Ontario's Rising Star

York Region

Markham · Vaughan · Richmond Hill · Newmarket · Aurora
Georgina · Whitchurch-Stouffville · East Gwillimbury · King

Economic & Development Review

mid-year 2003


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A Message from Regional Council

The Regional Municipality of York's broad economic base enabled us to weather the challenges imposed by SARS, mad cow disease, a rising Canadian dollar and an uncertain economy in the first six months of 2003. As a result, in June 2003, York Region had a lower unemployment rate in comparison to the Greater Toronto Area (GTA) economy.

In the first half of 2003, the Region maintained its strong performance in construction activity, with $1.2 billion worth of construction. This put York Region among the top municipalities in Canada for construction. The Region continued to grow at a rapid pace, with an addition of 16,000 new residents. With 842,000 people residing in York Region as of June 30th, the Region now represents 15 per cent of the GTA's total population. In an effort to manage and support this growth, York Region continues to invest in infrastructure, transit and human services.

Strategically located north of the City of Toronto, the Region benefits from an excellent transportation network, a state-of-the-art telecommunications infrastructure, a youthful, educated and skilled labour force, and an ample supply of available land. Together these factors ensure that the Region will remain economically strong and competitive for years to come.

York Region's solid performance highlights our diversified economy and first-class communities. Our economic strength has helped create a wonderful quality of life for the people of York Region. We have strong strategic policies in place to manage the growth in the Region. We have a clear commitment to enhancing our healthy communities. We are engaged in encouraging a mix of housing types. We are protecting our natural environment.

As we enter the second half of 2003, we fully expect York Region to continue to be the prosperous place that we have come to know.


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Town of Newmarket


Regional Councillor
Diane Humeniuk
Town of Newmarket


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Brenda Hogg
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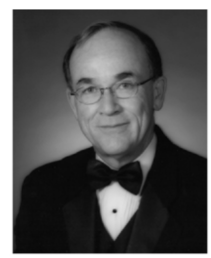
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City of Vaughan


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Regional Councillor
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The Economic and Development Review is a semi-annual report on the economic and development activity in the Regional Municipality of York. The information in this document has been compiled from a variety of sources and includes the most current data available at the time of printing. Sources are listed at the end of the report.

The Economic and Development Review Mid Year 2003 is one of a family of documents available from the York Region Planning and Development Services Department that deal with the Region's economy and its residents. Other publications in the series include: the Economic and Development Review 2002 (a report on the economic and development activity in York Region for 2002); Opportunities for Investment (a publication providing key demographic and economic data for businesses looking to locate in York Region); Employment & Industry 2002 (highlighting Regional employment trends by municipality and sector); the Vacant Employment Land Inventory (an integrated and detailed tracking system of vacant employment lands for the Region); and the York Region 2002 Business Directory (providing business size, address and contact information on thousands of businesses in York Region).

Inquiries about this, and other reports, should be directed to the Planning and Development Services Department at 905-830-4444 ext. 1550 or 1-877-464-9675 ext. 1550.

The report is also available on the York Region web site: www.region.york.on.ca.

*Please note that data contained in this report has been rounded and,

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Highlights

- York Region's total population was 842,000 by June 30, 2003, an increase of approximately 16,000 from December 2002. This figure was calculated from Statistics Canada housing completion data.
- Building permits for 4,973 new residential units were issued in the first half of 2003. It is the sixth largest number of new residential permits issued in the country.
- Housing completions reached 4,959 units in the first six months of 2003.
- Total construction for the first half of 2003 was valued at approximately $1.2 billion.
- Industrial, commercial, institutional (ICI) construction made up 27% of the total construction value in York Region in the first six months of 2003.
- The total estimated value of industrial construction was $134 million.
- Industrial and commercial construction increased by 103% and 39% respectively over the same time period in 2002.
- Institutional construction decreased by 7% to $95 million.
- The unemployment rate as of June 2003 in York Region is estimated to be 7.1%.
- Performance in the third and fourth quarters of 2003 is being carefully monitored to detect the impact of an ever-changing economy and shifting global geopolitical events on the Regional economy.

Overview

York Region continued to grow in the first six months of 2003. By June 30, 2003, the total population of York Region was estimated to be 842,000. This represents an increase of 16,000 persons from December 2002.

Total construction for the first six months of 2003 was valued at $1.2 billion, equivalent to the construction value recorded in the first half of 2002. From January to June 2003 industrial, commercial and institutional (ICI) construction increased 37% from ICI values recorded in the first half of 2002. Residential construction across the Region in the first six months of 2003 was 7% lower than the first half of 2002.

York Region had the fourth highest total residential construction value in Canada for the first six months in 2003. Between January and June 2003, 4,973 building permits for new residential units were issued in York Region, a 17% decrease from the first half of 2002. York Region had the sixth largest number of new residential permits issued anywhere in the country for this period.

Building permits were issued for over 23,600 new residential units in the GTA for the first half of 2003. York Region's share of the permits accounted for 21% of all the building permits issued in the GTA. Durham Region issued 12%, the Region of Halton issued 12%, the Region of Peel issued 31%, and the City of Toronto issued 24%.

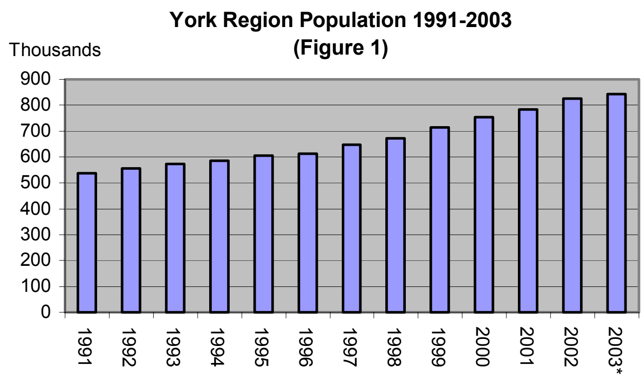
Housing resales remain strong in the Region. The Toronto Real Estate Board recorded sales of 6,889 dwelling units in York Region in the first six months of 2003. This is a 6% decrease in the number of homes sold in the first half of 2002. The value of the 2003 resales was $2.3 billion. The Region had 4,959 homes completed and another 4,440 new houses started in the time period of January to June 2003.

Despite an economy challenged by SARs, mad cow disease, a rising Canadian dollar and a sluggish U.S. economic growth, the unemployment rate in York Region as of June 2003 was 7.1%. This unemployment rate was lower than both the GTA's and the City of Toronto's.

1. Population and Economy

Population: Strong Population Growth

In the over thirty years since its creation, York Region's population has grown dramatically. In 1971, the Region's population was 169,000 people. Over thirty years later, on June 30, 2003, the Region's population is an estimated 842,000 (Figure 1). This mid-year population estimate represents an increase of approximately 16,000 persons from December 2002 (Table 1). By comparison, population growth during 2002 totalled approximately 42,000 people.



Source: York Region Planning and Development Services Department, 2003
Note: 2003* is for half a year.

Historically, the highest average annual growth rate ever experienced in York Region was 7.6%, which occurred over the five-year period from 1986-1991. The recession of the early 1990s triggered a sharp decline in the Region's average annual growth rate. It dropped to an historic low of 3.3% between 1991 and 1996. Spurred by improving economic conditions, the average annual growth rate increased to 4.4% for the 1996 to 2001 period. In 2000 and 2001, the Region was growing at an average annual growth rate of 5.7%, adding approximately 40,000 people per year. In 2002, the Region's population grew at a 5.3% pace and at an anticipated rate of 3.8% for 2003.

Demographics of York Region's Population

Age Groups For York Region, the GTA and Canada (Table 1)

	York Region	GTA	Canada
The Future Born 1996-2001 (0-5)	7.30%	7.50%	6.80%
Baby Boom Echo Born 1980-1995 (6-21)	22.60%	20.70%	21.40%
Baby Bust Born 1967-1979 (22-34)	18.20%	20.30%	18.20%
Baby Boom Born 1947-1966 (35-54)	34.40%	31.80%	31.60%
Pre-Seniors Born 1936-1946 (55-64)	8.50%	8.60%	9.40%
Seniors Born before 1935 (65+)	9.00%	11.20%	12.60%

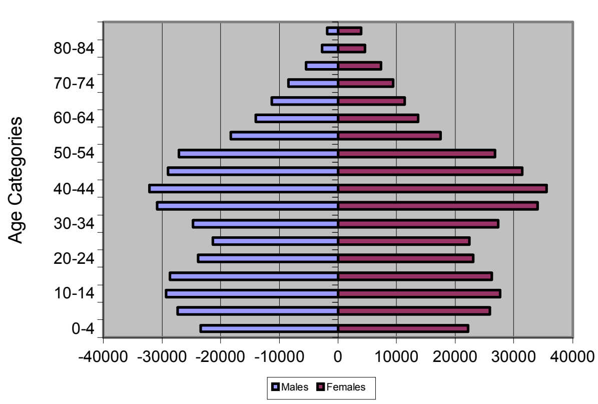
Source: York Region Planning and Development Services Department, based on Statistics Canada Annual Demographic Statistics 2001 data.

