

Stack



CENTRAL MORTGAGE AND HOUSING CORPORATION

1960

A N N U A L
R E P O R T

PURVIS HALL
LIBRARIES

MAR 29 1961

McGILL UNIVERSITY



ANNUAL REPORT

CENTRAL MORTGAGE AND HOUSING CORPORATION

1 9 6 0

1 9 6 0

IN BRIEF OUTLINE

New housing starts totalled 108,858, less than in 1959 when starts numbered 141,345.

Construction was completed on 123,757 dwellings, a decline from 1959 when 145,671 units were completed.

Construction on 65,773 dwellings was carried over into 1961.

Expenditures on new residential construction totalled \$1,489 million compared with \$1,752 million in 1959.

Approved lenders made commitments under the Act for \$231.9 million for 21,156 dwellings and the Corporation approved loans for \$161.1 million for 15,454 dwellings.

Three Federal grants totalling \$5.8 million were approved to aid redevelopment projects. Public housing projects comprising 698 dwellings were approved.

In December provision was made for NHA loans for university housing projects, for municipal sewage treatment projects and for the acquisition by Federal-Provincial partnerships of existing buildings in urban renewal areas for use as public housing projects.

Amendments to the National Housing Act also provided for higher loan ratios and a longer repayment period for insured loans. Higher statutory limits were set for the aggregate of insured loans, the amount available for direct lending purposes, urban redevelopment assistance and Home Improvement Loan insurance liability.

The National Housing Loan Regulations were amended to extend Home Improvement Loans to rental properties, to permit higher maximum loans and an additional amount where a fallout shelter forms part of the plans. Provision was made to prevent discrimination by house builders and owners of rental property.

Central Mortgage and Housing Corporation is a Federal Crown corporation incorporated by Act of Parliament in 1945 (R.S.C. 1952, c.46). Under this Act, the National Housing Act, 1954, and earlier Housing Acts, the Corporation is empowered to:

CENTRAL MORTGAGE AND HOUSING CORPORATION

Insure mortgage loans on new housing made by banks, life insurance, trust and loan companies and other approved lenders;

Make mortgage loans to borrowers unable to obtain insured loans from private NHA lenders and make mortgage loans to limited-dividend housing companies on low-rental housing projects;

Make loans to universities to assist in providing accommodation for resident students;

Make loans to municipalities or municipal sewerage corporations to assist in the construction or expansion of sewage treatment projects for the control of water and soil pollution;

Provide insurance to banks on loans made for home improvement and guarantee returns from moderate-rental housing projects built by life insurance companies and private investors;

Buy and sell insured mortgage loans, make loans to mortgage lenders on the security of mortgages and purchase the debentures of lending institutions;

On behalf of the Federal Government, join with municipalities in the acquisition and clearance of areas for urban redevelopment;

Undertake jointly with provincial governments the development of serviced land for residential purposes, the construction of new housing projects and the acquisition of existing buildings in urban renewal areas and their improvement or conversion for public housing;

Construct, own and manage housing projects on its own account and on behalf of Federal Government departments and agencies;

Encourage the development of better housing and sound community planning and, in carrying out this responsibility, to undertake or arrange for studies and research on the technical, economic and social aspects of housing.

CONTENTS

	<i>Page</i>
1 THE DEMAND FACTOR IN 1960	7
2 CANADA'S HOUSING IN 1960	11
3 THE NATIONAL HOUSING ACT	15
4 REPORT OF OPERATIONS	17
Insured Loans by Approved Lenders	17
Loans by the Corporation	18
Characteristics of NHA Borrowers and Houses	19
Loans for University Housing Projects	20
Loans for Municipal Sewage Treatment Projects	20
National Housing Act Mortgages Outstanding	20
Home Improvement Loans	22
Property Management	22
Urban Redevelopment	23
Federal-Provincial Projects	23
Design and Construction	24
Housing Research and Community Planning	25
Organization and Staff	27
Accounts	27
5 FINANCIAL STATEMENTS	29
6 STATISTICS	41

CENTRAL MORTGAGE AND HOUSING CORPORATION

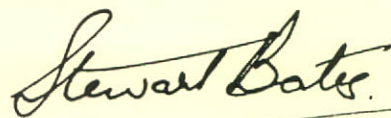
March 11, 1961

Honourable David J. Walker,
Minister of Public Works,
Ottawa, Canada.

Dear Mr. Walker:

On behalf of the Board of Directors, I have the honour to submit to you the 15th annual report of Central Mortgage and Housing Corporation and a statement of accounts for the year ended December 31, 1960.

Yours very truly,

A handwritten signature in cursive script that reads "Stewart Bates". The signature is written in dark ink and is positioned above a horizontal line.

President.



1 THE DEMAND FACTOR IN 1960

For the first time in a decade and a half, new housing in 1960 was subject for a brief period to the unfamiliar constraint of demand.

A powerful current of demand for new housing characterized the 'fifties'. This had its source in the rapid growth of urban population, in the expansion of incomes, and was amplified by the comparatively favourable borrowing terms available under the National Housing Act. Most of the year-to-year changes in house production in the 'fifties' reflected variations in the supply of loanable funds under NHA; this lending, in turn, was dominated by capital market conditions which determined the amount of such mortgage funds private lenders were prepared to invest in Housing Act loans, on which the maximum rate of return was set by the Government.

The actual volume of lending under the Act, and the consequent volume of house building, were determined largely by what lenders would invest at the stipulated interest rate, rather than by the demand for loans. Demand remained half-concealed therefore, its full latent strength unknown, its dynamic trend hidden, as long as the available mortgage money supplies were insufficient to articulate the whole of it.

But while the course of demand was not to be traced by reference to the rate of new house building, developments were under way late in the decade to diminish its strength and to bring it more into line with the available supplies of mortgage money. The Government itself, which had played a moderate role as a residual lender under

the National Housing Act until 1957, began in the Fall of that year to supplement the private supplies of NHA mortgage money on an unprecedented scale. This contributed greatly to the production of new housing in 1957, 1958 and 1959. At the same time in 1958 and 1959 and largely as a result of declining immigration, the rate of increase in the number of families in Canada fell to the lowest point since World War II; the advance of per capita income was also somewhat abated.

