

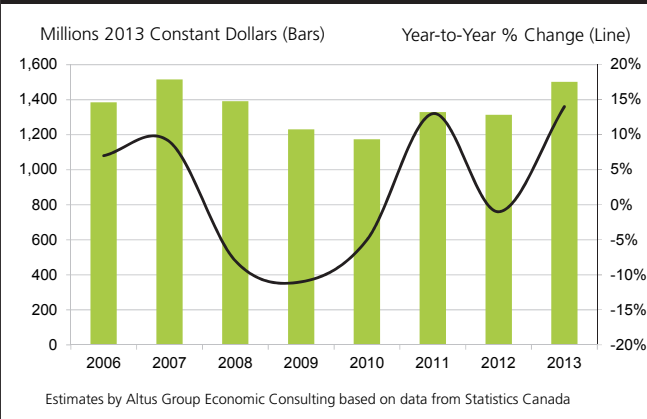
Manufactured Building Conditions

The Canadian Manufactured Housing Institute (CMHI) conducts a survey of producers of factory-built homes called the *CMHI Manufactured Building Survey*. Altus Group Economic Consulting analyses the data produced from the CMHI Survey and provides information as to the evolving position of manufactured buildings within the Canadian construction sector.

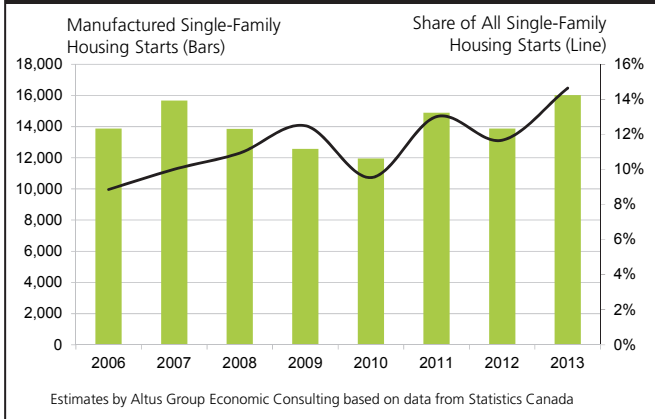
Highlights from 2013:

- In 2013, the value of manufactured building production in Canada (residential and non-residential combined) was almost \$1.5 billion, up 14% from 2012, and back on par with 2007
- Some 16,020 factory-built single-family homes were started in 2013, up about 15% from 2012 and accounting for 14% of all single-family housing starts in Canada in 2013
- Manufactured building activity helps support nearly 28,000 full-time equivalent jobs across the country and generates some \$623 million annually in federal and provincial taxes
- Manufactured building activity generated more than \$5 billion in economic activity, an increase of almost 17% over 2012

**Manufactured Building Production
Canada, 2006-2013**



**Manufactured Building Residential Starts*
Canada, 2006-2013**

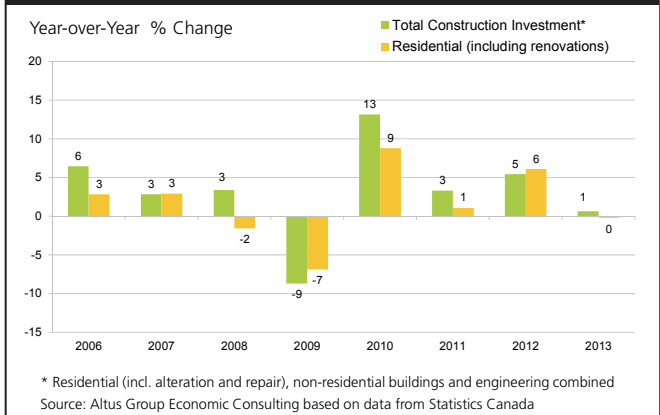


NATIONAL INDUSTRY INDICATORS

Construction Industry

After a pickup in spending in 2012, residential construction investment was unchanged in 2013. Total construction spending registered a small increase as both non-residential building and engineering investment rose. A healthy national housing market (buoyed by years of strong international net migration), accommodative interest rates and improving economic growth prospects should continue driving investment in residential construction.