As the Region's population continues to grow, the age, social, economic and ethnic composition in York Region will continue to diversify. Relative to the GTA and Canada, the Region currently has a "younger" population (Table 1). This is primarily due to the large proportion of the population being between the ages of 35 and 54 years of age. These "baby boomers" make up 34.4% of the Region's population. By comparison, only 31.8% of the GTA population and 31.6% of the Canadian population are in this age bracket. Only 9.0% of York Region's population falls into the senior age bracket, while both the GTA and Canada have higher proportions at 11.2% and 12.6% respectively.

By 2026, York's large proportion of ageing baby boomers will contribute to a substantial increase in the senior's population. It is expected that by 2026, the senior's population will increase four times over 2001 levels (Figure 2). This will have critical, long term effects on the demand for all services including health, community and social services.

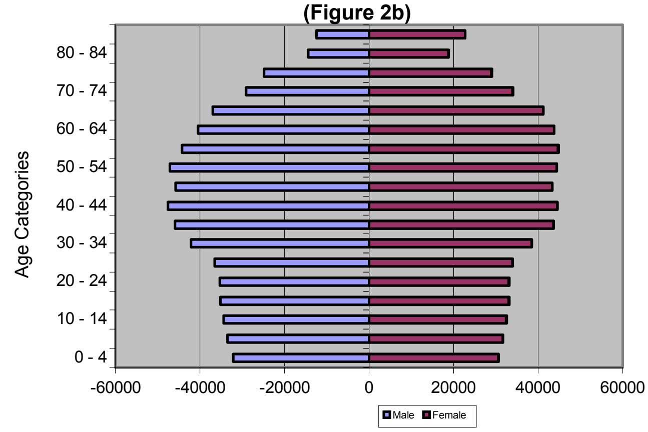
Increasing diversity is a key characteristic of York Region's population. It is expected that by 2026, York Region will see a significant increase in its numbers of seniors, and post-secondary graduates, and continuing diversification of incomes and household types.

York Region 2001 Age and Gender Composition (Figure 2a)



Source: York Region Planning & Development Services Department and Statistics Canada Annual Demographics Statistics

York Region 2026 Age and Gender Composition (Figure 2b)



Source: York Region Planning & Development Services Department and Statistics Canada Annual Demographics Statistics

York Region in Canada

A national comparison of the population for Canadian cities, regions, and regional districts indicates that, as of December 2002, York Region was the sixth largest municipality in Canada in terms of its population (Table 2).

Canada's Largest Municipalities 2002
(Table 2)

Rank	Municipality	Population	
1	City of Toronto	2,604,000	*
2	Greater Vancouver Regional District	2,114,000	*
3	Montreal Urban Community	1,853,000	
4	Peel Region	1,123,000	*
5	City of Calgary	922,000	
6	**York Region**	**842,000**	
7	City of Ottawa	829,000	
8	City of Edmonton	687,000	
9	City of Quebec	639,000	*
10	City of Winnipeg	633,000	*

Source: York Region Planning and Development Services Department 2003 based on information supplied by their respective planning departments, population.

Note: * year end 2002 figure

2. Economy Activities Positive

Provincial, National & North American Context

Nationally, the Canadian economy in the first six months of 2003 has been challenged by the SARs outbreak, mad cow disease, a rising Canadian dollar and sluggish U.S. and global economic growth. As a result, Canada's economic growth forecasts have been cut to 2.2 per cent for this year from an earlier forecasted rate of 3.2 per cent by the Bank of Canada. In 2004 the country's economic growth is expected to rise to 3 per cent.

Since the Spring there have been signs that the Canadian economy has been slowing. One sign of the Canadian economy's sluggishness is the slowdown in job creation. Since the start of 2003, employment has only grown by about a half of one percentage point or approximately 84,000 new jobs as reported by Statistics Canada. This is contrary to 2002 when the Canadian economy produced 560,000 new jobs, the majority of them full time.

The rapid appreciation of the Canadian dollar has also had a negative impact on Canadian manufacturers due to the importance of U.S. markets to Canadian exports. "The bulk of the impact of the Canadian dollar's appreciation on the Canadian economy has yet to be felt" noted Don Drummond, Senior Vice-President and Chief Economist at TD Bank. While the negative impact of the stronger currency on profit margins will be almost immediate, the impact on export volumes is likely to play out during the next several quarters.

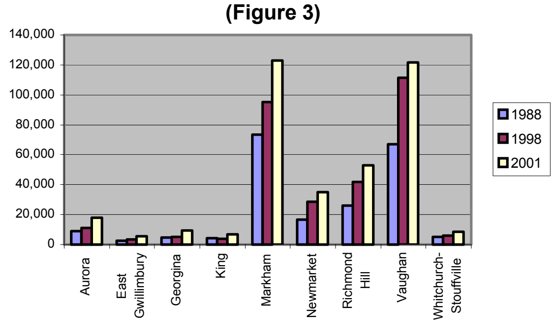
Furthermore, the Canadian economy is not expected to receive much assistance from its U.S. counterpart until early 2004. For the last two years a U.S. economic recovery has been elusive due to economic and geopolitical uncertainty (i.e. Iraq war). Nonetheless, it is anticipated by economists that the extremely low level of interest rates engineered by the U.S. Federal Reserve combined with improved overall financial market conditions and the Bush administration's tax cuts will begin to ignite the U.S. economy in the later half of 2003 and early 2004.

The Greater Toronto Area experienced solid employment gains in 2002 and strong consumer confidence. Output in the manufacturing sector continued to stimulate the economy, as automakers increased production and replenished their inventory levels. In the first half of 2003, the GTA economy has slowed somewhat, especially in the tourism sector due to the SARS outbreak in Toronto. The rising Canadian loonie is also likely to restrain to some degree the GTA's economy, as a rising Canadian dollar will make Canadian manufactured exports less appealing to American consumers. However, continued low interest rates, a still strong housing market and a strong population growth rate will continue to positively stimulate the GTA market in 2003.

York Region has not been immune to the effects of a slower Canadian and U.S. economy, but it continues to grow. In the first six months of 2003 the Region has witnessed continued job growth and higher levels of non-residential construction. York Region's strong and diversified economy has been a key factor in helping it withstand the uncertainty that surrounds the direction of the Canadian and U.S. economies. As such, the prospects for healthy, sustainable economic growth remain solid for the remainder of 2003 and early 2004.

Overall, the economic fundamentals for York Region, the Greater Toronto Area, Ontario and Canada as a whole appear positive for the latter half of 2003 and early 2004. With the containment of the SARS outbreak and mad cow disease, initial conclusion of the Iraq war, and the fact that the U.S. economy grew at an annual rate of 2.4 percent in the econd quarter of 2003, it is anticipated that Canada will witness an improved economic performance for the latter half of 2003.

Number of Employees in York Region 1988, 1998 & 2001 (Figure 3)

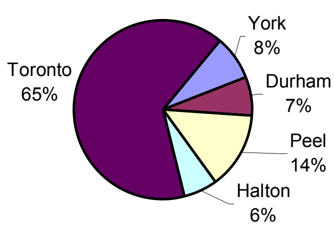


Source: York Region Planning and Development Services Department, 2003

Employment Growth

In spite of the economic slowdown in many sectors of the economy, the number of jobs in York Region is estimated to have grown by approximately, 75,000 in 2002. With approximately 400,000 to 410,000 jobs in York Region, the number of employment positions has increased by 70,000 since the 1998 Employment Survey (Figure 3). In the past five years, growth has been particularly strong in the business service and retail sectors. There are now an estimated 25,000 places of work in York Region.

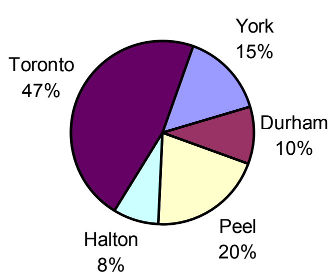
York Region's Share of GTA Employment 1986 (Figure 4)



Source: York Region Planning and Development Services Department, 2003

The Region is forecasted to have approximately 696,000 jobs in 2026. Since 1971, York Region's employment growth has increased at a higher rate than its population growth, an indication of the strength of the Region's rapidly expanding economy. For the five year period between 1996 and 2001, employment growth is estimated to have been 6.3% while population growth is estimated to have been 4.8%. As the Region's employment number has increased so to has its actual share of the GTA's employment. In 1986, York Region accounted for 8% of all the jobs in the GTA whereas in 2001 that percentage had grown to 15% (Figure 4). It is interesting to note that York Region's proportion of the total GTA employment at 15% is equivalent to York's proportion of the total GTA population.

York Region's Share of GTA Employment 2001 (Figure 4)



Source: York Region Planning and Development Services Department, 2003

Small Business in York Region

The small business sector is a strong part of York Region's economy. While the Region is host to a number of large international firms, 95% of the businesses in York Region employ fewer than 50 people and 86% of all businesses in the Region employ under 20 people. This large proportion of small firms indicates a strong entrepreneurial spirit in the Region. Furthermore, these small businesses contribute to a diversified and innovative economy which helps to provide York Region with a stable economic base even as key economic sectors face serious economic challenges. York Region's diverse economy helps it to cope in the recessionary cycles of the economy. For this, and other reasons, part of the Region's on-going economic development strategy is to continue to encourage enterprise formation and small business development.

Labour Market Conditions

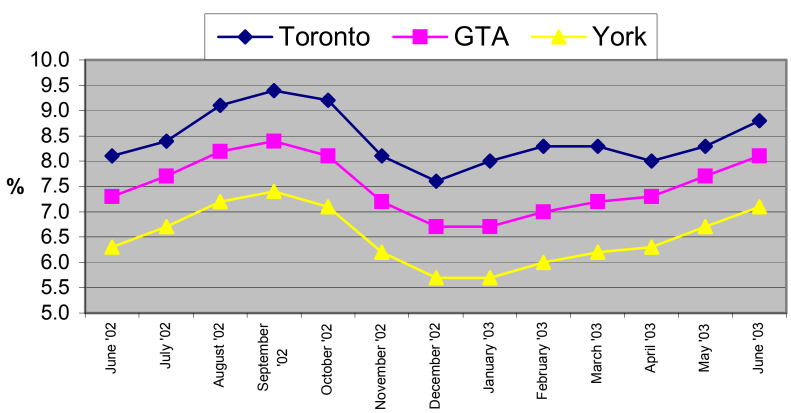
Unemployment Rate

After very strong employment growth throughout 2002, job growth in Canada has slowed in the first half of 2003. During the first six months of 2003, the economy produced approximately 84,000 new jobs, as reported by Statistics Canada, a growth rate of only 0.5%. Canada's June unemployment rate at 7.7% is higher than the unemployment rate recorded in June 2002 (7.0%).

Contrary to the nation's unemployment rate, Ontario's June unemployment rate of 7.0% is comparable to the June 2002 figure of 7.6%. According to the Human Resource Development Committee (HRDC), many of Ontario's major metropolitan areas registered an increase in their unemployment rates in 2003. Toronto and the GTA are no exceptions for both of their June unemployment rates stood at 8.8% and 8.1% respectively.

HRDC estimates put York Region's unemployment rate at 1.0-2.0% lower than the GTA's unemployment rate (Figure 5). Thus, York Region's unemployment rate in June 2003 is approximately 7.1%. This is higher than the December 2002 figure of 5.7%. York Region figures are general estimates based on HRDC and Statistics Canada figures and are not seasonally adjusted. It should be noted that York Region's unemployment rate, while up, is still the lowest when compared to the Canadian, GTA and City of Toronto unemployment rates, an indication of a strong and diversified economy able to withstand downturns and of uncertainty in the economy.

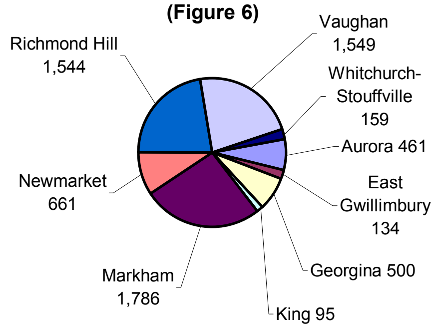
Unemployment Rates June 2002- June 2003
(Figure 5)



Source: Toronto Economic Development Division, Toronto Economic Indicators, 2001 and 2002
Note: York Region unemployment figures are estimates.

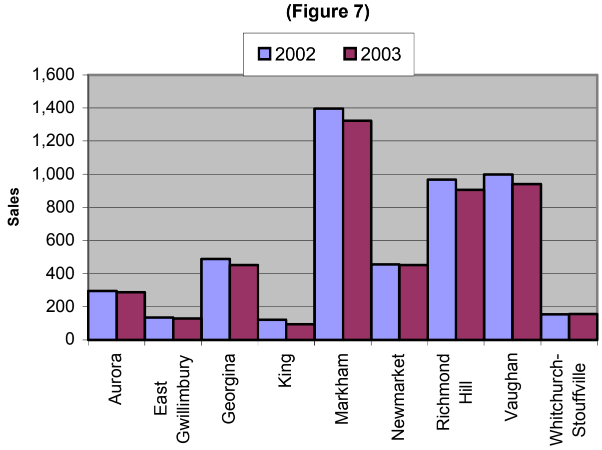
3. Property Market

Total Residential Resales of all Dwelling Types January to June 2003 (Figure 6)



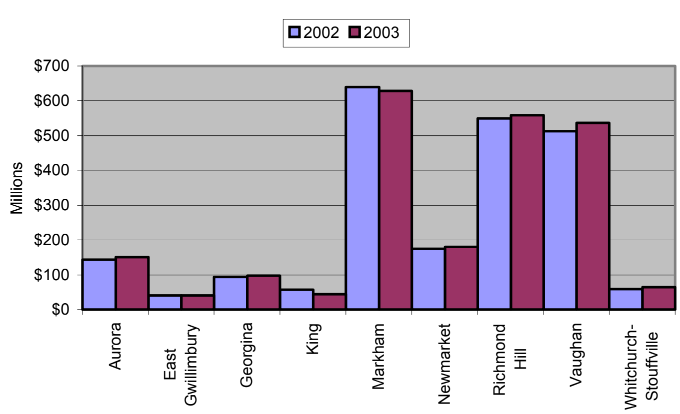
Source: Toronto Real Estate Board, Market Watch, 2003

Total Number of Resales of Detached Dwellings in York Region Janaury to June 2002- 2003 (Figure 7)



Source: Toronto Real Estate Board, Market Watch, 2003

Total Value of Resales of All Dwelling Types January to June 2002-2003 (Figure 8)



Source: Toronto Real Estate Board, Market Watch, 2003

Residential Property

The resale market continued to be quite strong in the first six months of 2003 despite the challenges Toronto and the GTA faced from SARs, which has lead to increases in the average price of residential dwellings in York Region. In fact, the Toronto Real Estate Board (TREB) reported 8,033 sales in June"…the best June ever recorded in the history of the Toronto Real Estate Board" said Board President Cynthia Lai.

According to the Toronto Real Estate Board's Market Watch Report, York Region sales for the first half of 2003 were 5.6% lower than they were during the same time period in 2002. From January to June 2003, the resales of residential units in York Region totalled 6,889 dwelling units (Figure 6) with a dollar volume of $2.3 billion. This was a slight decrease from the 7,298 housing units (with a dollar value of $2.3 billion) sold from the time period of January to June 2002.

In the first half of 2003, the average price of single family residential detached dwellings increased to $371,993. By comparison, the average price of a single family home in York Region for the first half of 2002 was $344,936, an increase of 7.8%. (Table 3). The increase in house prices occurred across the range of dwelling types that were sold in York Region. The average house price (for all dwelling types) was 14% higher in York Region ($334,248) than in the GTA ($292,112).

Through the first half of 2003, resales in York Region made up 17% of the total sales in the GTA. The Region's share of the total sales in the GTA from January to June 2003 is slightly below for the same time period in 2002 (17.3%). Almost all area municipalities in York Region experienced a slightly smaller volume of resales (Figure 7). The selling price reflected the price of the homes that sold in this period.

The Toronto Real Estate Board reports that the resale of multi-family units in York Region was down 6% from last year. Multi-family dwellings include semi-detached, townhouse condominiums, condominium apartments, and attached row houses. In the first six months of 2003, 2,152 multi-family units were sold. By comparison, for the same time period in 2002, 2,287 multi-family units were sold in the Region. Multi-family units will continue to be popular with first time buyers due to low interest rates and a strong labour market.

In York Region, the average price for single family detached units in the first half of 2003 was $371,993. This represents a 7.8% increase from the mid year 2002 figure. The average price of the multi-family units varied between municipalities. Table 4 outlines the number of resales and average prices of homes for each area municipality in York Region. In total as shown in Figure 8, the first half of 2003 has still been a relatively strong year in home resales in York Region despite an uncertain economy and SARS outbreak with approximately $2.34 billion of real estate transactions occurring.

Total Number of Resales and Average Price of Single Family Detached Dwellings by Area Municipality January to June 2002 & 2003 (Table 3)

	Sales		Average Price	
	2002	**2003**	**2002**	**2003**
Aurora	295	287	$359,907	$375,400
East Gwillimbury	134	128	$282,378	$314,931
Georgina	489	451	$179,483	$199,099
King	120	94	$475,177	$470,741
Markham	1,397	1,323	$357,905	$386,708
Newmarket	456	452	$295,905	$303,768
Richmond Hill	967	906	$404,535	$436,274
Vaughan	999	941	$358,013	$395,305
Whitchurch-Stouffville	154	155	$362,170	$412,073
York Region Total	**5,011**	**4,737**	**$344,936**	**$371,993**

Source: Toronto Real Estate Board, Market Watch 2002 and 2003

York Region Resales & Average Prices All Dwelling Types January 1 to June 30, 2003 (Table 4)

	Detached		Semi		Town/Row/Attach		Condo/Apt	
	Sales	Price	Sales	Price	Sales	Price	Sales	Price
Aurora	287	$375,400	54	$232,047	109	$245,318	11	$252,873
East Gwillimbury	128	$314,931	0	$0	2	$190,450	4	$140,050
Georgina	451	$199,099	9	$194,269	36	$170,033	4	$140,250
King	94	$470,741	1	$166,000	0	$0	0	$0
Markham	1,323	$386,708	88	$270,820	244	$256,912	131	$235,596
Newmarket	452	$303,768	95	$213,679	91	$199,628	23	$173,840
Richmond Hill	906	$436,274	80	$287,591	345	$275,763	213	$210,079
Vaughan	941	$395,305	204	$285,575	271	$273,066	133	$249,531
Whitchurch-Stouffville	155	$412,073	0	$0	4	$183,500	0	$0
York Region Total	**4,737**	**$371,993**	**531**	**$263,354**	**1,102**	**$257,684**	**519**	**$224,853**

Source: Toronto Real Estate Board, Market Watch 2003

York Region House Prices 2002 & 2003 (000's)
(Table 5)

Standard Condominium Apt.			Standard Two-Storey		
	2002	2003		2002	2003
Markham	$230	$260	Markham	$330	$350
Newmarket	n.a.	n.a.	Newmarket	n.a.	n.a.
Richmond Hill	$195	$205	Richmond Hill	$250	$270
Thornhill	$195	$215	Thornhill	$280	$315
Unionville	$285	$295	Unionville	$345	$375
Woodbridge	$233	$231	Woodbridge	$349	$363
Luxury Condominium Apt.			**Executive Detached Two-Storey**		
	2002	2003		2002	2003
Markham	$285	$320	Markham	$355	$385
Newmarket	n.a.	n.a.	Newmarket	n.a.	n.a.
Richmond Hill	$215	$230	Richmond Hill	$315	$330
Thornhill	$245	$260	Thornhill	$365	$400
Unionville	$230	$355	Unionville	$395	$425
Woodbridge	$259	$282	Woodbridge	$395	$419
Standard Townhouse			**Senior Executive**		
	2002	2003		2002	2003
Markham	$205	$210	Markham	$385	$400
Newmarket	n.a.	n.a.	Newmarket	n.a.	n.a.
Richmond Hill	$205	$220	Richmond Hill	$395	$395
Thornhill	$200	$210	Thornhill	$500	$500
Unionville	$250	n.a.	Unionville	$460	$540
Woodbridge	$220	$226	Woodbridge	$569	$593
Detached Bungalow					
	2002	2003			
Markham	$295	$330			
Newmarket	n.a.	n.a.			
Richmond Hill	$250	$270			
Thornhill	$345	$365			
Unionville	$360	$385			

The Toronto Real Estate Board reported that the average number of days that a residential dwelling was on the market in York Region decreased from an average of 40 days in January to 37 days in June 2003. The Board also reported that properties sold at prices that were 97% of their listed prices.

Source: Royal Lepage, 2003.
n.a.: Figures not available from Royal LePage

Detached Bungalow: A single storey 3-bedroom home with a full basement and a house area of 111 sq. metres (1,200 sq. ft.) situated on a 511 sq. metre (5,500 sq. ft.) lot.

Executive Detached Two Storey: A 4-bedroom home with a full basement and a house area of 186 sq. metres (2,000 sq. ft.) situated on a 604 sq. metre (6,500 sq. ft.) lot.

Standard Two Storey: A 3-bedroom home with a full basement and a house area of 139 sq. metres (1,500 sq. ft.) situated on a 325 sq. metre (3,500 sq. ft.) lot. Standard Townhouse: A 3-bedroom condominium or freehold home with a full unfinished basement and an inside area of 92 sq. metres (1,000 sq. ft.).

Senior Executive: A two storey 4 or 5 bedroom home with a full unfinished basement and a house area of 279+ sq. metres (3,000 sq. ft.) situated on a 627 sq. metres (6,750 sq. ft.) lot.

Standard Condominium Apt.: A 2-bedroom unit in a high rise with an inside floor area of 84 sq. metres (900 sq. ft.).

Luxury Condominium Apt.: A 2-bedroom unit in a high rise with an inside floor area of 130 sq. metres (1,400 sq. ft.).

Industrial & Commercial Property Market

Industrial Land

The GTA industrial market with almost 700 million square feet of inventory (the third largest in North America) is favourably located to serve major Canadian and U.S. markets. Due to the close integration of the Canadian and American economies it is not surprising that the Canadian industrial sector has been mirroring trends in the U.S. industrial markets.

After robust growth in 1999 and 2000, the GTA industrial market began to slow. The automotive and high-tech manufacturing sectors were among the hardest hit by the economic slowdown in 2001. Almost three-quarters of the nation's high-tech software and hardware industry revenue is generated within a 10-km radius of the Highway 404-407 interchange. With such a high concentration of the electronics industry in one area, a slowdown in high-tech production can have an impact on industrial land and building activity.

Overall, 2002 had seen the GTA industrial property market begin to show signs of recovery as consumer spending has driven up retail sales and therefore increased manufacturer's shipments and orders. Despite the slowdown in the U.S. market, automotive related companies, manufacturers of plastics, metal and rubber products, and companies associated with the residential construction business remain key players in the industrial property market. However, contrary to this positive economic sign, the York industrial real estate sector has continued to face a number of challenges so far in 2003 as observed by its fluctuating vacancy rate. In the first half of 2003, the industrial real estate sector in York Region has displayed mixed signals due to continued economic difficulties in the United States, geopolitical instability (i.e. war with Iraq), and SARs which has resulted in still low but much improved overall capital spending (i.e. construction of new buildings) by businesses. At the mid point of 2003, industrial construction has increased by 103%, (to $134 million) over the mid point 2002 figure.

It is important to note, York Region's diverse industrial base and mix of large and small companies provide a degree of resilience to the uncertainty surrounding the Canadian and American economies enabling York Region to continue to attract employment growth in the first six months of 2003.

Industrial Buildings

Royal LePage tracks the industrial market for five of the nine municipalities in York Region including Aurora, Markham, Newmarket, Richmond Hill and Vaughan. According to Royal LePage, in the second quarter of 2003, the average lease rate for industrial buildings in these municipalities was $6.49 per square foot. By comparison, in the second quarter of 2002, the average lease rate was $6.43 per square foot (Figure 9). The market forces of location and product quality determine lease rates and sale prices. In York Region the industrial vacancy rate remained constant at 6.1% in June 2003 from the same vacancy rate of 6.1% recorded in June 2002. While the Region's overall industrial vacancy rate has remained constant over the course of the year the industrial vacancy rates for the individual municipalities has varied (Table 7) over this same time period.

It is important to note that while the high-tech market may have softened recently, it has influenced the kind of industrial product now being built. Today, industrial buildings are smaller with more office space, along with more parking and building features similar to that of commercial space.

York Region Industrial Land Prices
($'000 Per Acre) 2001-2003
(Table 6)

	2001	2002	2003
Aurora	$195-320	$195-320	n.a.
East Gwillimbury	$55-90	n.a.	n.a.
Georgina	$50-100	n.a.	n.a.
King	$60-120	n.a.	n.a.
Newmarket	$180-220	$180-220	n.a.
Markham	$350-500	$300-450	n.a.
Richmond Hill	$400-500	$400-500	n.a.
Vaughan	$400-500	$400-500	n.a.
Whitchurch-Stouffville	$110-250	n.a.	n.a.

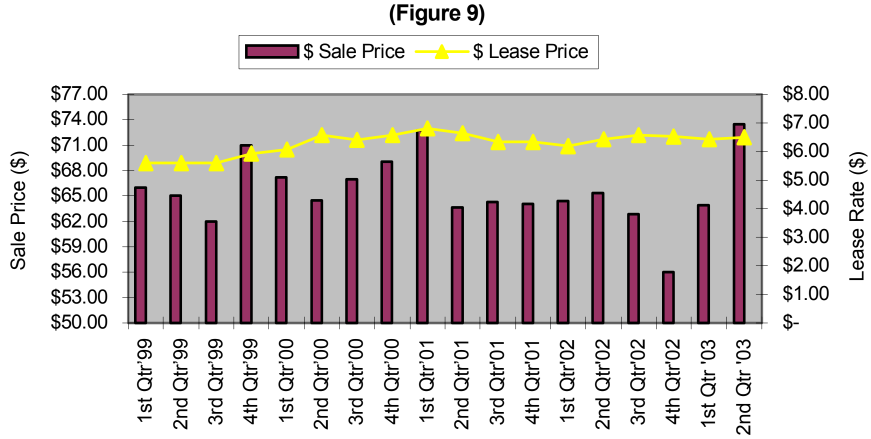
Source: Royal LePage, 2003
Based on 2-5 acre parcels zoned and serviced.

Vacancy Rates and Total Inventory of Industrial Buildings in York Region, 2002 and 2003 (Table 7)

	2nd Qtr 2002		3rd Qtr 2002		4th Qtr 2002		1st Qtr 2003		2nd Qtr 2003	
	Inventory	Vacancy Rate	Inventory	Vacancy Rate	Inventory	Vacancy Rate	Inventory	Vacancy Rate	Inventory	Vacancy Rate
Aurora	5,736,775	1.4%	5,803,644	4.8%	5,810,844	4.1%	5,833,654	3.6%	5,902,984	6.0%
Markham	32,554,217	5.8%	33,021,030	5.3%	33,312,831	5.9%	33,485,757	6.3%	33,597,270	6.0%
Newmarket	5,312,232	3.3%	5,390,501	3.9%	5,492,943	5.2%	5,601,607	3.5%	5,568,107	2.4%
Richmond Hill	11,050,641	11.5%	11,433,178	13.4%	11,378,478	10.6%	11,457,543	10.8%	11,275,462	8.0%
Vaughan	70,601,753	5.9%	72,070,975	3.3%	72,466,137	6.1%	72,687,721	5.7%	73,508,028	6.1%
Total (sq.ft.)	**125,255,618**	**6.1%**	**127,719,328**	**4.8%**	**128,461,233**	**6.3%**	**129,066,282**	**6.1%**	**129,851,851**	**6.1%**

Source: Royal LePage, Industrial Market Update, 2003

York Region Industrial Sale Price & Lease Rates ($/sq.ft.)
1999-2003
(Figure 9)



Note: North area includes Vaughan, Richmond Hill, Markham, Newmarket and Aurora.
Source: Royal LePage Suburban Industrial Research Department, June 2003

Commercial/Office Properties

According to reports by CB Richard Ellis Limited, “Canada’s office market is in the doldrums with no significant recovery in sight for at least the 12-18 months and any future recovery will require a sizeable increase in demand.” As a result of the continuing softening in demand for office space, vacancy rates across Canada have risen. A comparison of Canadian vacancy rates shows that the combined downtown and suburban office markets rose in mid 2003 to 13.6% up from 11.9% a year ago. “All markets showed an increase in vacancy rates with the Greater Toronto Area which represents nearly one-half the total Canadian market in terms of size showing a full two percentage point increase from 13.1% a year ago to 15.2% in mid 2003" (Table 8).

While it is anticipated that the Canadian office market will recover in late 2004, the timing and magnitude of the recovery is dependent upon several factors. First and foremost is the health of the U.S. economy. What happens in the U.S. impacts Canada. Many companies’ expansion and relocation plans in the past few years have been put on hold for the time being. Companies are continuing to delay major real estate decisions and opting for shorter-term leases, renewals and sublet opportunities.

Shadow space is another factor that will have an effect on the office market’s recovery according to Blake Hutcheson, President of CB Richard Ellis Limited. Shadow space, office space that is currently leased but is not being used by the tenant, either will come back on the market as sublet space or will not be renewed by tenants when their current leases are finished. “Either way until the shadow space is absorbed it will have an impact upon vacancy rates.”

Finally, companies will continue to effectively maximize the utilization of their office space. “Due to technology advances which brought about increased productivity, the average amount of space allocated per employee is now down to 210 square feet from 240 square feet a decade ago.” Subsequently this reduces a company’s demand for office space because they will not require as much space overall as they have had in the past.

The three office nodes in York Region tracked by CB Richard Ellis Limited had a vacancy rate between 11.8% and 23.8%. The Markham North and Richmond Hill office market had the highest vacancy rate of all suburban office markets (at 23.8%) due to the high concentration of high-tech firms located in this sub-market. In comparison, the vacancy rate for the Greater Toronto Area was 15.2% (Table 8). For the latter half of 2003 and the beginning of 2004, it is anticipated that the York office market will continue to see little, if no new construction and a small volume of deals, resulting from continued corporate downsizing and consolidation. The lease rates in York Region were between $11 and $17, with the lease rate for the GTA being $16.25 (Table 9).

Selected Office Market Vacancy Rates 2000-2003

(Table 8)

		2000				2001				2002				2003	
Office Nodes	2003 Inventory Total	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**	**1st Qtr**	**2nd Qtr**
Markham North & Richmond Hill	6,785,529	2.8%	3.0%	5.7%	7.1%	9.7%	10.2%	14.6%	16.5%	22.3%	21.5%	20.5%	20.7%	24.4%	23.8%
Steeles Woodbine	2,721,434	2.7%	2.1%	4.8%	4.6%	5.6%	5.1%	5.8%	10.2%	14.1%	13.5%	13.8%	16.7%	13.6%	13.6%
Vaughan	1,288,847	5.2%	3.8%	4.4%	5.2%	6.8%	12.8%	12.0%	6.0%	11.2%	10.1%	8.6%	9.2%	12%	11.8%
GTA Total/Average	**138,055,240**	**8.9%**	**7.2%**	**7.3%**	**7.4%**	**8.0%**	**9.1%**	**10.3%**	**11.3%**	**12.4%**	**13.3%**	**13.2%**	**13.7%**	**14.5%**	**15.2%**

Source: CB Richard Ellis Market Index Briefs, Including 2nd Quarter, 2003.

Selected GTA Office Market Lease Rates ($/sq.ft.) 2000-2003

(Table 9)

		2000				2001				2002				2003	
Office Nodes	2003 Inventory Total	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**	**1st Qtr**	**2nd Qtr**	**3rd Qtr**	**4th Qtr**	**1st Qtr**	**2nd Qtr**
Markham North & Richmond Hill	6,785,529	$14.10	$14.04	$17.32	$17.53	$17.94	$15.82	$13.21	$16.31	$17.27	$17.04	$15.13	$16.90	$17.22	$17.05
Steeles Woodbine	2,721,434	$12.52	$11.63	$13.00	$15.00	$14.82	$12.11	$12.50	$12.08	$12.20	$11.89	$10.03	$12.11	$12.31	$11.22
Vaughan	1,288,847	$14.36	$13.25	$10.73	$15.41	$15.07	$13.11	$12.35	$11.62	$13.15	$12.71	$12.16	$12.56	$13.15	$13.15
GTA Total/Average	**138,055,240**	**$18.00**	**$16.59**	**$16.70**	**$18.06**	**$19.32**	**$18.29**	**$17.04**	**$17.01**	**$17.01**	**$18.51**	**$16.96**	**$16.78**	**$16.49**	**$16.25**

Source: CB Richard Ellis Market Index Briefs, Including 2nd Quarter, 2003.

3. Building Activities

Building Permits

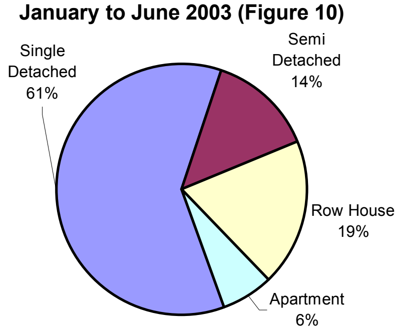
Building permit activity is a standard indicator of local investment and economic performance. Analysis of the Region's building permit activity for the first half of 2003 suggests that from January to June 2003, York Region has experienced decreased activity in the residential construction sector. However, ICI (industrial commercial, and institutional construction) was stronger in the first six months of 2003 compared to the same time period in 2002 despite a slowing Canadian economy and the fact that business decision-makers are still maintaining a "wait and see" attitude towards new construction in light of the uncertain economic situation south of the border.

Number of Permits Issued for New Residential Units in York Region January to June 2002 & 2003 (Table 11)

Municipality	Jan - June 2002	Jan - June 2003	% Change
Aurora	212	344	62%
East Gwillimbury	46	17	-63%
Georgina	249	117	-53%
King	34	136	300%
Markham	1,542	1,721	12%
Newmarket	197	315	60%
Richmond Hill	1,249	1,031	-17%
Vaughan	2,329	1,190	-49%
Whitchurch-Stouffville	106	102	-4%
York Region Total	**5,964**	**4,973**	**-17%**

Source: Area Municipal Building Permit Reports, Statistics Canada Building Permits Publication, 2003

York Region Building Permit Mix January to June 2003 (Figure 10)



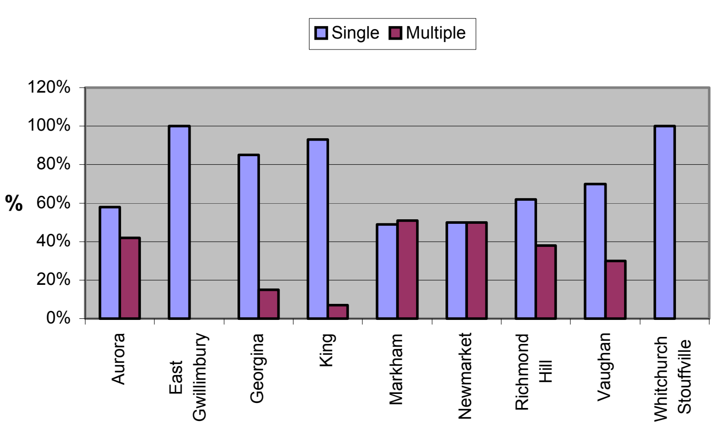
Source: York Region Planning and Development Services, 2003 and Area Municipal Building Permits Reports, 2003

In the first six months of 2003, there was a moderation in the number of new homes constructed in York Region. In the first half of 2003 building permits were issued for 4,973 new residential units in York Region (Table 10). This figure represents a 17% decrease from the 5,964 residential units with permits that were issued during the same period in 2002. It must be remembered that the Regional Official Plan calls for the production of an average of 8,000 housing units annually. In the last several years the number of residential building permits issues have been well above that target therefore this decrease in permits should not be viewed as negative.

The municipalities of Vaughan, Markham and Richmond Hill accounted for 80% of the total residential building permit activity from January to June 2003. A majority of the building permits issued for new residential units were for single detached units. These made up 61% of the total, while 14% were for semi-detached units, 19% were for row house units and 6% were for apartments (Figure 10).

A mix of dwelling types was recorded in the nine area municipalities. Single detached units accounted for as much as 100% of the new residential building permits issued in East Gwillimbury, and Whitchurch-Stouffville and as little as 49% of the new residential building permits issued in Markham (Figure 11).

York Region Building Permit Mix January to June 2003 (Figure 11)



Source: York Region Planning and Development Services Department, 2003

Building Permits in the GTA

Building permits were issued for approximately 23,600 new residential units in the GTA during the first six months of 2003. York Region's share of the permits accounted for 21% of all the building permits issued for new residential units in the GTA. Durham Region issued 12%, the Region of Halton issued 12%, the Region of Peel issued 31%, and the City of Toronto issued 24% (Figure 12).

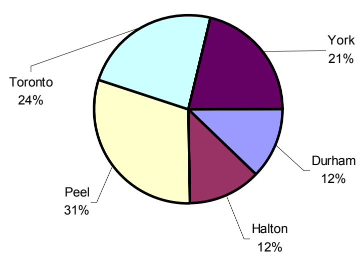
When comparing the number of permits issued for new residential units across the whole of Canada, York Region ranked in the top 6 (Table 11). It is important to note that cities across Canada are organized in different ways. This list includes cities, regions and regional districts as defined locally.

Comparative Residential Building Permit Figures Across Canada January to June 2003 (Table 11)

Rank	Municipality	# of Permits
1	City of Calgary	7,957
2	Peel Region	7,177
3	Greater Vancouver Regional District	6,844
4	City of Edmonton	6,364
5	City of Toronto	5,677
6	**York Region**	**4,973**
7	City of Montreal	4,512
8	City of Ottawa	3,277
9	Halton Region	2,945
10	Durham Region	2,689

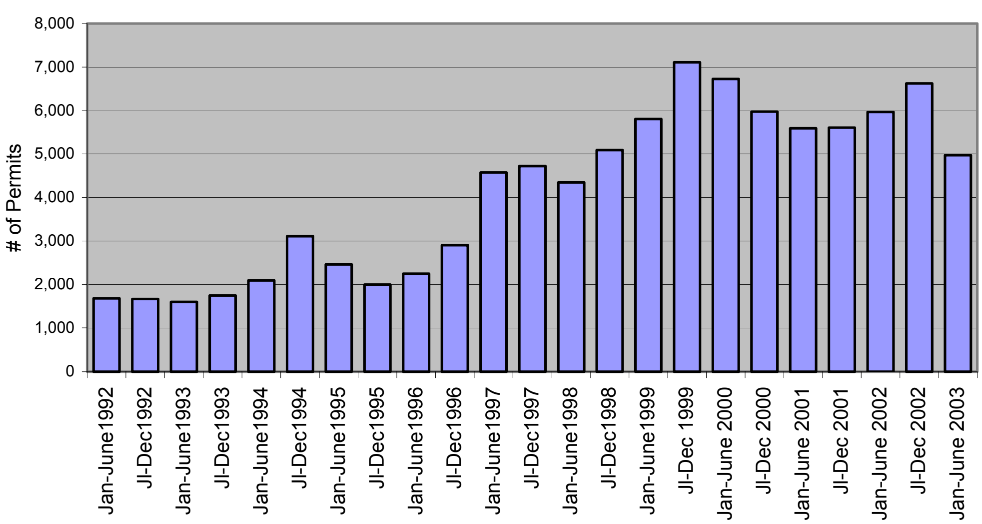
Note: List includes cities, Regions and Regional Districts as defined locally.
Source: Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2003

York Region's Share of GTA Building Activity January to June 2003 (Figure 12)



Source: Statistics Canada Table 32.2 (unpublished), 2003.

Number of Residential Units with Building Permits Issued in York Region 1993-2003 (Figure 13)



Source: York Region Planning and Development Services Department, 2003

Construction Value

The total estimated construction value for York Region in the first half of 2003 was $1.2 billion. This value was equivalent to the value recorded during the same period in 2002 ($1.2 billion). The largest percentage increases in construction value were King 199% ($27.3 million), Aurora 117% ($32.7 million), Newmarket 103% ($36.6 million) and East Gwillimbury 21% ($2.4 million) (Table 12).

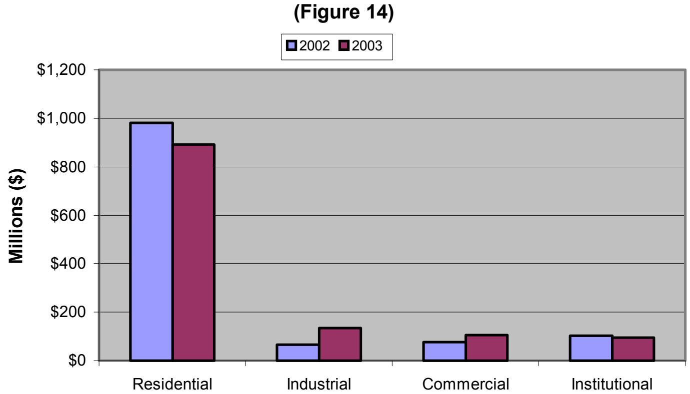
Although the residential construction sector experienced a decline in construction value (9%) from the same time period last year, the value of non-residential construction permits rebounded from a difficult 2002. Due to increased demand for commercial (retail) and industrial floor space, the value of ICI construction increased to $335 million for the time period January to June, an increase of 37% from the same time period last year (Table 13). Most notably the value of industrial permits ($134 million) experienced a 103% increase in value followed by commercial construction permits that increased in value by 39% from the same time period in 2002.

York Region Esimated Value of Total Construction in York Region January to June 2002-2003 (Table 12)

Municipality	2002($'000)	2003 ($000's)	% Change
Aurora	$27,868	$60,595	117%
East Gwillimbury	$11,564	$13,978	21%
Georgina	$28,809	$16,034	-44%
King	$13,730	$41,063	199%
Markham	$294,887	$331,798	13%
Newmarket	$35,654	$72,257	103%
Richmond Hill	$248,014	$231,749	-7%
Vaughan	$533,738	$435,189	-18%
Whitchurch-Stouffville	$29,640	$24,701	-17%
York Region Total	**$1,223,904**	**$1,227,364**	**0%**

Source: York Region Planning and Development Services Department and Area Municipal Building Permit Reports, 2003

Estimated Construction Values by Building Type in York Region January to June 2002 & 2003 (Figure 14)



Source: Area Municipal Building Permit Reports, 2003

Estimated Value of Construction Janaury to June 2002-2003 ($000's)* (Table 13)

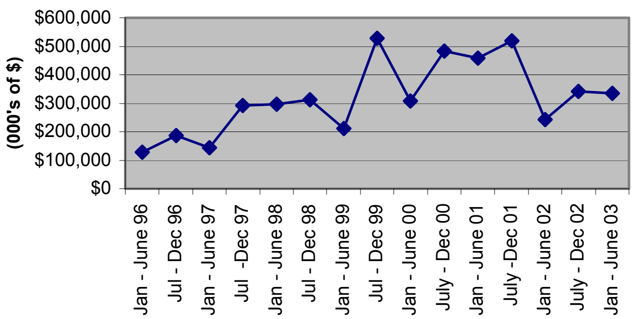
	Residential		Industrial**		Commercial		Institutional		Total	
Municipality	**2002**	**2003**	**2002**	**2003**	**2002**	**2003**	**2002**	**2003**	**2002**	**2003**
Aurora	$25,906	$48,055	$165	$1,178	$1,767	$10,772	$30	$690	$27,868	$60,695
East Gwillimbury	$10,443	$5,869	$100	1,626	$1,016	$6,374	$5	$109	$11,564	$13,978
Georgina	$28,266	$13,146	$65	2,318	$278	$450	$200	$120	$28,809	$16,034
King	$11,416	$36,128	$506	$3,314	$1,675	$1,586	$63	$35	$13,730	$41,063
Markham	$266,165	$283,458	$10,707	9,964	$9,068	$19,672	$8,947	$18,704	$294,887	$331,798
Newmarket	$22,265	$36,751	$2,882	13440	$3,928	$12,302	$6,580	$9,764	$35,654	$72,257
Richmond Hill	$198,836	$192,829	$1,792	$9,367	$16,918	$11,083	$30,467	$18,470	$248,014	$231,749
Vaughan	$396,819	$254,665	$48,332	$91,123	$36,251	$43,534	$52,335	$45,867	$533,738	$435,189
Whitchurch-Stouffville	$20,074	$21,534	$1,442	$1,916	$5,028	$472	$3,095	$779	$29,640	$24,701
York Region Total	**$980,190**	**$892,435**	**$65,991**	**$134,246**	**$75,929**	**$106,245**	**$101,722**	**$94,538**	**$1,223,904**	**$1,227,464**

Construction Value

The total estimated value of institutional construction in York Region in the first half of 2003 was $95 million, a 7% decrease over the same time period in 2002. Nonetheless, as Table 14 indicates many of the major construction projects for the first six months of 2003 were for new schools (secondary and elementary schools), community recreation facilities, libraries, places of worship and long-term care facilities.

Traditionally, building activity in York Region has been dominated by the residential sector, but recent building permit reports (with the exception of 2002) demonstrate a more balanced distribution of building activity in York Region. For example, in 2000, 71% of the total construction value in York Region was generated from residential construction. By comparison, in 2001, only 66% of the total construction value in York Region was generated by residential construction. In 2002, the strength of the residential construction sector in combination with a noticeable decline in the industrial commercial and institutional construction resulted in 78% of the total construction value in York being residential. In the first half of 2003, a pause in the pace of residential construction has allowed the Region's building permits to once again have a more balanced distribution between the residential and non-residential construction sectors. In the first half of 2003, 73% of the total construction value in York Region was generated from residential construction.

Non-Residential Building Permit Values by Six Month Period, York Region, 1996-2003 (Figure 15)



Source: York Region Planning and Development Services Department, 2003

It is important to note that the value of industrial, commercial and institutional (ICI) construction in York Region increased steadily over the years (Figure 15) to 2001.

Building Permits with the Highest Construction Values in York Region Janaury to June 2003 (Table 14)

	Project	Value ($000s)	Use	Municipality	Date
1	New Residential Apartment Bldg	$23,525.00	Residential	Markham	February 2003
2	New Residential Apartment Bldg	$23,519.00	Residential	Richmond Hill	January 2003
3	New Office Building	$18,766.02	Commercial	Vaughan	January 2003
4	New Government Building	$17,570.00	Institutional	Richmond Hill	June 2003
5	New Single Use (Industrial)	$17,457.55	Manf-Industrial	Vaughan	April 2003
6	New Nursing/Retirement Home	$12,985.00	Institutional	Vaughan	June 2003
7	New Warehouse Building	$9,000.00	Manf-Industrial	Newmarket	April 2003
8	New Elementary School	$7,743.00	Institutional	Markham	June 2003
9	New Elementary School	$7,743.00	Institutional	Markham	June 2003
10	New Elementary School	$7,524.00	Institutional	Vaughan	January 2003
11	New Elementary School	$7,524.00	Institutional	Vaughan	January 2003
12	New Industrial Building	$7,143.00	Manf-Industrial	Vaughan	February 2003
13	New Elementary School	$6,000.00	Institutional	Newmarket	April 2003
14	New Nursing/Retirement Home	$6,000.00	Institutional	Aurora	June 2003
15	Canadian Tire Store Renovation	$5,874.00	Commercial	Markham	January 2003
16	New Recreation Facility	$5,022.02	Commercial	Vaughan	March 2003
17	New Industrial Building	$4,779.66	Manf-Industrial	Vaughan	April 2003
18	City of Vaughan Library	$4,599.00	Institutional	Vaughan	May 2003
19	New Church/Temple/Mosque	$4,487.00	Institutional	Vaughan	June 2003
20	New Industrial Building	$4,352.00	Manf-Industrial	Vaughan	June 2003
21	New Home Depot Store	$4,275.00	Commercial	Aurora	March 2003
22	First Pro Shopping Centre	$4,096.33	Commercial	Vaughan	April 2003
23	New Church/Temple/Mosque	$4,001.00	Institutional	Vaughan	June 2003
24	New Industrial Building	$3,728.00	Manf-Industrial	Vaughan	June 2003
25	New Industrial Building	$3,674.37	Manf-Industrial	Vaughan	April 2003

Source: Area Municipal Building Permits, January to June 2003

Construction Activity - National Comparisons

To help gauge the level of construction activity in York Region, a comparison of the construction values for the top ten municipalities throughout Canada was conducted. For residential activity, York Region ranked fourth with approximately $892 million of residential construction (Table 15).

When the values of all types of construction activity are combined York is ranked fifth in the country with $1.2 billion (Table 16). The total value of York Region's industrial, commercial and institutional construction (ICI) accounted for 27% of total construction value in York Region in the first six months of 2003. When compared to other municipalities across Canada York Region's ICI value in the first six months of 2003 places York Region sixth in the country (Table 17).

Cross Canada Comparisons January to June 2003: Values of Residential Construction ($000s) (Table 15)

Rank	Municipality	Residential Value
1	Peel Region	$1,325,430
2	Greater Vancouver Regional District	$1,269,259
3	City of Calgary	$999,263
4	**York Region**	**$892,435**
5	City of Toronto	$759,024
6	City of Edmonton	$614,352
7	Halton Region	$511,622
8	City of Ottawa	$487,058
9	Durham Regional	$470,196
10	City of Montreal	$454,210

Source: Area Municipal Building Permit Reports, Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2003

Cross Canada Comparisons January to June 2003: Values of Total Construction ($000s) (Table 16)

Rank	Municipality	Total Value
1	Peel Region	$1,813,871
2	Greater Vancouver Regional District	$1,686,206
3	City of Toronto	$1,653,974
4	City of Calgary	$1,642,744
5	**York Region**	**$1,227,464**
6	City of Montreal	$1,071,307
7	City of Edmonton	$893,343
8	City of Ottawa	$819,111
9	Halton Region	$777,271
10	Durham Region	$684,372

Source: Area Municipal Building Permit Reports, Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2003

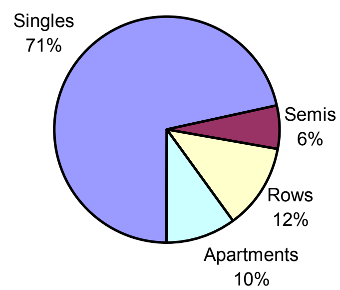
Cross Canada Comparisons 2002: Values of ICI Construction ($000's) (Table 17)

Rank	Municipality	Industrial	Commercial	Institutional	Total
1	City of Toronto	$177,058	$429,722	$288,170	$894,950
2	City of Calgary	$74,165	$330,301	$239,015	$643,481
3	City of Montreal	$49,336	$349,531	$218,230	$617,097
4	Peel Region	$152,383	$180,722	$155,336	$488,441
5	Greater Vancouver Regional District	$38,828	$264,268	$113,851	$416,947
6	**York Region**	**$134,246**	**$106,245**	**$94,538**	**$335,029**
7	City Ottawa	$13,370	$237,776	$80,907	$332,053
8	City of Edmonton	$33,266	$177,075	$68,650	$278,991
9	City of Hamilton	$29,434	$31,009	$206,162	$266,605
10	Halton Region	$63,373	$85,974	$116,302	$265,649

Source: Area Municipal Building Permit Reports, Statistics Canada Building Permit Reports and Table 32.2 (unpublished), 2003

Housing Starts

Mix of Housing Starts in York Region January to June 2003 (Figure 16)



Source: Canadian Mortgage and Housing Corporation, 2003

Housing starts in the first six months of 2003 were lower than they were for the same time period in 2002. A total of 4,440 housing units were started in York Region in the first half of 2003 (Table 18). By comparison, a total of 6,066 houses were started in the first half of 2002. Based on this 27% decrease in the housing starts figure, we will follow this observation carefully to see if the new housing market is returning to a more modest pace of production after several years of a record number of starts. It must be remembered, that the Regional Official Plan calls for the production of an average of 8,000 housing units annually and in the last several years housing starts have been well above that target. With 4,440 residential units started in the first half of 2003, the housing market is on a pace that would see over 8,000 new units of housing created by December, still above the target set forth in the Regional Official Plan.

Housing Starts by Municipality in York Region, January to June 2002 & 2003 (Table 18)

Municipality	2002	2003		2002	2003		2002	2003
Aurora			**Markham**			**Vaughan**		
Singles	142	200	Singles	1,385	1,142	Singles	1,339	849
Semis	8	6	Semis	224	132	Semis	202	96
Rows	12	49	Rows	258	120	Rows	405	127
Apts.	0	0	Apts.	115	126	Apts.	86	97
Total	**162**	**255**	**Total**	**1,982**	**1,520**	**Total**	**2,032**	**1,169**
East Gwillimbury			**Newmarket**			**Whitchurch-Stouffville**		
Singles	43	5	Singles	124	125	Singles	80	94
Semis	0	0	Semis	74	34	Semis	0	0
Rows	0	0	Rows	67	15	Rows	0	0
Apts.	0	0	Apts.	0	0	Apts.	0	0
Total	**43**	**5**	**Total**	**265**	**174**	**Total**	**80**	**94**
Georgina			**Richmond Hill**			**York Region**		
Singles	133	70	Singles	571	586	Singles	3,847	3,150
Semis	28	14	Semis	90	0	Semis	626	284
Rows	26	31	Rows	216	194	Rows	984	550
Apts.	0	0	Apts.	408	233	Apts.	609	456
Total	**187**	**115**	**Total**	**1,285**	**1,013**	**Total**	**6,066**	**4,440**
King								
Singles	30	79						
Semis	0	2						
Rows	0	14						
Apts.	0	0						
Total	**30**	**95**						

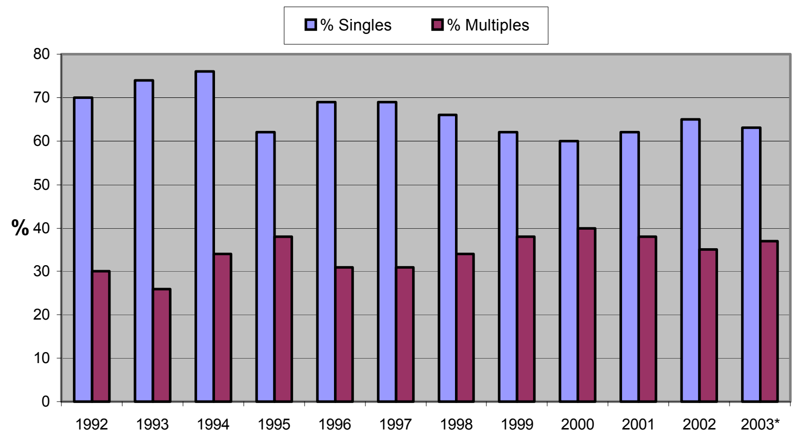
Source: York Region Planning and Development Services Department, 2003

Housing Completions

Housing completions, which represent the end of the construction cycle, decreased by 18% in the first half of 2003. In total, 4,959 houses were completed in York Region during the first half of 2003 (Table 19). The lower housing completion number is a direct fallout of a lower volume of housing starts in the second half of 2002. York Region's housing completions accounted for 24% of the total completions in the GTA for the first half of 2003, a decrease of 5% from the same time period last year.

In the first six months of 2003, 3,114 (63%) of the housing units completed were single family detached units, 420 (8%) were semi-detached units, 976 (20%) were row house units and 449 (9%) were apartments (Figure 17).

York Region Residential Completion History (1992-2003) (Figure 17)



Source: Canadian Mortgage and Housing Corporation, 2003
Note: 2003* data is only for a half year of completions.

Housing Completions by Municipality in York Region, January to June 2002 & 2003 (Table 19)

Municipality	2002	2003
Aurora		
Singles	130	67
Semis	46	0
Rows	28	23
Apts.	0	0
Total	**204**	**90**
East Gwillimbury		
Singles	27	18
Semis	0	0
Rows	0	0
Apts.	0	0
Total	**27**	**18**
Georgina		
Singles	191	79
Semis	12	14
Rows	50	23
Apts.	0	0
Total	**253**	**116**
King		
Singles	20	48
Semis	0	0
Rows	0	9
Apts.	0	0
Total	**26**	**57**

	2002	2003
Markham		
Singles	1,231	1,095
Semis	366	134
Rows	206	336
Apts.	0	0
Total	**1,803**	**1,565**
Newmarket		
Singles	128	102
Semis	42	26
Rows	90	129
Apts.	0	0
Total	**260**	**257**
Richmond Hill		
Singles	616	444
Semis	94	30
Rows	168	243
Apts.	377	408
Total	**1,255**	**1,125**

	2002	2003
Vaughan		
Singles	1,356	1,226
Semis	244	216
Rows	281	213
Apts.	258	41
Total	**2,139**	**1,696**
Whitchurch-Stouffville		
Singles	78	35
Semis	0	0
Rows	0	0
Apts.	0	0
Total	**78**	**35**
York Region		
Singles	3,783	3,114
Semis	804	420
Rows	823	976
Apts.	635	449
Total	**6,045**	**4,959**

Source: Canada Mortgage and Housing Corporation - Local Housing Market Report 2002, 2003

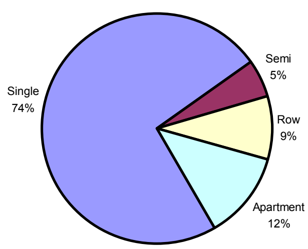
Percentage of Dwellings by Structural Type in York Region (Table 20)

Municipality	% Singles	% Multiples
Aurora	68%	32%
East Gwillimbury	91%	9%
Georgina	85%	15%
King	94%	6%
Markham	75%	25%
Newmarket	65%	35%
Richmond Hill	66%	34%
Vaughan	75%	25%
Whitchurch - Stouffville	85%	15%
York Region Total	**74%**	**26%**

Source: York Region Planning and Development Services Department, 2002

Multiples: includes semis, rows and apartments.

York Region Mix of Housing Stock 2002 (Figure 18)



Source: York Region Planning and Development Services, 2002.

Diversity of Housing Supply

As outlined in the Region's Housing Supply Strategy, one of York Region's key goals is to encourage the further diversification of the housing stock to ensure that the needs of the Region's workers and residents are met. Although the Region's housing stock is composed primarily of single detached dwellings, the stock is becoming increasingly diversified over time.

In the last ten years, for example, the supply of single detached homes has fallen from 80% of the total housing stock to 74%. This figure varies considerably across the area municipalities from a high of 94% in King to a low of 65% in Newmarket (Table 20).

As the percentage of single detached units has decreased, more housing choice is available to the residents of York Region. As of December 31, 2002, 26% of the stock in York Region was made up of multiple-dwelling units, of which 5% were semi-detached, 9% were row houses and 12% were apartment units (Figure 18).

York Region Residential Building Permit Activity January to June 2002 & 2003 (Table 21)

	2002	2003
New Residential Permits	5,964	4,973
Housing Starts	6,066	4,440
Housing Completions	6,045	4,959

Source: York Region Planning and Development Services Department, 2002 & 2003

4. Appendices

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Human Resources Development Canada
    Labour Market Information Unit
Town of Markham Economic Development Department
Town of Richmond Hill Economic and Development Department
City of Vaughan Economic and Development Department
York Region Community and Housing Services Department
York Region Planning and Development Services Department

2 Property Market

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Town of East Gwillimbury Building Department
Town of Georgina Building Department
Township of King Building Department
Town of Markham Building Department
Town of Newmarket Building Department
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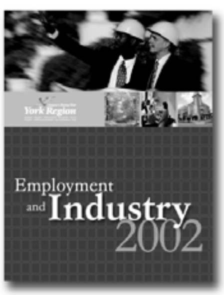

Employment and Industry 2002

Want to know where and what type of job growth is occurring in York Region? Employment and Industry 2002 is an annual report highlighting employment growth trends by industry sector and by area municipality. Detailed employment analysis is also provided for high growth areas within each area municipality, highlighting changing employment patterns and emerging industry sectors at the local level.

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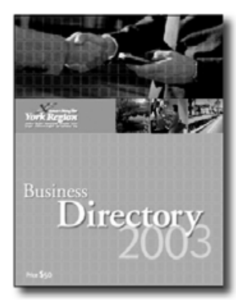
Trying to contact local businesses? The York Region Business Directory is an important resource for anyone trying to contact employers, providing business size, address and contact information on thousands of businesses in York Region. The directory is available in three convenient formats: in printed form, as an electronic database suitable for mailing lists or online at www.region.york.on.ca/nr/busdir.



Vacant Employment Land Inventory 2002

Wondering where future employment growth is going to occur? The Vacant Employment Land Inventory illustrates that York Region has over 2,600 net hectares of employment land available in a wide array of locations suitable for industrial and commercial development. Information is available by area municipality and by planning approval status.

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