Improved housing conditions arising out of added production and the diminished rate of urban population growth, together with the lower rate of increase in incomes, blunted the edge of demand.

Whatever loss the undisclosed reserve of demand may have suffered after the mid-1950's, it did not become apparent, however, until later. For at the very end of the decade, the chronic shortage of NHA funds, which had become the characteristic mark of the house-building industry in the 'fifties', assumed its most acute form.

In the last quarter of 1959, the approved lenders virtually withdrew from the NHA field and the Corporation was the only substantial source of National Housing Act funds for a short period. By the end of October, the Corporation itself had made enough loan commitments to exhaust its Parliamentary appropriation and had to stop accepting applications.

The maximum interest rate on insured loans was raised in December, 1959 to 6¾ % from 6% to encourage the approved lenders, particularly the life insurance and trust and loan companies, to lend in more substantial volume. The life insurance and trust and loan companies responded to the higher interest rate but the banks, constrained by the Bank Act's 6% limit on loan interest rates, did not resume lending and the Corporation was unable to do so until additional funds were provided by Parliament for mortgage lending purposes.

The rate of housing starts in the first half of 1960 was therefore very low. This in itself, however, could not be considered as a reflection of diminished demand, since it was largely attributable to the shortage of NHA funds. But under demand conditions of sufficiently greater strength, the confinement of the NHA market would have

resulted in a compensating expansion of that part of the new housing programme financed outside of the National Housing Act.

No such expansion took place. Moreover, when new funds had been voted by Parliament and the Corporation again began in April to accept loan applications — although on a highly selective basis — demand for these loans did not meet expectations. Later in the year, loans by the Corporation were extended to a larger segment of the market and an increase in lending took place. But the pressure of demand for these loans was not comparable to that experienced in the previous three years. Finally, throughout the year, the number of completed and unoccupied dwellings, while not large in itself, ran consistently higher than in 1959 and suggested a diminution in the amount of unsatisfied demand for NHA funds.

After mid-year, largely as a result of growing participation under the Act by the life insurance and trust and loan companies, the rate of starts increased and although the total for 1960 was slightly under 110,000, the rate at the year-end was substantially higher than this. Thus, while there were some signs of a reduction in the amount of excess demand for NHA mortgage funds during the year the demand for new housing was not as low as the aggregate number of starts for 1960 might suggest.

Besides the improvement in housing conditions and the abated pressure of population and income growth, other factors influenced the housing situation in 1960.

The check on inflationary tendencies caused many, who might have bought as a hedge or to make capital gains, to mark time. High interest rates under the National Housing Act and on conventional loans limited the number of people able to enter the market for new housing and led also to a deferment of purchases by many who may have hoped for a decline in interest rates. In the conventional mortgage field, these expectations were realized in part when interest rates declined slightly in the Fall of the year.

The decade of the 'fifties' came to a close and the 'sixties' were ushered in, therefore, during a period of extreme shortage of NHA mortgage funds. But as 1960 progressed and as mortgage funds became more readily available, house building did

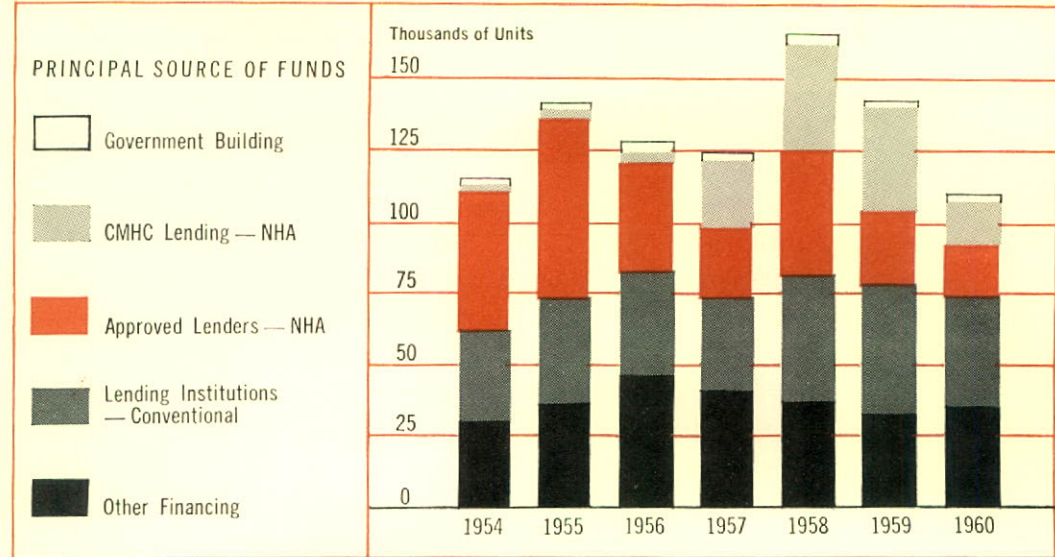
not respond with vigour and, while the rate of housing starts did rise from the depressed level of the first half of the year, demand failed to reveal its accustomed strength.

Until this condition became apparent, it was not possible to consider any substantial easing of borrowing terms under the National Housing Act, particularly those dealing with the size of loans available and their relation to property values. Any major improvement in borrowing terms at an earlier date would merely have added to demand for funds under the Act at a time when there was already more demand than was being met by approved lenders. The evidence of moderating demand in 1960, however, changed this situation and made it more feasible to contemplate substantial revisions to NHA borrowing terms, should such revisions be considered desirable on housing and employment grounds.

Amendments to the housing legislation were passed by Parliament and received Royal Assent in December, 1960. Amongst other things, the amendments altered statutory loan ratios, providing higher loans and lower down payments. By Regulation, the maximum amounts of loan that could be approved for various kinds of housing were also raised. The changes were designed to increase demand for new housing.

The comparatively low level of demand revealed in 1960, which was attributable in part to improvement in the housing of the average Canadian family over the past few years, does not mean that everyone in Canada is satisfactorily housed. The preamble to the National Housing Act, 1954, describes its purpose as the improvement of housing and living conditions. It does not prescribe any definite terminal objective to this process of improvement. At any particular time, there is probably a limit to the number of dwellings that a population needs or can effectively use. No limit can be assigned, however, to the quality of the accommodation, its beauty, technical sophistication and environmental fitness.

As Canada becomes more able to meet the problem of affording all its people enough plain space — bearing in mind that the basic needs of the least fortunate may always require special treatment — our national aims may be raised to more challenging objectives.



NEW HOUSING STARTED 1954 - 1960

2 CANADA'S HOUSING IN 1960

1960 was a year of transition in housing. After fifteen years of active, unbroken demand, the market for new residential construction experienced a brief interruption. It was a lull that would precede an anticipated period of marked improvement throughout most of the decade ahead.

Construction was started on 108,858 dwellings, 23% less than in 1959 when 141,345 housing starts were made. The annual rate of starts declined at the beginning of the year. There was some improvement in June and July but a further decline in August. From then on, however, there was a steady upward movement so that by December starts again reached the January level. The greater activity in the latter part of 1960 was stimulated by a more plentiful supply of mortgage funds and by an easing of earlier restrictions under Government lending policy. The carryover of units under construction into 1961 was 65,773.

Much of the decline in the year's aggregate housing starts was experienced in the National Housing Act sector. These totalled 33,723, compared with 62,333 in 1959. Although there was a very marked increase in NHA housing starts financed by life insurance companies and trust and loan companies this was not sufficient to offset the virtual withdrawal of the banks and the smaller number financed by the Corporation as a residual lender.

The number of new houses built with conventional financing by institutional lenders was also lower than in 1959. These were 40,116 in 1960 compared with 45,198 units in the previous year. The percentage of total starts, however, was higher at 37% against 32%.

There was a slight increase in housing built with financing from other sources, including personal funds, loans from individuals or other non-institutional lenders. Starts in this category in 1960 numbered by 35,019, an increase of 4% over the 33,814 started in 1959.

The decline in starts was proportionately greater in dwellings constructed for owner occupancy, down 26%, than for rental accommodation, which decreased by 17%.

Expenditures on new housing in 1960 totalled \$1,489 million, less than in 1959 when the amount was \$1,752 million.

Aided by the carryover of 82,000 dwellings, completions exceeded the 1959 rate during the first few months of 1960. But lacking the support of a substantial number of starts completions began to fall off and, throughout the remainder of the year, lagged behind 1959. In all, 123,757 dwellings were completed in 1960, 15% fewer than the 145,671 reported for 1959.

Mortgage lending under the National Housing Act is dependent in large measure upon the volume of funds invested by approved lenders in insured loans. While the December, 1959 increase to 6¾% in the NHA maximum rate of interest prompted an immediate response from the life insurance and trust and loan companies their lending on a monthly basis did not reach the level of the previous year until September. The attractiveness of the NHA yield increased in relation to returns on other types of investments, including conventional mortgages, and the participation of these lenders in insured loans turned up sharply. Lending by the life insurance and trust and loan companies, which at the end of July was about 12% below that of the corresponding seven months of 1959, moved up to increase by 92% for the year. Commitments totalled \$232.2 million for 21,111 dwellings, compared with commitments of \$120 million for 11,015 dwellings in 1959. The chartered banks, however, made loans for only 45 dwellings. In 1959, the banks made loans for 14,067 dwellings for \$163 million.

In 1960 Government fiscal policy required that commitments from public funds should be considerably less than the \$343 million provided in 1959. When the statutory limit was raised on March 31 by \$500 million to enable the Corporation

to resume direct lending, the Government made it known that not all of this amount would be committed in 1960.

As a result of this decision, made in the early part of the year, lending by the Corporation declined by 52% from the total for 1959. Commitments to the value of \$161.1 million were made for 15,454 dwellings, as compared with \$343 million for 32,228 units in 1959.

Loan requirements were so designed that commitments from the restricted amount of public funds would meet the most urgent needs. Residual loans were at first available to home-owner applicants only and an income ceiling was imposed. As demand in this sector was satisfied, loans were made on a broader basis by raising the income ceiling and eventually removing it. Merchant builders, who in some areas were carrying substantial inventories early in the year, became eligible for non-speculative loans on pre-sold houses in September, and in October for two additional loans for display houses.

Corporation loans to limited-dividend companies sponsored by entrepreneurs were also subject to restrictive conditions during some months of the year. In the Fall, as a part of the winter housing programme, the interest rate on these loans was lowered and the restrictions eased.

In December, the National Housing Act was amended to provide more favourable borrowing terms to assist a broader band of borrowers to undertake home financing. Amendments included an increase in loan amounts through higher loan ratios and higher maximum loans, and a longer repayment period.

Although the impact of the amendments was not evident in substantial measure in 1960, the new terms gave some impetus to year-end activity.

Some liquidity for insured mortgages is provided through the sale of insured mortgage loans on the secondary market. Sales in 1960, amounting to \$20.7 million, showed a marked decline from the \$42.5 million in 1959. In most years the banks had originated more than 60% of sales and since 1956 initiated annual transactions in excess of \$32 million. In 1960 the banks made sales valued at \$5.2 million.

The cost of the average house financed under the National Housing Act in 1960 at \$14,380 was slightly lower than the 1959 average of \$14,516. The size of the average house was greater than in 1959 but there was some decline in cost per square foot and land costs were also down slightly.

Although there was some decline in the level of house construction in 1960 there was no lessening of activity in other areas of the housing field. By the end of 1960 the number of municipalities undertaking studies with Federal assistance to examine their development patterns and the need for renewal included virtually all the older major cities. Redevelopment has followed the recommendations made in a number of completed studies and in 1960 the Federal Government continued to give financial assistance to municipalities undertaking renewal programmes.

In amending the National Housing Act in December, Parliament made provision for assistance in two areas of activity of growing concern to national development.

To assist universities in providing living accommodation for an ever-increasing number of resident students, NHA financing for university housing projects was introduced. This provides for long-term, low-interest loans by the Corporation on dormitory-type accommodation. Response by the universities was immediate and resulted before the year-end in many enquiries and a number of applications.

The serious problem faced by many growing municipalities in arresting soil and water pollution has long been recognized. Federal Government assistance was therefore made available in the form of Corporation loans to municipalities for the construction or expansion of sewage treatment projects. Loans may be up to two-thirds of cost and are repayable over a period of up to 50 years. The arrangement calls for a partial debt cancellation in respect of work completed by March 31, 1963.

Recognizing that there are many buildings in redevelopment areas which might be rehabilitated, the Government enabled Federal-Provincial partnerships to purchase existing buildings to be used for housing purposes. The new approach is expected to provide some accommodation in public housing projects at a cost less than that of new construction. It will also encourage conservation measures which will arrest deterioration before complete obsolescence makes clearance the sole solution.

The Canadian Housing Design Council and the Community Planning Association of Canada, which receive support from the Corporation, continued their work of advancing the cause of improvement in the residential environment. A number of long-range research projects, initiated or supported by the Corporation were concluded and the results published. These included the *Report of the Royal Architectural Committee of Inquiry into the Residential Environment* and a *Catalogue of House Building Construction Systems*. Investigations into cost reducing techniques and the use of new materials for house building continued.

3 THE NATIONAL HOUSING ACT

On March 31, the National Housing Act was amended as follows:

The aggregate amount of all loans for which insurance policies may be written under the loan insurance provisions was increased to \$6 billion from \$4 billion.

NHA
Section 13

The amount that may be advanced to the Corporation out of the Consolidated Revenue Fund for direct lending and related purposes was increased to \$1.5 billion from \$1 billion.

NHA
Section 22

On December 2, the Act was further amended as follows:

Provision was made for the establishment of an interest rate to be charged on loans for university housing projects and municipal sewage treatment projects of not more than one-half of one per cent above the long term Federal borrowing rate.

NHA
Section 4

The loan ratio for home-owner loans was increased to 95% from 90% of the first \$12,000 of lending value.

NHA
Section 7

The loan ratio for rental housing was increased to 85% of lending value from 80%.

The period for repayment of insured loans was increased to a maximum of 35 years.

The statutory limit on contributions out of the Consolidated Revenue Fund to assist in urban redevelopment was raised to \$50 million from \$25 million.

NHA
Section 23

The maximum amount of a Home Improvement Loan in respect of any property was redefined to include the unpaid portion of any previous loans made on that property only; previously, the maximum included the unpaid portion of all Home Improvement Loans made to the borrower.

NHA
Section 24

The amount of Home Improvement Loans that may be guaranteed was increased to an aggregate of \$500 million from \$200 million.

NHA
Section 26

Under Federal-Provincial agreements, the Corporation may undertake jointly with the government of a province or its agent the acquisition, improvement and conversion, for housing purposes, of existing buildings.

NHA
Section 36

The Corporation was authorized to make loans on university housing projects.

NHA
Section 36B

The Corporation was authorized to make loans to assist municipalities in the construction or expansion of sewage treatment projects.

NHA
Section 36F

The main amendments to the National Housing Loan Regulations were as follows:

The maximum loan by Regulation was increased by up to \$500 where a fallout shelter is included in the plans for new housing for home ownership (Order in Council P.C. 1960-1063, August 4, 1960).

Effective October 1, 1960, the interest rate on loans made under Section 16 was reduced to 5½% from 5¾% (Order in Council P.C. 1960-1319, September 23, 1960).

Loans under the Home Improvement Loan provisions of the Act were extended to rental properties, including apartments. The installation and repair of elevators and the installation of water softeners were added to the list of improvements for which loans may be used (Order in Council P.C. 1960-1421, October 18, 1960).

Measures were taken to provide that in selling or leasing dwellings financed under the Act there will not be discrimination against any person by reason of race, colour, religion or origin. The mortgage forms were revised to include these provisions (Orders in Council P.C. 1960-1523 and 1524, November 8, 1960).

The maximum loan for dwellings to be occupied by owners was increased from \$12,800 to \$14,200 for single-family units with three bedrooms or less and to \$14,900 for those with more than three bedrooms. Corresponding adjustments were also made for other types of dwellings (Order in Council P.C. 1960-1649, December 6, 1960).

The loan amount for university housing projects was set at a maximum of \$7,000 for each student accommodated in the project (Order in Council P.C. 1960-1793, December 31, 1960).



4

REPORT OF OPERATIONS

In sharp contrast to the experience of the preceding three years, the life insurance and trust and loan companies in 1960 provided the major share of National Housing Act mortgage funds.

Together, these lenders made loans for \$232.2 million, or 59% of total commitments. The Corporation provided \$161.1 million from public funds and the chartered banks made insured mortgage loans of less than \$500,000.

In all, 37,308 dwellings were financed under the Act in 1960. Of this total, 36,610 were built with mortgage loans — 21,156 by approved lenders and 15,454 by public funds. Federal-Provincial partnership arrangements accounted for 698 dwellings. In 1959, 58,082 units were financed under the Act (Tables 2 and 3)¹.

Insured Loans by Approved Lenders

The life insurance and trust and loan companies increased their insured lending over 1959 by 92%. All of the increase took place in the last four months of the year. Earlier, the NHA activity of these lenders was well below that of the corresponding period of 1959. At about mid-year, however, there was a marked easing in the supply of mortgage credit, the maximum NHA interest rate of 6¾% became increasingly competitive and investment by these companies in insured loans began to move above that of the previous year. By the year-end, the life insurance and trust and loan companies had approved loans for 21,111 dwellings compared with 11,015 in 1959.

NHA
Sections 6, 7, 8

The chartered banks made loans for only 45 dwellings; in 1959, they financed 14,067 units under the National Housing Act.

The total of 21,156 dwellings financed by approved lenders in 1960 fell short of the 1959 total of 25,082 by 16% (CHS - Table 24)².

More than three-quarters of the dwellings financed by approved lenders in 1960 were for owner occupancy — 12,966 to be built by merchant builders for sale to owners and 2,594 by owner applicants who made their own construction arrangements. Loans for rental accommodation made possible 5,596 units. In 1959 approved lenders made loans to merchant builders for 15,376 dwellings, to owner applicants for 6,681 and to rental investors for 3,025 units.

¹ All references to "Tables" are to tables in this report. Because loans precede starts by several weeks, loans made late in one year may not produce starts until the next. Starts and loans figures on an annual basis are therefore not identical.

² All references to "CHS" are to Canadian Housing Statistics, 4th Quarter, 1960. Cancellations of 1959 loans exceeded 1960 commitments by \$347,000.

Loans by the Corporation

Early in 1960, the Government announced that there would be a substantial reduction from the levels of the preceding three years in the volume of mortgage lending from public funds. When an additional \$500 million was voted for Corporation loans in March, the Government made it known that between \$150 and \$175 million would be available for 1960 commitments. To ensure that the lesser amount would be used to meet the most urgent needs, certain eligibility restrictions were imposed on applicants for Corporation loans. The situation was under constant review and, as the year progressed, some easing of restrictions was introduced.

Under these conditions, the Corporation made mortgage loans for 15,454 dwellings including 13,861 to be occupied by home owners and 1,591 for low-rental in limited-dividend projects. In 1959, when commitments from public funds exceeded those of approved lenders, the Corporation made loans for 27,747 dwellings for owner occupancy and 4,518 for rental in limited-dividend developments.

CORPORATION LOANS TO OWNERS AND BUILDERS

NHA
Section 40

Corporation loans to owner applicants and to builders are intended to supplement lending by approved lenders under the Act when this falls short of demand. Loans were made to applicants who were refused financing by approved lenders and who qualified under the requirements designed to meet changing conditions encountered during the year.

To permit a larger number of lower-income families to enter the market, loans were available for the greater part of the year to home owners only and then within specified income ceilings. In April, when the Corporation commenced accepting 1960 applications, the income maximum was \$5,000 with upward adjustments for family size to \$5,600.

The immediate response even on this restricted basis was strong but the subsequent pace of activity indicated that a broader band of applicants might be served. In September the income limitation was raised to \$7,000, with adjustments to \$7,600. Merchant builders also became eligible for loans on homes for which they had already received commitments from purchasers whose incomes met these requirements. Substantial builders' inventories cautioned against the provision of speculative loans.

About mid-year there was evidence of some abatement in demand. To meet this new situation and to provide additional employment opportunities during the winter months, eligibility requirements for Corporation loans were again revised in October. The income ceiling was removed and builders became eligible for loans on two display houses that were not subject to the pre-sale condition.

Corporations loans were made to home-owner applicants for 10,168 dwellings and to merchant builders for 3,693 dwellings. Included in the home-owner approvals were 560 for veterans building under Part II of the Veterans' Land Act and 22 dwellings in co-operatives. In 1959, loans to owner applicants financed 14,559 homes and to builders 13,188.

LOANS TO LIMITED-DIVIDEND HOUSING COMPANIES

NHA
Section 16

Loans to limited-dividend companies sponsored by entrepreneurs were also subject to restrictive conditions during a part of 1960. In April, the ratio for these loans was reduced from 90% of lending value to 85% and projects were limited to a maximum of 100 units. The number of bedrooms per unit could not average less than 2½. Projects initiated by municipalities or charitable organizations were not subject to these conditions.



Limited-Dividend Housing for Elderly Persons, Toronto.

In October, as a part of the winter housing programme, the more favourable terms were re-instated, the loan ratio reverting to 90% of lending value and the maximum number of units to 200. The required minimum average bedroom count was reduced to 1½. In addition, the interest rate applicable to limited-dividend projects was reduced to 5½% from 5⅞%. The changes resulted in the submission of a very substantial number of applications before the year-end.

Over the year, limited-dividend loans were approved for 1,591 dwellings — 680 for elderly persons and 911 for lower income families. In 1959, 4,518 dwellings were financed — 969 for elderly persons and 3,549 for lower income families. Municipalities and charitable organizations initiated projects involving 692 units while entrepreneurs were responsible for the remainder. The established policy of directing limited-dividend housing to the lower third income band was maintained in 1960.

Characteristics of NHA Borrowers and Houses

The age of the average owner of a house financed under the National Housing Act in 1960 was 33 years, 34 years in 1959. There were one or two children in the families of 50% of borrowers, while 27% of the families had three or more children. The cost of the average single-family house financed under NHA in 1960 was an estimated \$14,380. In addition the borrower paid a mortgage insurance fee of \$227 that was incorporated in the mortgage payments. In 1959 the average estimated cost of single-family dwellings was \$14,516 and the average mortgage insurance fee was \$228. The average down payment on the house was \$3,033 in 1960 compared with \$3,094 in 1959. Monthly payments of principal, interest and municipal taxes came to \$100 and represented 21.2% of the borrower's average annual income. Monthly payments of \$96 in 1959 took 20.1% of the average borrower's income.

Some 42% of all NHA borrowers had incomes below \$5,000, 49% had incomes between \$5,000 and \$7,999 while the remainder had incomes of \$8,000 or more. The average income of all NHA borrowers was \$5,620 compared with \$5,716 in 1959.

Borrowers obtaining loans from approved lenders had an average income of \$6,460 and built or bought a house costing \$16,070. Corporation borrowers had an average income of \$5,156 while the average cost of the homes financed was \$13,457.

Construction costs of houses for which loans were approved under the Act in 1960 declined for the first year since the war. The decline from 1959 to 1960 was from \$10.78 per square foot to \$10.60 per square foot. Land costs were also down, from \$2,533 to \$2,473. These lower costs more than offset an increase in the average size of dwellings from 1,108 to 1,125 square feet. The reduction in costs in 1960 was associated in part with a decline in building material prices during the year but perhaps of greater importance was the increased competitiveness of the housing market.

Loans for University Housing Projects

NHA
Section 36B

Part VIA of the National Housing Act as amended on December 2, 1960 provides for Corporation loans to universities to assist in the construction of living accommodation for resident students. Loans may be for new construction or for the conversion of existing buildings, with a loan amount of up to 90% of cost of the project and a repayment term of up to 50 years. The rate of interest was $5\frac{1}{8}\%$ in 1960. Total amount of loans is limited by statute to \$50 million.

Six preliminary applications and two formal applications were received by the year-end.

Loans for Municipal Sewage Treatment Projects

NHA
Section 36F

Part VIB of the National Housing Act as amended December 2, 1960 authorizes the Corporation to make loans to municipalities or municipal sewerage corporations to assist in the construction of sewage treatment projects for the control of water and soil pollution. The project may consist of a trunk sewage collector system, a central treatment plant, or both, for the collection and treatment of sewage from one or more municipalities, and includes the expansion of an existing plant or existing trunk collector sewer.

Loans may be for up to two-thirds of the cost of the project, for a term of up to 50 years at an interest rate, in 1960, of $5\frac{1}{8}\%$. The legislation provides that 25% of the debt in respect of work put in place on or before March 31, 1963, may be forgiven, together with interest paid or accrued. The total amount of loans is limited to \$100 million.

During December more than 60 municipalities made enquiries regarding loans and three applications were received by the Corporation.

National Housing Act Mortgages Outstanding

Mortgage debt arising out of various operations under the Housing Acts was outstanding in the amount of \$4,100 million at the end of 1960, compared with \$3,800 million at the end of 1959. The unpaid balance of mortgage debt contracted under the Housing Acts represented about one-third of the total Canadian mortgage debt outstanding on all types of property.

At the end of 1960, the Corporation's mortgage holdings amounted to \$1,400 million, again representing the largest share of mortgage debt under the Housing Acts held by a single institution. The life insurance companies together held \$1,373 million and the chartered banks \$971 million.

Of the total mortgage debt outstanding, \$636 million was under the joint lending system of the pre-1954 Housing Acts in which the lending institutions

provided approximately three-quarters of the loan and the Federal Government the remainder. The lending institutions' share of the total outstanding amounted to \$463 million while the Corporation held \$173 million as the Government's share.

Under provisions for guarantee of losses sustained by lenders on these loans, the Government, through the Corporation, had a contingent liability of \$60 million at the end of 1960. Four joint loan foreclosures were completed during the year. Arrears of three months or more amounted to \$29,600 at year-end.

Of the total mortgage debt outstanding \$3,097 million was covered by the loan insurance provisions of the 1954 Housing Act. Some \$2,057 million was held by approved lenders, \$856 million by the Corporation in residual loans and the remainder was held by purchasers of insured loans and administered by approved lenders.

The mortgage insurance settlement terms of the Act provide for payment on the principal outstanding, certain interest charges and other expenditures incurred in the acquisition and transfer of a property to the Fund. Assets of the Mortgage Insurance Fund amounted to \$72.6 million at the end of 1960.

During the year 128 claims were paid by the Mortgage Insurance Fund and 58 were in the process of settlement at the end of the year. Fifty-three of the claims were on approved lenders' loans and 133 on Corporation loans, of which 80 were claims on loans made by approved lenders as agents of the Corporation in 1957-58. Since insured lending began in 1954 there have been 222 claims against the Fund.

In 13 default cases foreclosure or other legal remedies were taken and completed in 1960 for which insurance claims were not made by the lenders. Since 1954 there have been 34 such cases.

Direct lending operations of the Corporation to which loan insurance is not applicable accounted for mortgage debt outstanding in the amount of \$370 million at the end of 1960. This consisted of \$157 million in limited-dividend loans, \$5 million in primary industry loans, \$74 million in rental guarantee loans, \$31 million in loans to home owners made before the introduction of mortgage insurance, and \$103 million in sale agreement and mortgage accounts arising from the sale of Corporation-owned property.

During 1960 the Corporation acquired as a result of default two single units financed under the 1944 Act and one limited-dividend project of 78 units. Default in payments on mortgage and sale agreement accounts resulted in repossession of eight properties. Eleven claims on rental guarantee contracts were paid in 1960 and two more were under review at year-end. Since 1952, 34 claims amounting to \$664,000 have been paid under rental guarantee provisions. Lending under this provision has been inactive since 1955.

At the end of 1960 the Corporation had 116,259 mortgage loan and sale agreement accounts including 19,575 administered by agents. This represented an increase of 205% during the last four years resulting largely from the Corporation's expanded lending programme since August 1957. At year-end arrears of three months or more amounted to \$791,800. About 55% of this amount was attributable to limited-dividend loan arrears. At the end of 1960 payments by borrowers on 5.2% of the accounts administered by the Corporation were outstanding for 18 days or more compared with 7.01% at the end of 1959.

SALE OF NATIONAL HOUSING ACT MORTGAGES

The National Housing Act authorizes the sale of insured mortgages. A requirement for the continuation of the insurance is administration of the loan to maturity by an approved lender or by the Corporation. Total sales by approved lenders in 1960

amounted to \$20.7 million, a sharp decline from the average of the previous four years of \$50.5 million. Life insurance company sales valued at \$7.4 million this year exceeded sales of \$5.2 million by chartered banks, which in each of the preceding five years initiated more than half of annual sales. Sales of insured mortgage loans under the 1954 Act total \$241 million.

Pension funds of private corporations have in most years been the main purchasers but in 1960 were responsible for only 41% of total purchases. In 1960, the Corporation sold to its pension fund insured mortgage loans valued at \$0.4 million.

Home Improvement Loans

NHA
Sections 24, 25, 30

As part of a programme designed to stimulate construction activity NHA-guaranteed bank loans for home improvement were extended on October 18 to owners of rental properties. Although the full impact of the additional class of borrowers was not felt in 1960 there was an upward trend in the volume of loans approved following the extension.

The banks approved 23,580 loans in 1960 for a total of \$30.1 million. In 1959 the banks made 32,523 loans for \$37.5 million.

Under its guarantee against losses the Corporation's contingent liability, which is limited to 5% of the total loans made by each lender, was \$9.4 million at the end of 1960. The reserve for Home Improvement Loan insurance, made up of fees from borrowers deposited in a fund, amounted to \$1.9 million at year-end. At the end of 1959 the Reserve Fund stood at \$1.6 million.

Claims paid to lenders during 1960 amounted to \$107,230 compared with \$75,000 in 1959. Since 1955, when the Home Improvement Loan provisions of the Act were proclaimed, claims of \$303,114 have been paid on loans amounting to \$194.7 million. During the year the Corporation recovered \$9,872 of the claims paid bringing total recoveries to \$25,616.

The chartered banks reported that Home Improvement Loans outstanding at the end of 1960 totalled \$56.3 million, compared with \$59.7 million at the end of the previous year.

Property Management

NHA
Section 37
CMHC Act
Section 29

The Corporation owns and manages a substantial number of properties. Most are rental dwellings built for the accommodation of war veterans. The second largest category consists of 392 houses at Gander occupied mainly by personnel of the Departments of Transport and National Defence.

At the beginning of 1960 11,432 dwellings were under rental. During the year 802 were sold and 88 were acquired as a result of default in payments. Most house sales were to occupying tenants. The total under management at the end of the year was 10,718 dwellings. In addition, the Corporation was administering 105 dwellings on behalf of the Mortgage Insurance Fund.

In 1960, rental revenues from Corporation-owned dwellings amounted to \$7 million. This represents an average annual rental of \$635, compared with \$611 in 1959. The increase is attributable mainly to larger amounts collected for higher payments in lieu of taxes. At the end of the year, rental arrears amounted to \$53,277, or 0.76% of the annual rent receivable. Of this total 60% was in arrears of not more than thirty days. At the end of 1959 arrears amounted to \$49,568 or 0.68% of annual rent receivable.

Operating expenses, excluding cost of administration and depreciation, amounted to \$3.4 million in 1960. These expenses averaged approximately \$307 per unit; in 1959 they amounted to about \$250 a unit. The higher unit cost is largely the result of heavier maintenance on older dwellings and replacement of capital equipment.

In 1960 payments of \$1.9 million in lieu of taxes were made to municipalities on Corporation-owned houses compared with payments of \$1.8 million in 1959. At the end of 1960 payments equal to normal taxes were being made on 8,300 dwellings.

Urban Redevelopment

Federal contributions were approved in 1960 to assist the cities of Saint John, Sarnia and Vancouver in the redevelopment of blighted areas. The grants, covering one-half the cost of acquiring and clearing the three areas, amounted to approximately \$5.8 million. Revenue derived from the use of the cleared land is shared by participating governments in proportion to their financial interest.

NHA
Section 23

The 57-acre renewal area in Saint John was recommended for redevelopment in the Urban Renewal Study of Saint John carried out during 1956 and 1957. After the site is cleared and major streets relocated, it is proposed to use the land for residential, commercial and light industrial purposes.

The Sarnia Bluewater Redevelopment Area comprises 172 acres of residential land situated in the midst of the petro-chemical industrial area of the city. It is proposed that the cleared land will be used for industrial purposes. Some of the houses in the Bluewater Area are considered suitable for relocation and rehabilitation. Plans call for the removal of these houses to other sites in Sarnia and their sale or rental to present residents of the Bluewater Area. Other families displaced by the redevelopment project may be accommodated in the Federal-Provincial rental housing project for which arrangements are well advanced.

A grant was approved to assist the City of Vancouver in the acquisition and clearance of 36 acres in two major blighted areas. The cleared land will be used for industry, recreational purposes and for public housing. This is the first phase of a proposed 20-year programme of redevelopment and rehabilitation.

Progress in the acquisition and clearance of properties continued in the Moss Park project of 14 acres in downtown Toronto as well as in the central area redevelopment project in Windsor. In Windsor the first phase of a rental housing project is being constructed on a portion of the cleared site.

The City of Toronto submitted an application for a Federal contribution towards redevelopment of the Alexandra Park Area. A number of other municipalities are preparing applications for assistance in redevelopment.

Federal-Provincial Projects

Under Federal-Provincial partnership agreements, the Federal Government provides 75% of the capital cost of a public housing or land assembly project and the province the remaining 25%. In the case of public housing, the province may require the municipality concerned to assume all or a part of this share. Returns from the operation of the housing projects and the sale of lots are shared in proportion to the contributions of the partners. Losses on the rental housing are absorbed in the same proportion.

NHA
Section 36

The December 2 amendment to the Act authorized Federal-Provincial partnerships to acquire existing buildings in designated renewal areas and convert them into public housing. This is intended to augment the stock of public housing with usable existing housing.

PUBLIC HOUSING

During 1960 approval was given to partnership arrangements for public housing projects in Saint John, Halifax and at two locations in Vancouver. These four projects will provide a total of 698 low-rental dwellings.

Construction commenced during the year on public housing developments in Brantford, Clinton, Cornwall, Ottawa, Windsor and Regina. All of these projects were approved before 1960.

Federal approval was also given to preliminary investigation of proposals for six projects including one in Metropolitan Toronto.

Since the first project was approved under Federal-Provincial arrangements in 1950, until the end of 1960, a total of 9,610 units in 81 projects has been approved. Of these units, 7,509 have been completed and transferred to local housing authorities for administration. For 2,871 of the dwellings, rents are set at a level sufficient to recover capital costs and to meet interest charges and current operating expenses. For the remaining 4,638 units, rents are related to family size and income. During 1960 operating deficits on completed projects, where rents collected did not meet operating expenditures, amounted to \$300,834. Three-quarters of this amount was borne by the Federal Government.

Under an agreement between the Federal Government and the Government of the Province of Nova Scotia, the Nova Scotia Housing Commission and Central Mortgage and Housing Corporation may undertake the construction of homes for sale to co-operative companies. The Commission advances Federal-Provincial funds to the co-operative and repayment is made over a period of 25 years. Twenty projects comprising 142 units were approved in 1960. Since the inception of this programme in 1953, 101 projects for 916 units have been approved.

During 1960 an agreement similar to that in effect in Nova Scotia was approved in the Province of Prince Edward Island. Under this arrangement, the Prince Edward Island Housing Commission and Central Mortgage and Housing Corporation may undertake construction of houses for sale to co-operative companies. One project of 10 units in the Town of Souris has been approved.

LAND ASSEMBLY

During the year, approval was given for the acquisition and servicing for residential use of 363 lots in land assembly projects. These are located in Kirkland Lake, Weyburn and Trail. Approval was also given for the acquisition of 500 acres of land in St. John's and 26.5 acres in Courtenay to be held for future development.

Work was started on the servicing of 79 lots in Kenora. Development of the Peterborough land assembly project continued and 81 lots were put on sale during the year.

In 1960, 652 lots were sold bringing to 8,588 the number of lots serviced and sold.

Design and Construction

CMHC Act
Section 29

The Corporation may design and undertake the construction of housing and related buildings and services on its own behalf or for other Government agencies and departments. It may also be called upon to act as a consultant in architectural and planning matters. In 1960 most activities in these fields were carried out for the Department of National Defence and for Federal-Provincial partnerships.

The Corporation was engaged in the preliminary planning phase of Federal-Provincial land assembly projects at Toronto, Ottawa and Kingston, numbering 1,300 acres in all. Consultant planning firms have been retained for the Toronto Thistledown and Ottawa Borden Farm developments.

The Corporation carried out detailed planning for a demonstration area in the second phase of the Peterborough land assembly project. This provides for use of 52 lots in the development for demonstration purposes. Plans have been selected from the Corporation's small house designs and their overall grouping and

individual siting on each lot has been arranged. The lots are sold to builders on condition that the plans and layout are followed.

An architectural competition was arranged for the development of 70 acres of Corporation-owned land on Smyth Road, Ottawa. The plan is intended to demonstrate the merits of combining the skills of the architect, the town planner and the landscape architect in a comprehensive design of housing and associated facilities in a middle income community. The land will be offered for sale for development in accordance with the winning design.

With the aim of improving the quality of planning and design, reviews were made of housing layouts in developments intended for NHA financing, limited-dividend housing and insured rental projects.

Contracts were awarded for the construction of 300 R.C.A.F. dwellings at Greenwood and for five school extensions at various Department of National Defence establishments. Under these contracts and under work contracted for prior to 1960 four school extensions and 519 dwellings were completed. The completed houses are in Calgary, Petawawa, Comox and Chilliwack. Architectural services were required on about 1,000 dwellings in projects under construction and plans were prepared for 1,000 additional dwellings.

The Corporation designed and awarded contracts for 578 dwellings for Federal-Provincial partnerships.

On behalf of Atomic Energy of Canada Limited designs were completed and a contract awarded for construction of an extension to the cafeteria of the staff hotel at Deep River. Planning was undertaken for the long-range development of a new town in Manitoba for atomic energy research.

Housing Research and Community Planning

The research and development activities of the Corporation as set out in the National Housing Act have as their aim the improvement of housing and the orderly development of communities.

NHA
Sections 31, 32, 33

For this purpose the Corporation engages in studies of the factors affecting housing conditions and initiates or arranges for investigations by agencies outside the Corporation. In 1960, Corporation research entailed an expenditure of approximately \$500,000 and arrangements with outside agencies resulted in an outlay of about the same amount.

HOUSE DESIGN

The Canadian Housing Design Council again received Federal support to aid in its programme of encouraging the improvement of house design in Canada. In 1960, the Council conducted competitions in the fields of single-family house design and house grouping. The award-winning designs were brought to the attention of consumer groups, professional designers and builders through public exhibitions and the presentation of National Awards.

In 1960 the Council published *New Forms of Family Housing*, a study of new methods of providing housing in greater density while retaining some of the characteristics and scale of single-family houses. This was the work of private architects undertaken with the aid of an NHA grant. A grant was made towards a study of the garden-court house, another facet in the search for satisfactory forms of family housing on an increased density basis.

The Corporation added a number of new plans to its catalogue of *Small House Designs*.

Five Travelling Scholarships in Architecture established in 1959 were awarded in 1960 to students who made a study of the design and construction of housing in various parts of Canada and the United States. Further assistance was provided to the Canadian Conference of University Schools of Architecture in the development of lecture tours.

COMMUNITY PLANNING AND HOUSING INVESTIGATIONS

The Corporation continued its support of the Community Planning Association of Canada in its endeavours to stimulate a greater public awareness of the importance of orderly community and regional development.

In 1960 fellowships and bursaries were awarded to assist scholars in the fields of housing, planning and urban development. In addition, financial assistance was given to the four Canadian universities offering professional planning courses.

A grant was made to the Royal Architectural Institute of Canada to assist in the production of the *Report of the Committee of Inquiry into the Design of the Residential Environment*. The Inquiry had been supported by a National Housing Act grant in 1959.

URBAN RENEWAL AND DEVELOPMENT STUDIES

Federal grants amounting to \$150,000 were approved to aid four municipalities and the Province of Manitoba in carrying out studies to identify substandard areas and to form proposals for the solution of problems attributable to blight. The studies were undertaken in Corner Brook, Montreal, Port Moody, Prince Rupert and Churchill.

During the year reports of similar studies commenced in earlier years were published by the municipalities of Sydney, Kingston, Windsor and Sault Ste. Marie. Studies were proceeding in ten other cities.

The Province of Prince Edward Island received a grant to be disbursed over a three-year period, which would cover 50% of the cost of a study of housing conditions and the need for redevelopment in the Province, and particularly in the City of Charlottetown. A similar grant was given to the Province of Nova Scotia, the City of Halifax, the Town of Dartmouth and the Municipality of the County of Halifax for a study of housing conditions in Metropolitan Halifax.

Since 1955 when the first study was undertaken 33 have been initiated and in six cases redevelopment of substandard areas has already been started.

ECONOMIC RESEARCH

The Corporation continued its economic research activities dealing with market conditions and measurements of the volume and flow of mortgage funds. Statistical information based on these studies is published in *Canadian Housing Statistics*.

A study of the role of economic analysis in the planning process of the greater Winnipeg Area is being assisted by a research grant to the Metropolitan Planning Commission of Greater Winnipeg. Another study on the economic problems associated with urban growth, undertaken by Queen's University under a grant made in 1959, is nearing completion.

TECHNICAL INVESTIGATIONS

The Corporation provided a further grant to the Ontario Research Foundation for research into improved and more economic methods of household waste disposal.

Research has progressed to the stage where field testing of experimental units will now begin.

In association with the National Research Council and other Government departments with testing facilities for experimental work, the Corporation continued to investigate the performance of new materials, methods and equipment in order to determine their suitability for use in houses financed under the Act.

A grant was made to the National House Builders Association for technical research into, and development of, improved materials, methods of construction, equipment and other factors involved in the housing industry. