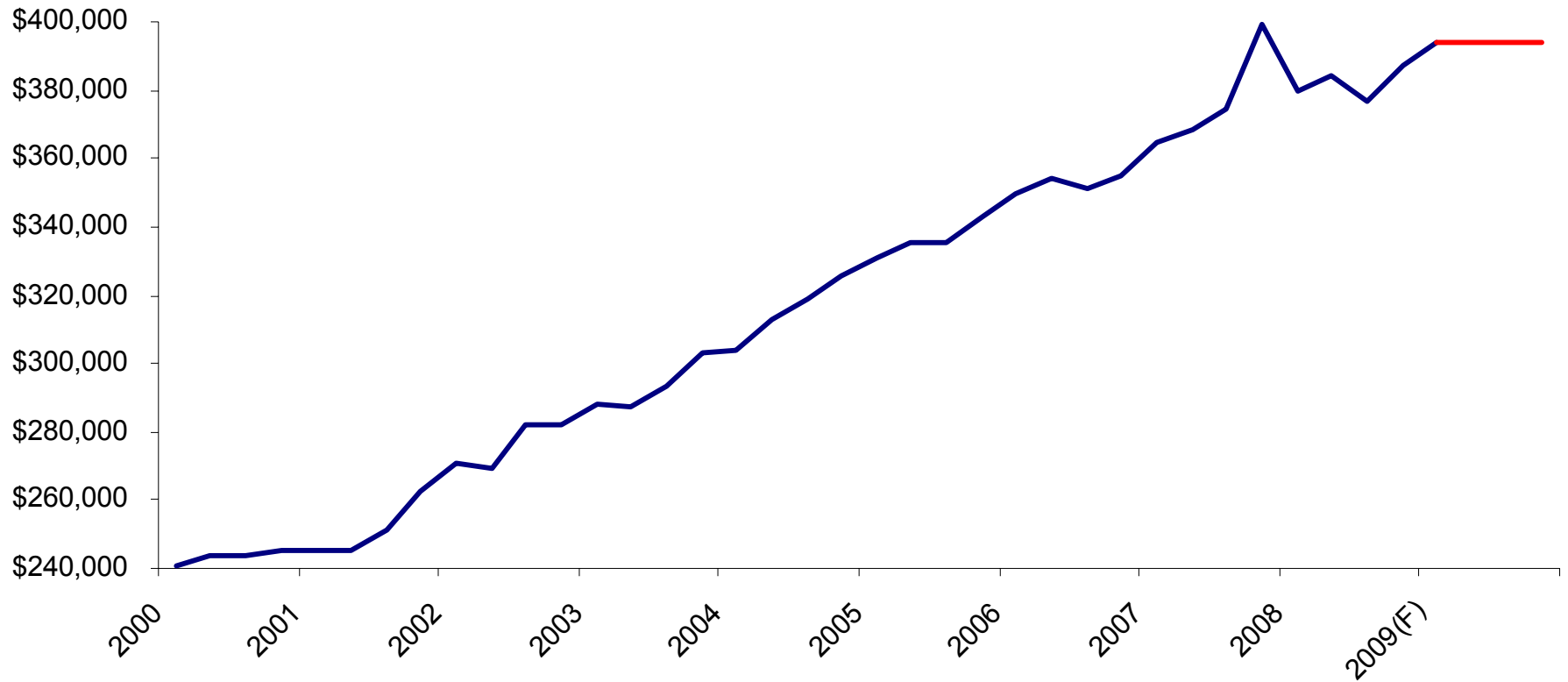
More Choice = Moderate Price Growth



Source: Bank of Canada, CREA and CMHC Forecasts

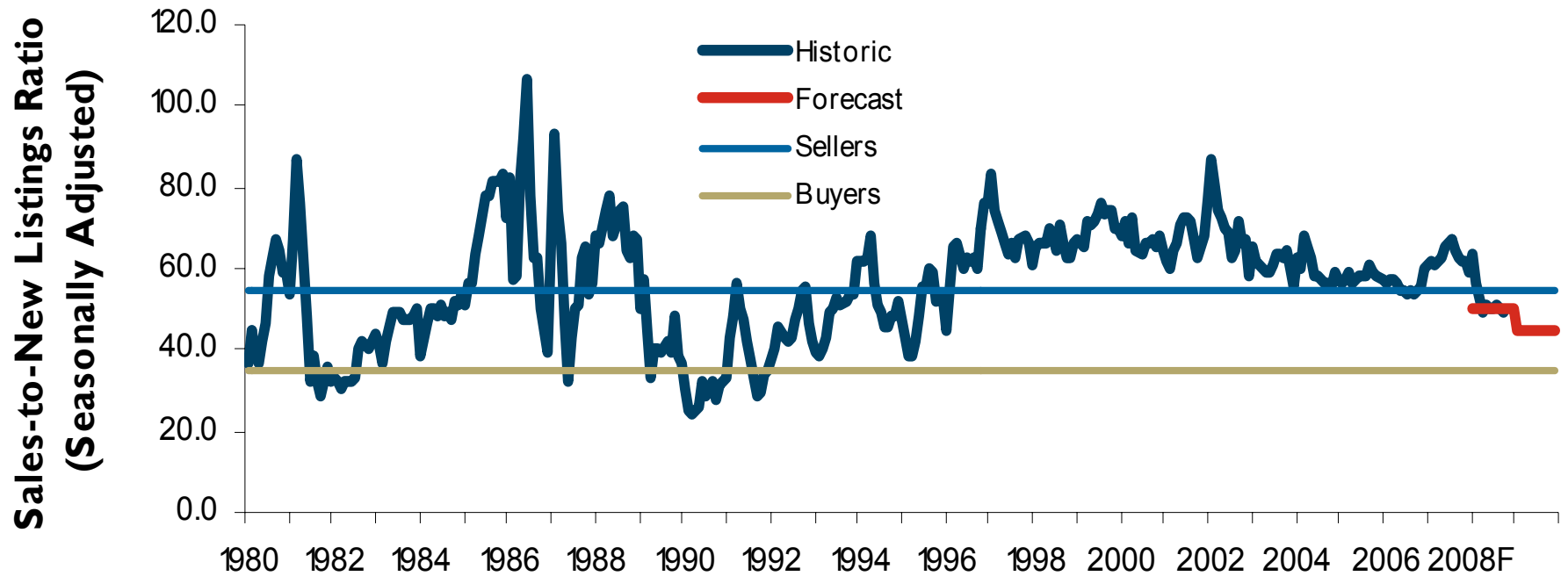
Price Trend is Flattening

Average GTA Existing Home Price



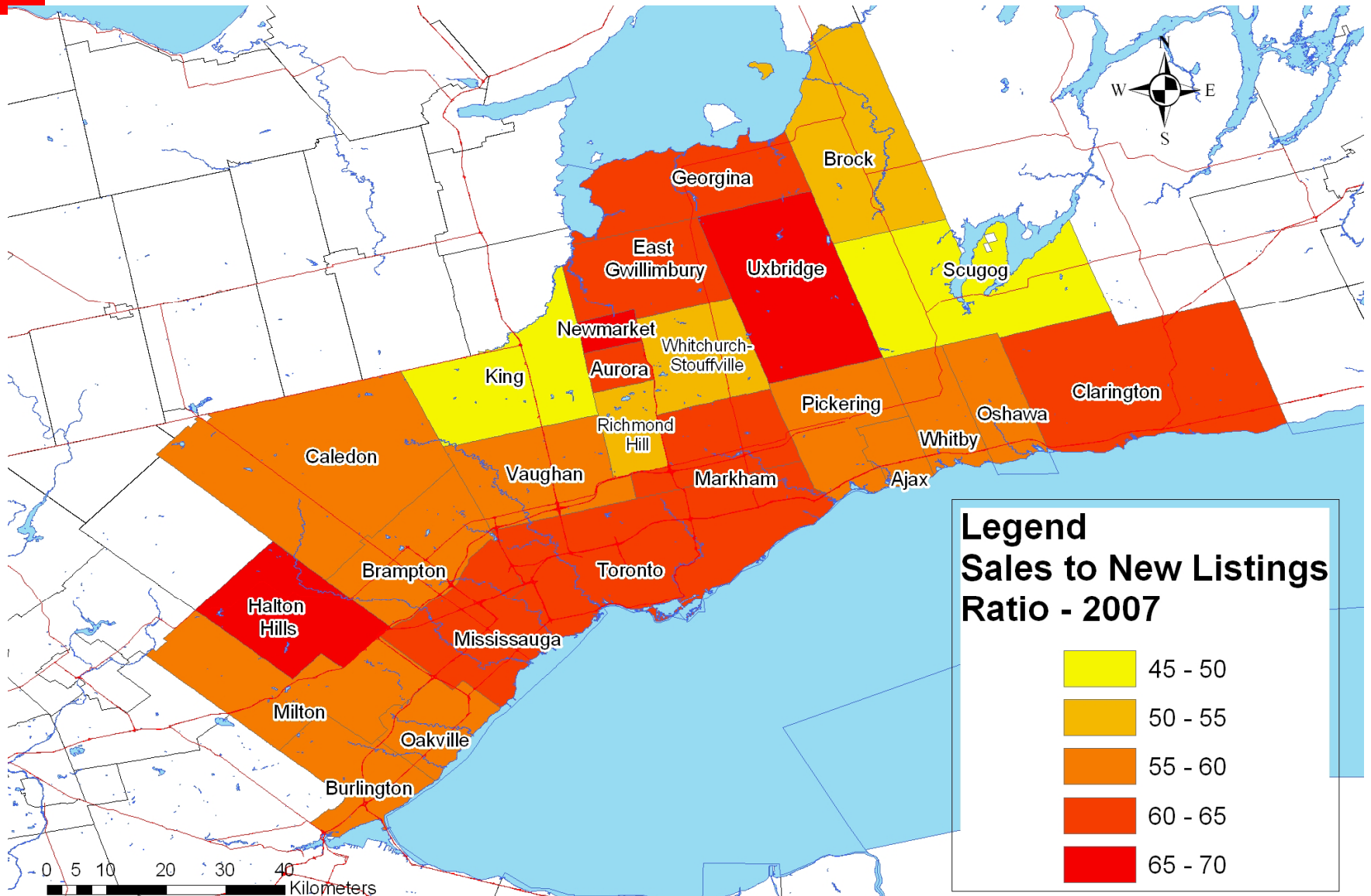
Source: CREA

Resale Market Will Be More Balanced

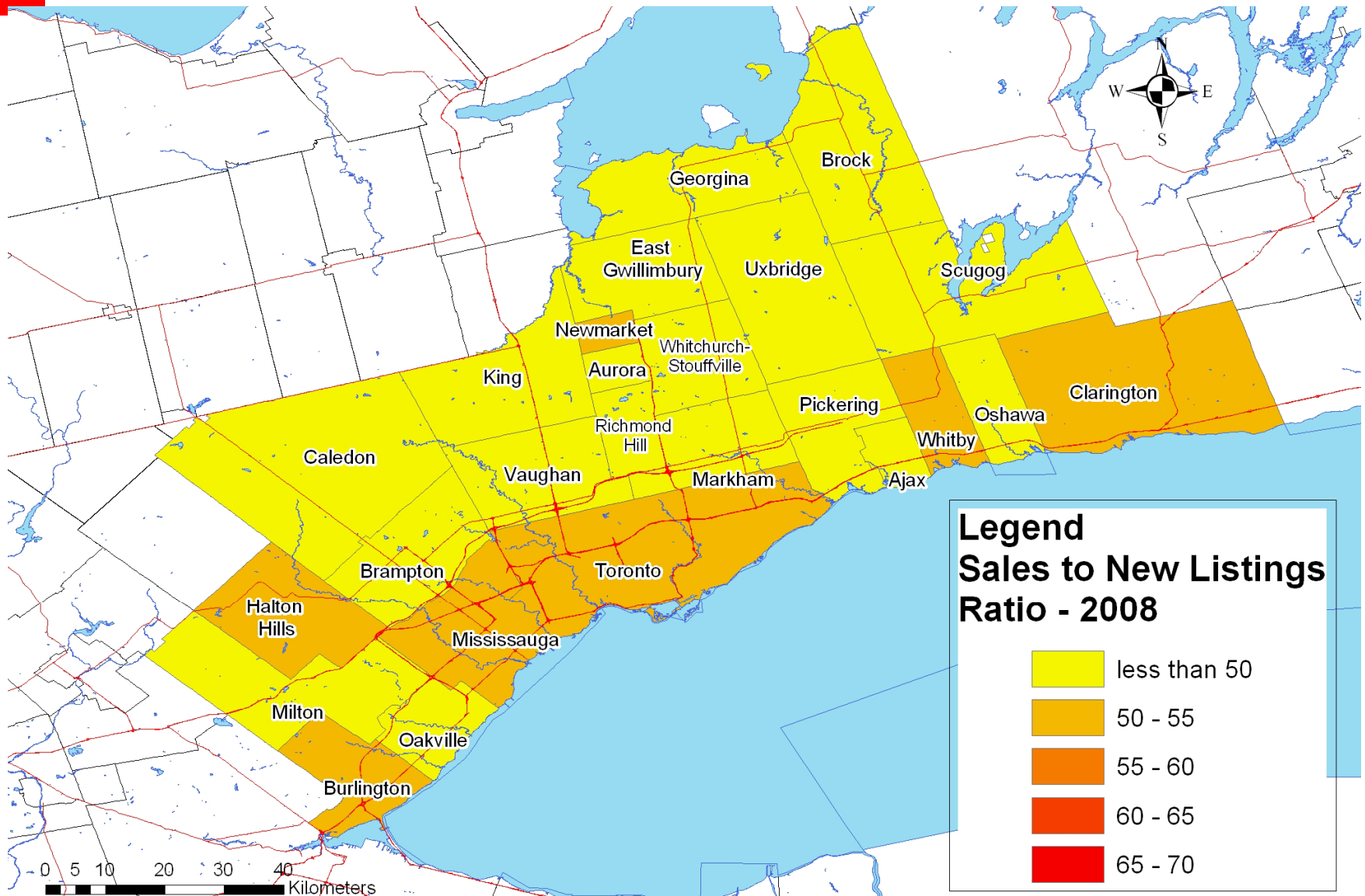


Source: CREA, CMHC Adjustment and Forecast

Resale Conditions Vary by Sub-Market - 2007

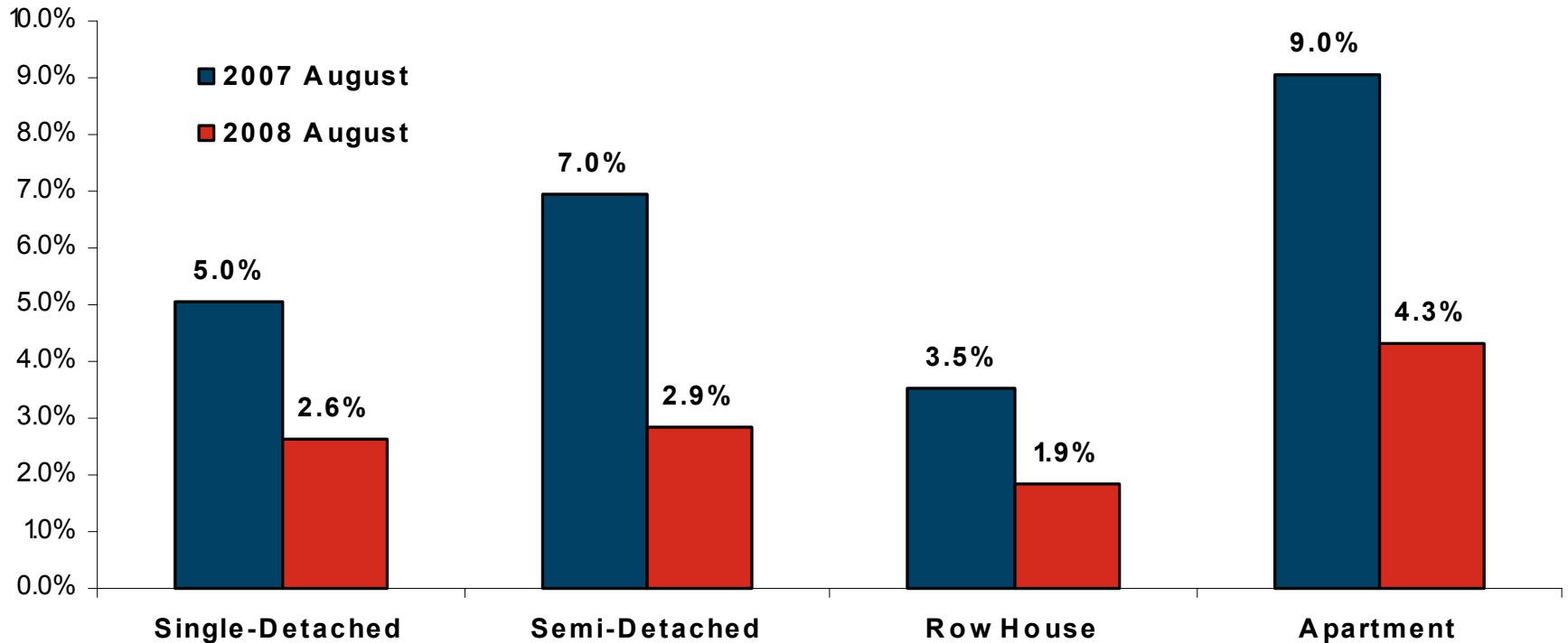


Resale Conditions Vary by Sub-Market - 2008



Resale Conditions Also Vary by Home Type

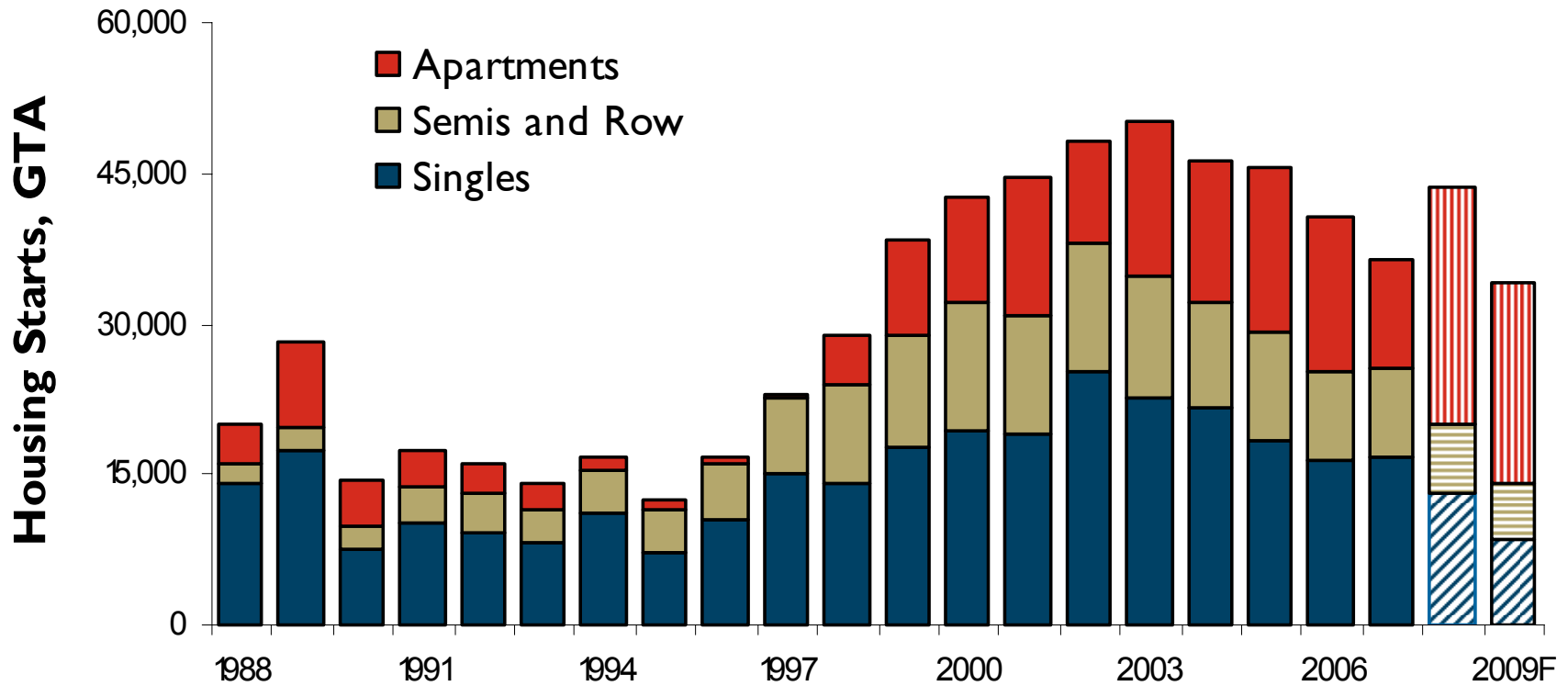
Annual Percentage Change in Median Home Price



Source: CREA

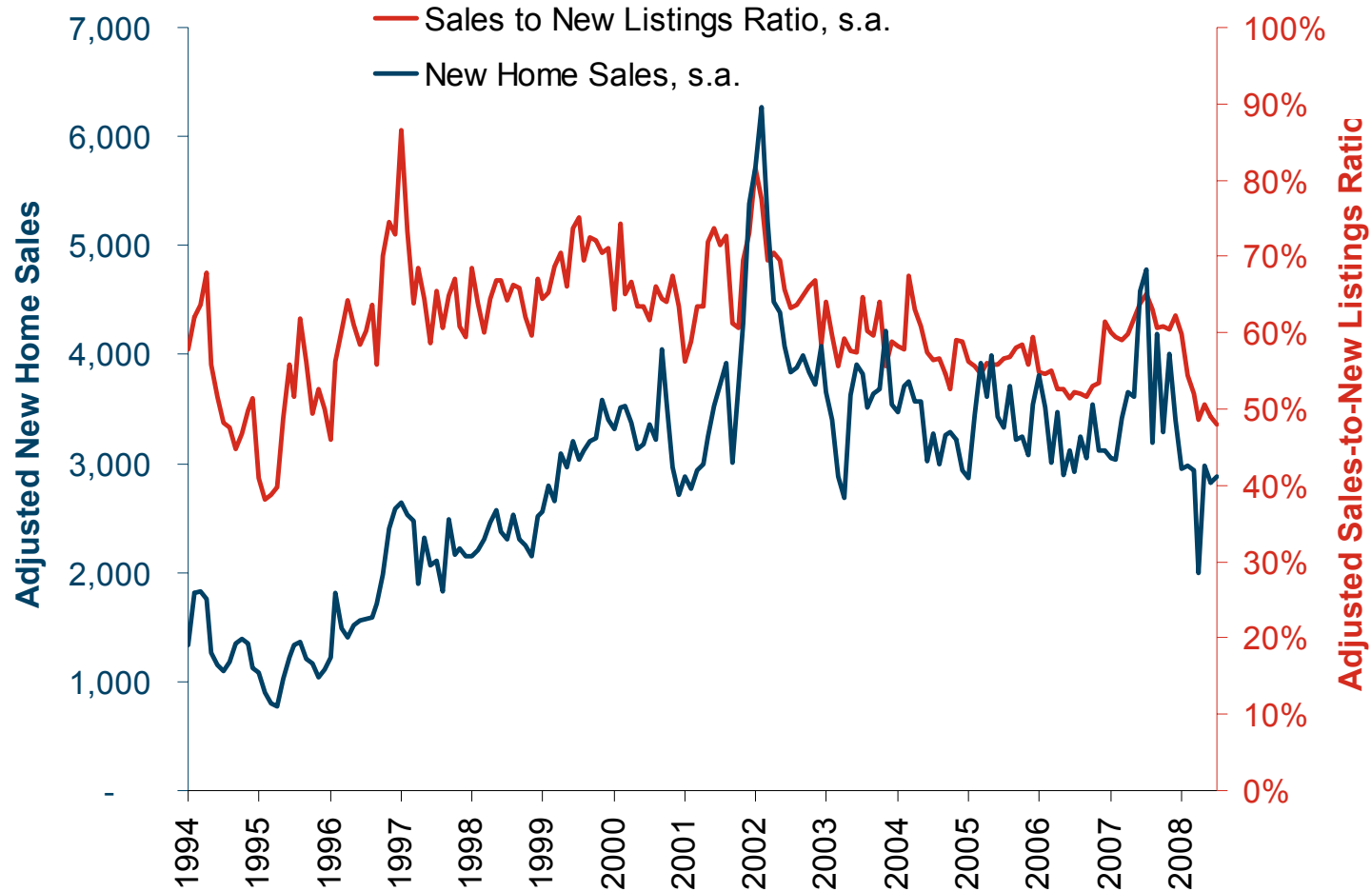
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Less Spill Over Demand = Less Starts



Source: CREA, CMHC forecasts

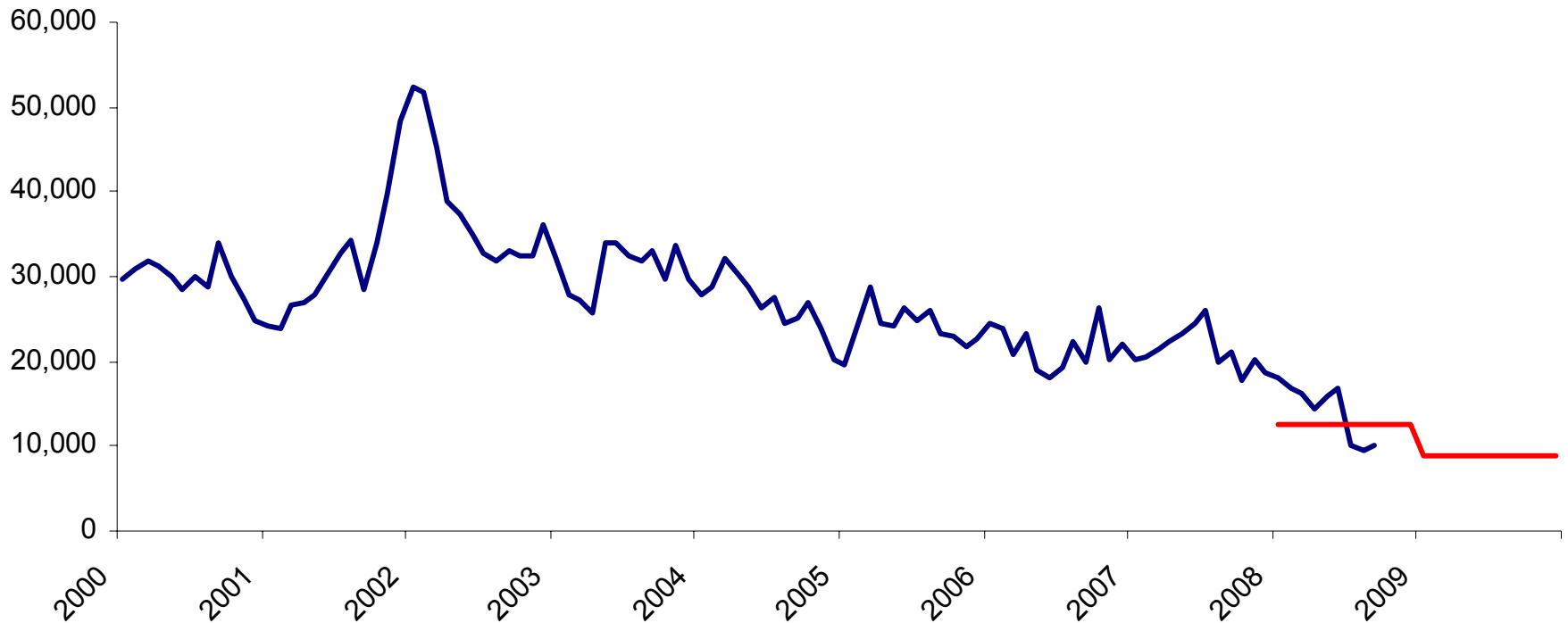
Increased Resale Market Choice Will Result in Fewer New Home Sales



Source: REALNET, CREA and CMHC seasonal adjustment

Low-Rise Sales Trending Lower

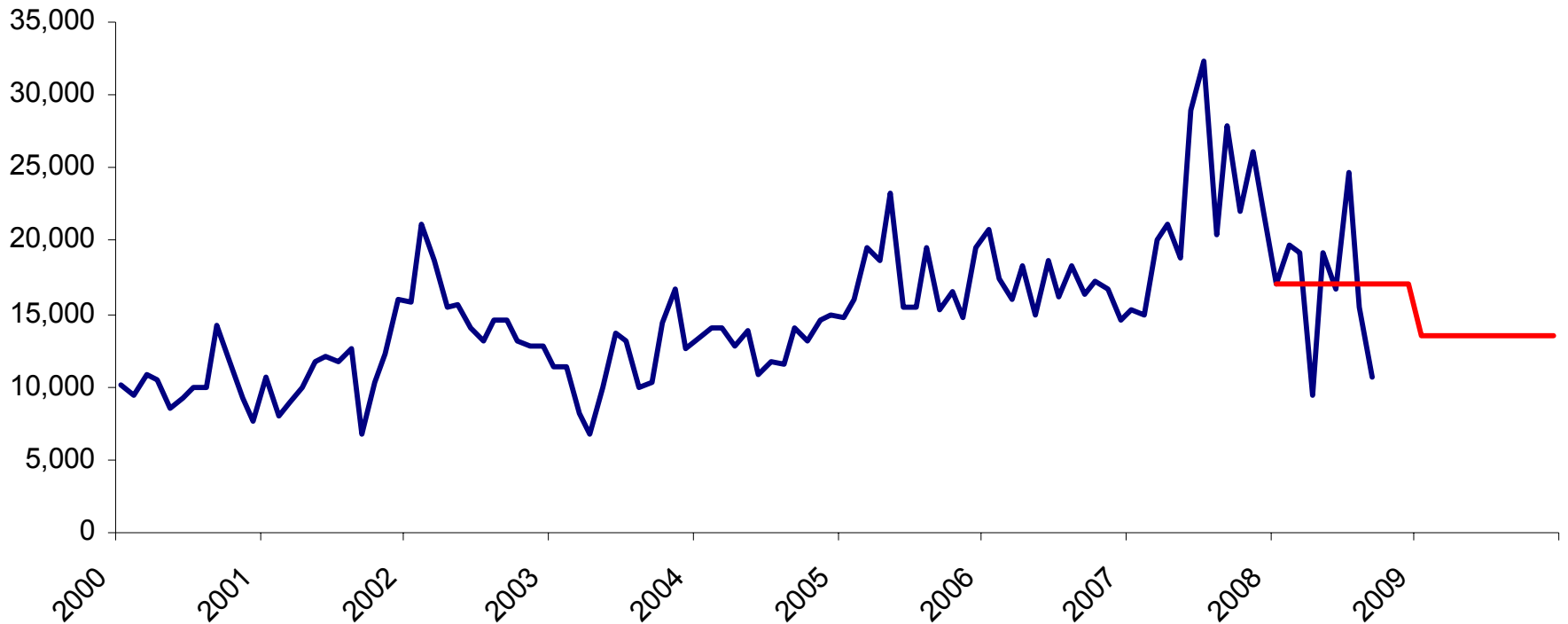
GTA Low-Rise Sales (SAAR)



Source: RealNet Canada Inc. (www.realnet.ca); CMHC Forecast and Seasonal Adjustment

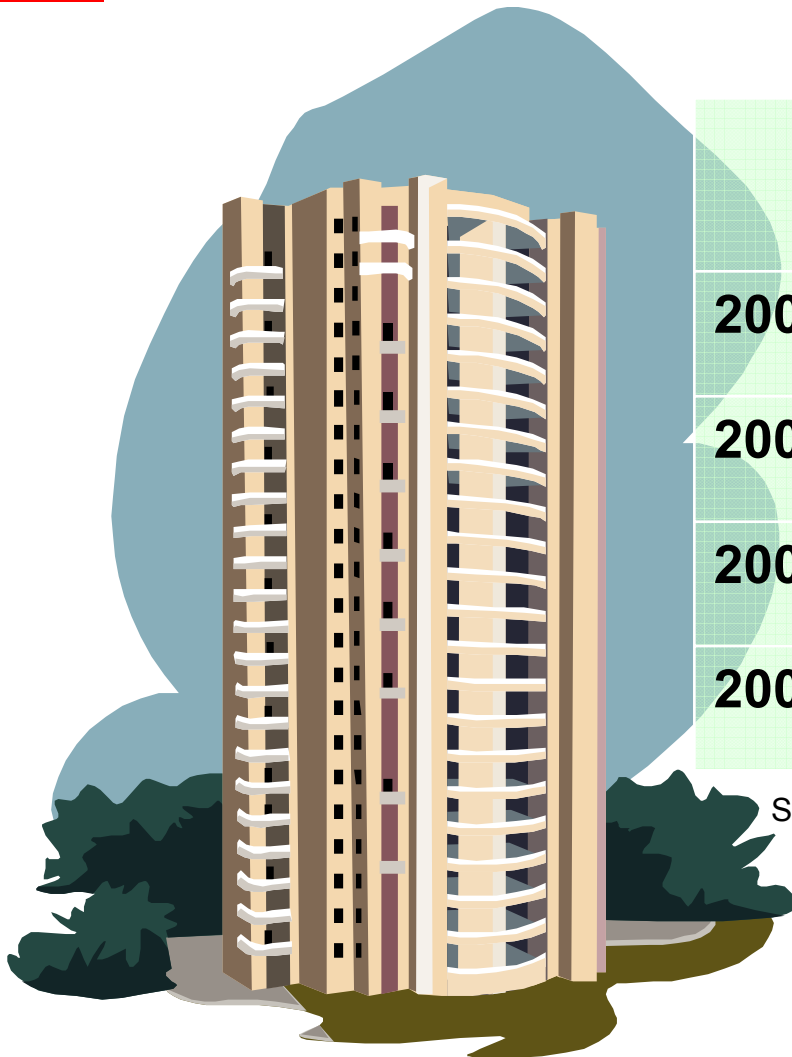
High-Rise Sales Will Moderate But Remain Robust

GTA High-Rise Sales (SAAR)



Source: RealNet Canada Inc. (www.realnet.ca); CMHC Forecast and Seasonal Adjustment

Condominium apartments will be popular

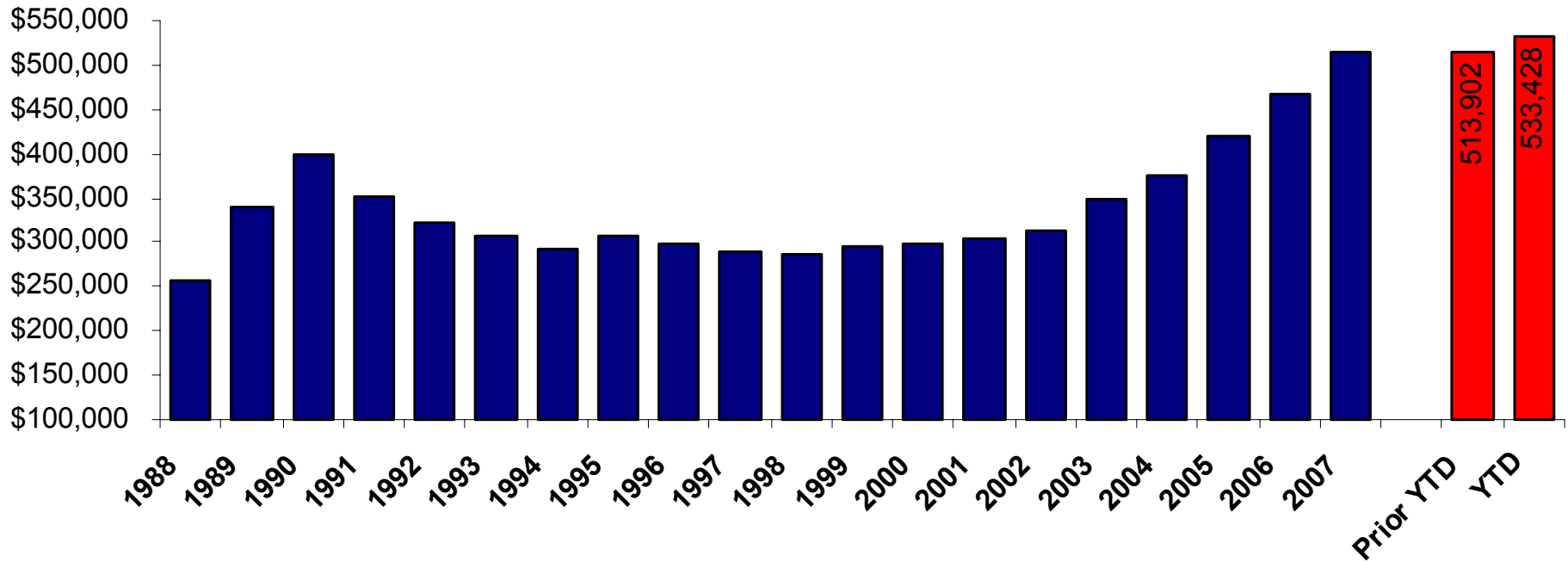


	Share of High Rise Sales as a Percentage of Total Sales
2000	25%
2004	33%
2008F	58%
2009F	60%

Source: REALNET Canada Inc. and CMHC calculations and forecasts

Low-Rise Home Prices Are High For Some Households

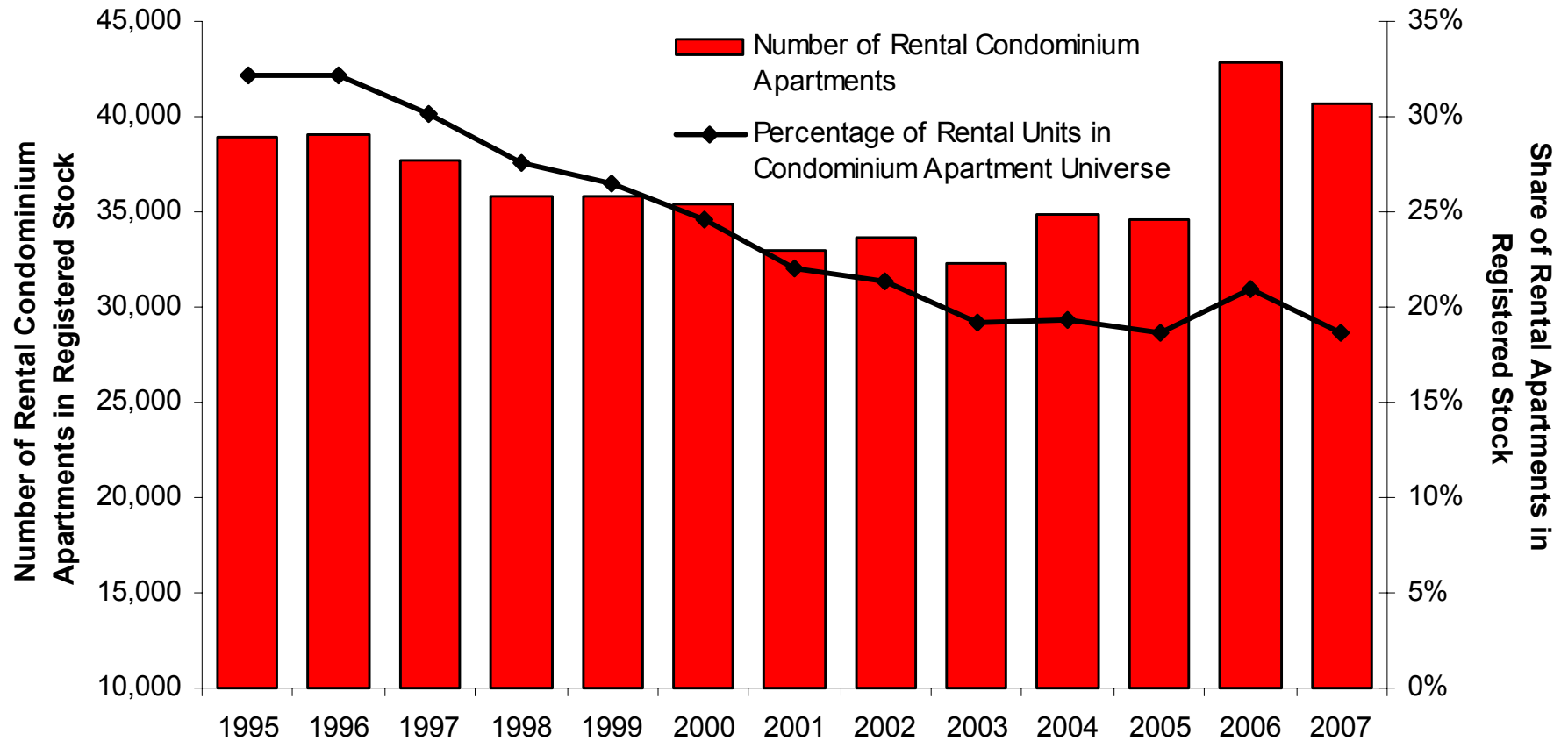
Average Absorbed New Single-Detached Home Price (GTA)



Source: CMHC

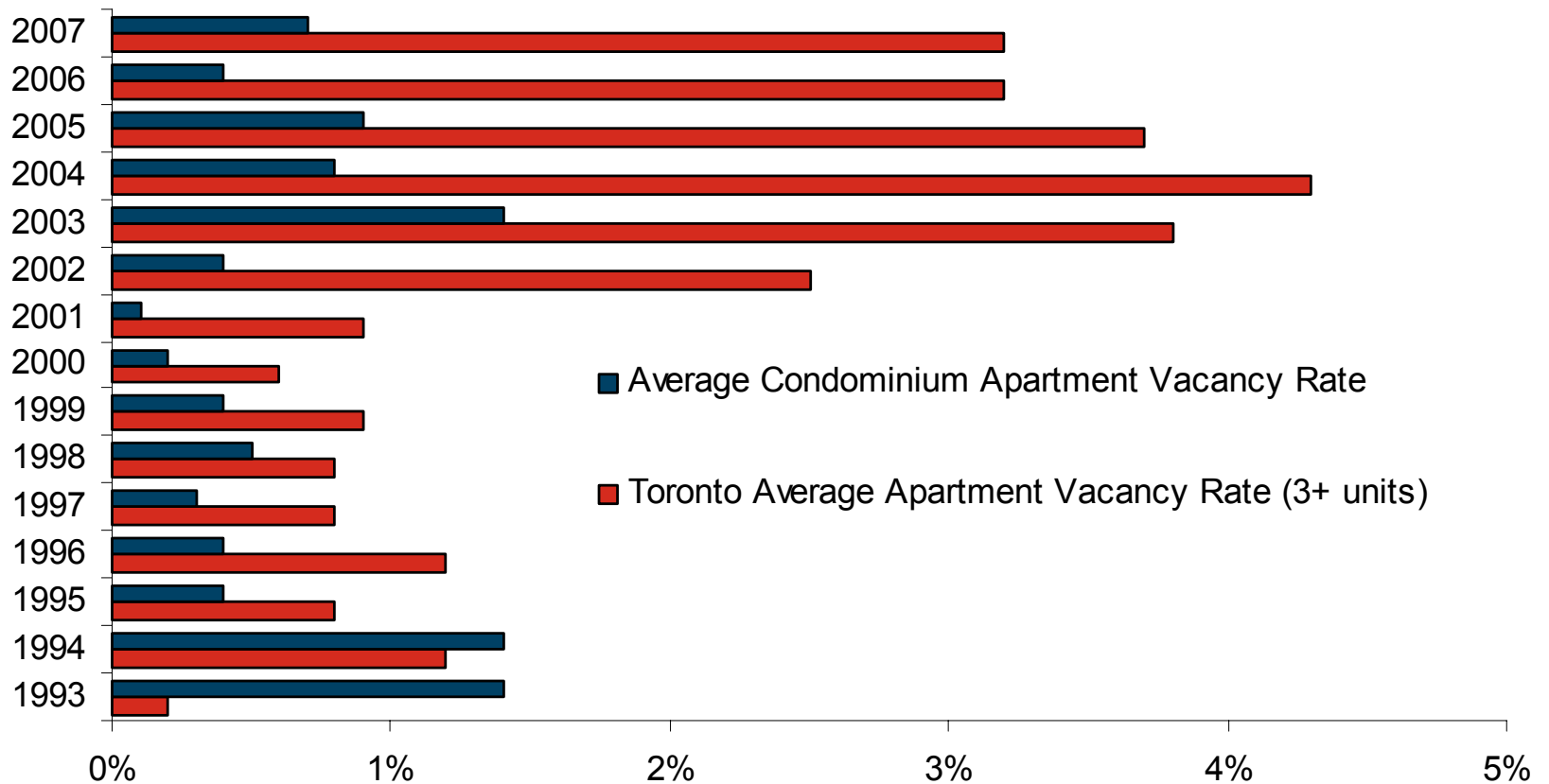
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Number of Rental Condominium Apartments Growing



Source: CMHC

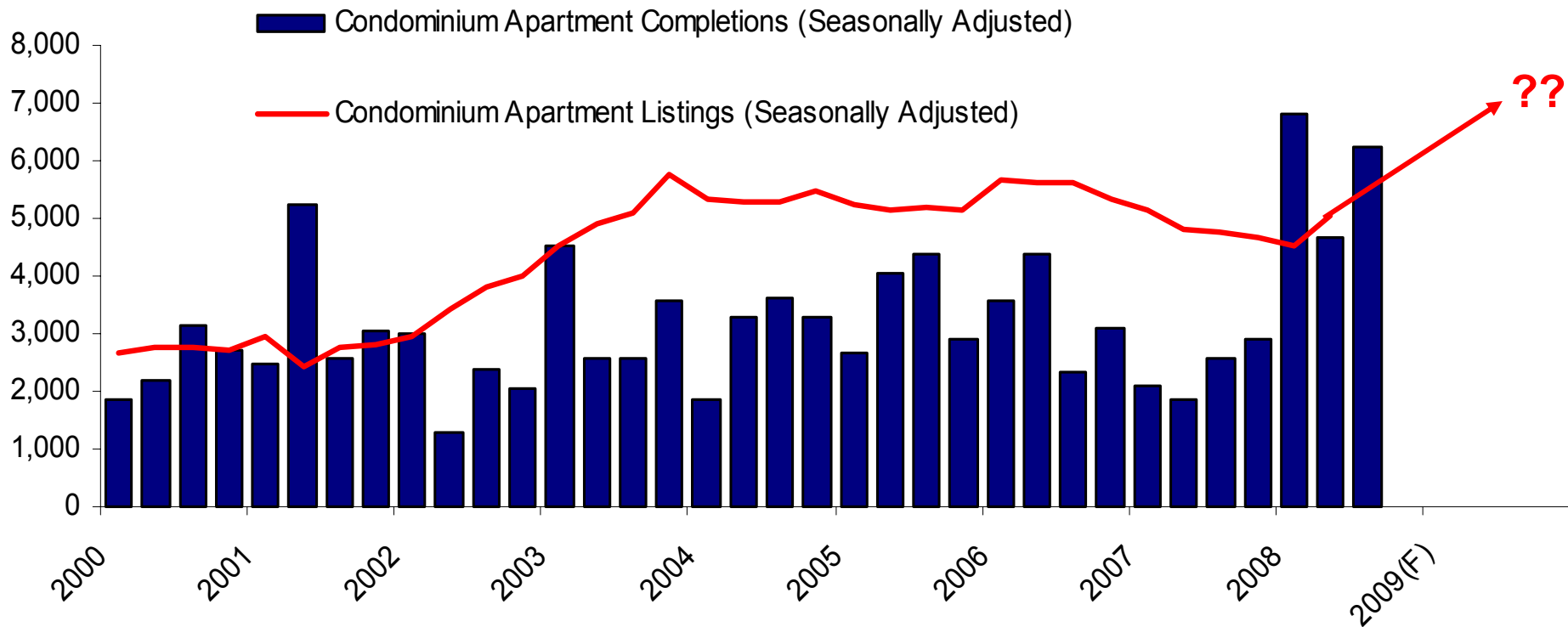
Stronger demand for rental condominiums



Source: CMHC

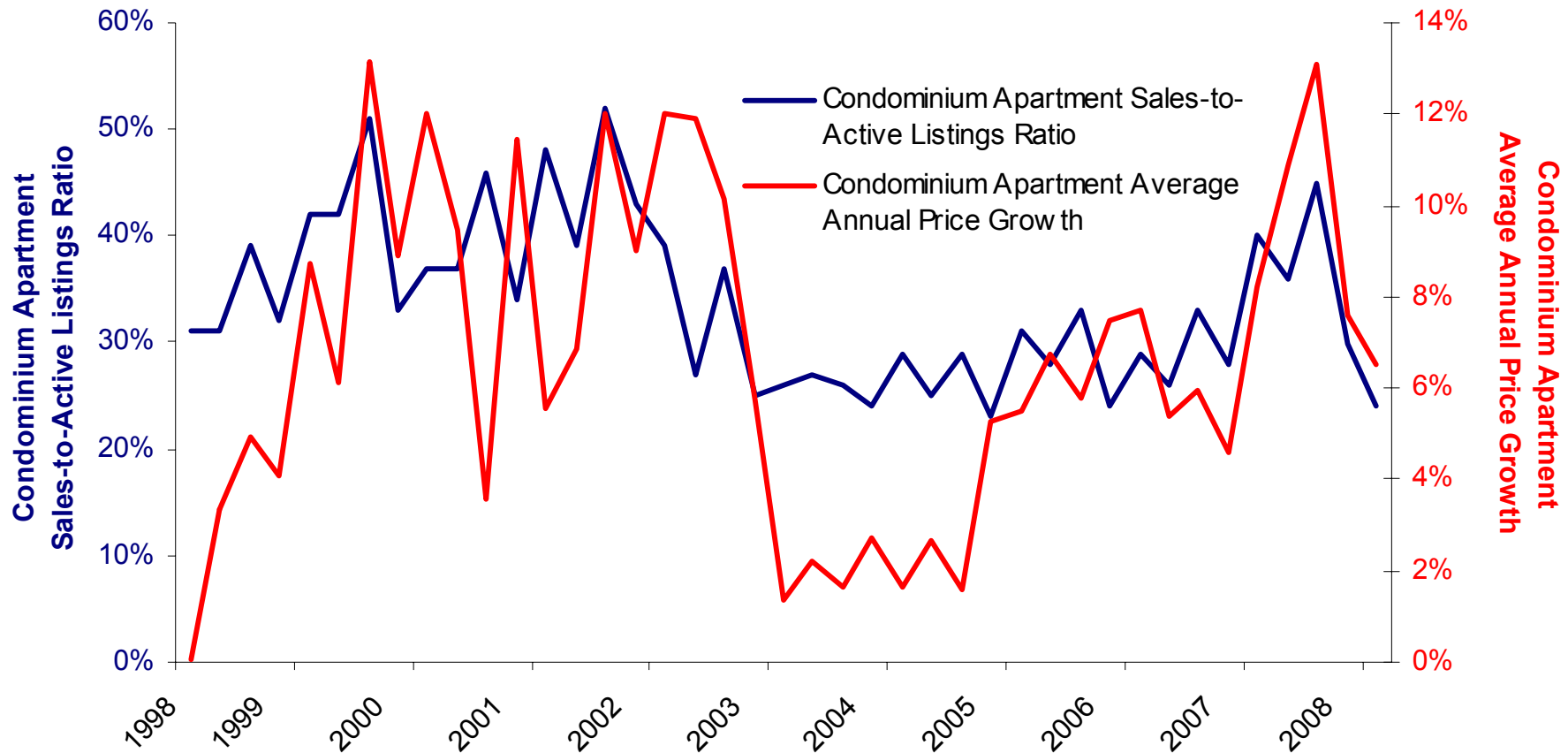
Rising Completions Will Trigger More Listings

Condominium Apartment MLS Listings and Completions



Source: CREA; CMHC

More Supply in the Condo Market Results in More Moderate Price Growth



Source: CREA; CMHC Calculations

Myth or Reality?

‘Home prices likely to drop, economist says’ **MYTH**

Globe & Mail, 8 Oct 2008

‘Continuing resilience of Toronto condo market is good news’ **REALITY**

National Post , 23 August 2008

‘The local market still looks sound’ **REALITY**

The Globe & Mail , 17 Oct 2008

‘Canadian Housing Prices Inflated’ **MYTH**

Calgary Herald, 9 September 2008

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