Annual Construction Investment by Sector, Canada, 2006-2013



Exports of Manufactured Buildings

The trade balance for manufactured buildings recorded its fourth annual deficit in 2013, due to sizeable imports in Alberta, which has accounted for around half of all imports of manufactured buildings over the past three years. British Columbia and Quebec were the only regions to record a trade surplus in 2013, thanks to their ready supply of lumber. A depreciated Canadian dollar, which has declined 8.5% since the end of 2012, and an improving economic outlook in the United States, should help boost exports.

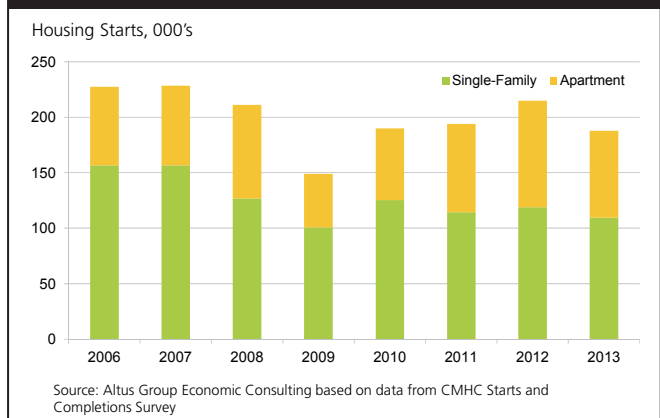
International Trade, Manufactured Buildings, Canada, 2011-2013



Housing Industry Overview

Canada Mortgage and Housing Corporation (CMHC) publishes data on housing starts (including both site-built and factory-built homes). Overall, housing starts in Canada totaled 187,923 units in 2013, a 12.5% decrease from the previous year. Most of this decline is attributable to the 18% fall in apartment (multi-family) construction. Single-family housing starts (including single-detached, semi-detached and row house units) decreased by some 8% in 2013.

Annual Housing Starts by Type, Canada, 2006-2013



SURVEY RESULTS

CMHI Manufactured Building Survey Summary Statistics, Survey Respondents, 2013

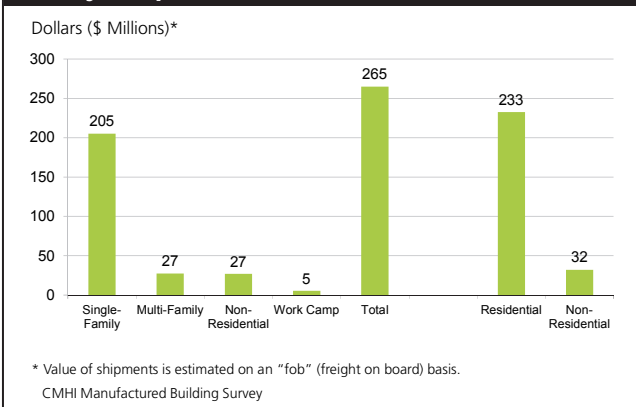
Type of Unit	Units	Square Feet (000s)	Value \$ (millions)	Value \$ (per sf)
Single-family homes	1,766	1,462	130.6	89.3
Multi-family homes	295	216	15.6	72.3
Non-residential	na	709	78.5	110.7
Other residential components ¹	0	0	0	na
Work camp production	na	536	62.6	116.7
Residential	2,061	1,678	146.2	87.1
Non-Residential	na	1,245	141	113.3
Total Production²	2,061	2,923	287.3	98.3

¹ Other residential components include second-storey additions, wall panels, individual rooms used as additions to existing dwellings, etc.

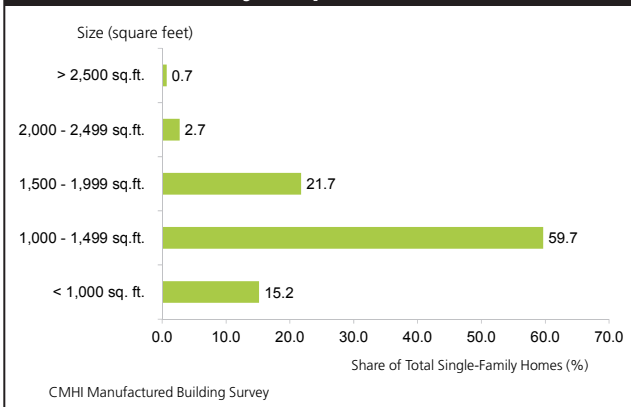
² Production refers to units that are produced in the factory and shipped to destinations in Canada and the United States. Value of shipments is estimated on an "fob" (freight on board) basis.

Source: Altus Group Economic Consulting based on data from the *CMHI Manufactured Building Survey*

Value of Factory Shipments by Product Type, Survey Respondents, 2013



Distribution of Single-Family Homes by Total Home Size, Survey Respondents, 2013



CMHI Manufactured Building Survey

The *CMHI Manufactured Building Survey* is a survey that collects data from producers of manufactured buildings relating to production volumes. Manufacturers are certified to Canadian Standards Association (CSA) standards. Approximately 138 firms in Canada are identified as CSA-certified builders of factory-constructed buildings and structures. In 2013, 15 firms participated in the *CMHI Manufactured Building Survey*, representing an effective response rate* of 11.4%.

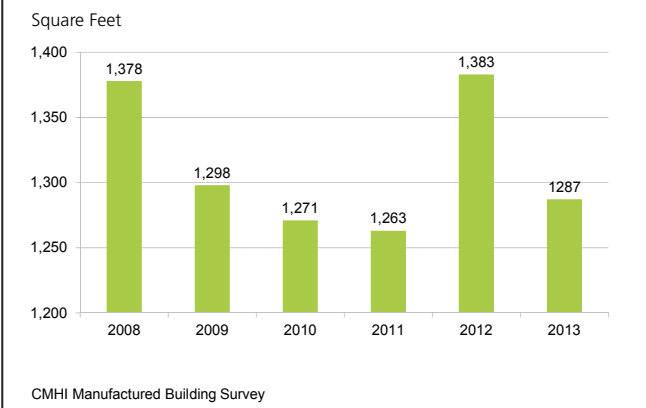
If you are interested in participating in the *CMHI Manufactured Building Survey*, please contact:

Canadian Manufactured Housing Institute
150 Laurier Avenue West, Suite 500, Ottawa, ON, Canada, K1P 5J4
T: (613) 563-3520 F: (613) 232-8600 E: cmhi@cmhi.ca

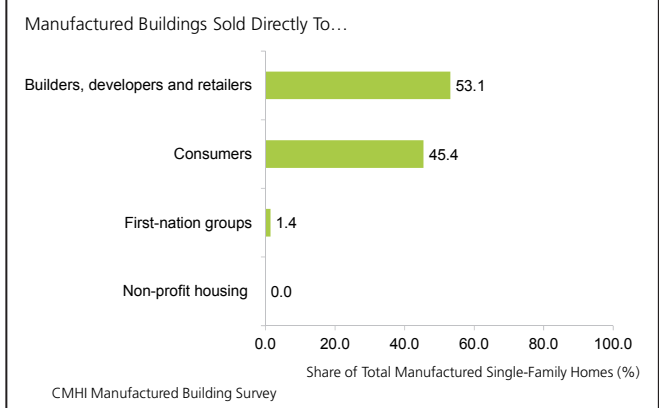
* Share of survey respondents' production of single-family homes to estimated total production in Canada and imports (16,020 homes).

SURVEY RESULTS

Single-Family Average Square Feet Per Unit, Survey Respondents, 2008-2013



Distribution of Manufactured Building Sales, Single-Family, Survey Respondents, 2013



Estimate of Total Manufactured Building Production, Canada, by Region, 2013

Type of Unit	Atlantic Canada	Quebec & Ontario	Western Canada	Total
<i>Units</i>				
Survey Respondents				
Single-Family Single Section	433	485	204	1,122
Single-Family Multi Section	303	245	8	556
Multi-Family	84	53	151	288
Estimate of Other Producers				
Associations	-	-	2,489	2,489
Other Producers and Types of Units	-	6,276	7,287	13,563
Total	820	7,059	10,139	18,018

Source: Altus Group Economic Consulting based on data from the CMHI Manufactured Building Survey, Statistics Canada, The Manufactured Housing Association of British Columbia and the Modular Housing Association - Prairie Provinces

MANUFACTURED BUILDING SURVEY

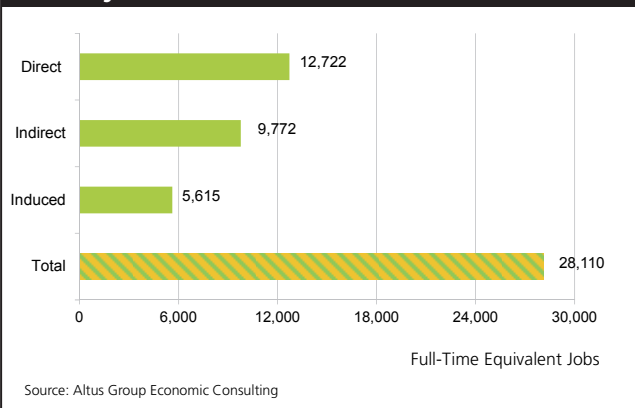
2013 ANNUAL REPORT - NATIONAL ECONOMIC BENEFITS

OCTOBER 2014

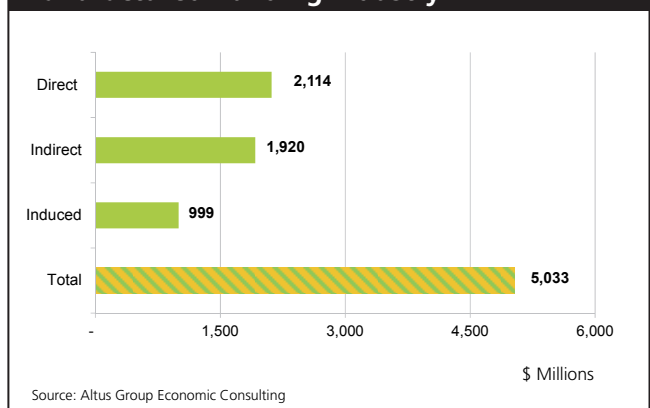
The manufactured building industry generates tremendous economic benefits, in the form of employment, wages, government taxes, etc., to the Canadian economy. In 2013, manufactured building production, installation and other related activities generated more than \$5 billion in economic activity, helping to support nearly 28,000 full-time equivalent jobs in Canada. The industry was also responsible for generating some \$623 million in federal and provincial taxes. The industry is clearly a vital component of the Canadian economy.

The *CMHI Manufactured Building Survey* collects data from producers of manufactured buildings. Manufacturers are certified to Canadian Standards Association (CSA) standards. Approximately 138 firms in Canada, the U.S. and China are identified as certified builders of factory-constructed buildings and structures under the CSA A277 Standard.

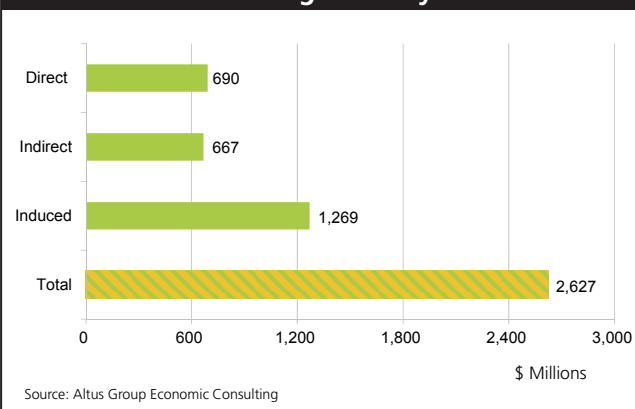
Jobs Supported By the Manufactured Building Industry



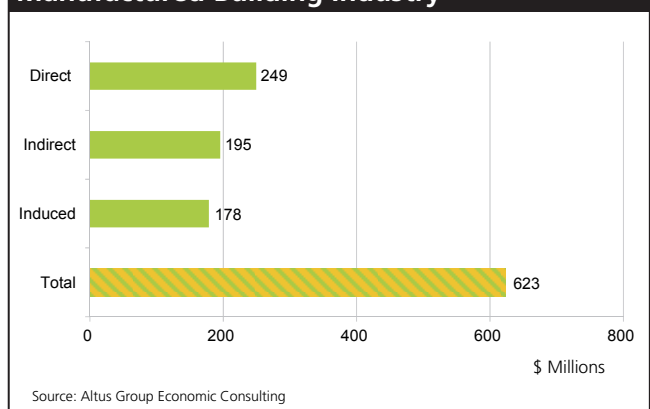
Economic Activity Generated by the Manufactured Building Industry



Wages and Business Profits Generated by the Manufactured Building Industry



Federal and Provincial Taxes Generated by the Manufactured Building Industry

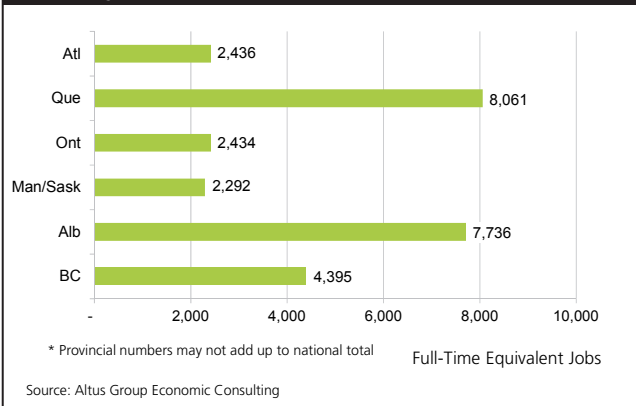


MANUFACTURED BUILDING SURVEY

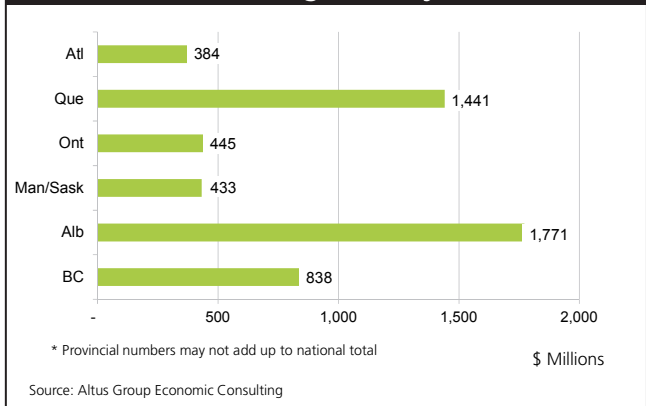
2013 ANNUAL REPORT - REGIONAL ECONOMIC BENEFITS

OCTOBER 2014

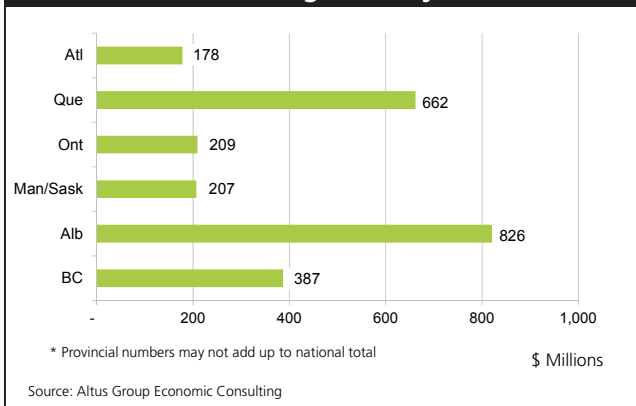
Jobs Supported By the Manufactured Building Industry



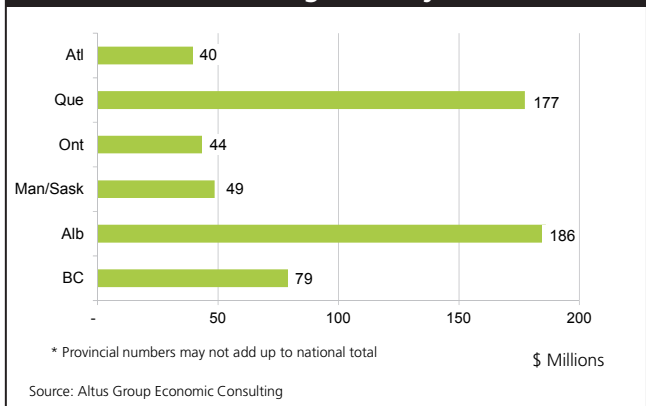
Economic Activity Generated by the Manufactured Building Industry



Wages and Business Profits Generated by the Manufactured Building Industry



Federal and Provincial Taxes Generated by the Manufactured Building Industry



Regional economic impact refers to the impact to the national economy stemming from activity within a given province or region and includes three rounds:

Direct – jobs and economic activity related directly to the day-to-day operations of the industry

Indirect – jobs and economic activity connected to the supply chain supporting the industry

Induced – jobs and economic activity supported by spending of income from the first two rounds

- **Economic activity** of the manufactured building industry includes the activity stemming from the manufacturing, installation, and transportation of manufactured buildings
- **Jobs** refers to full-time equivalent person years of employment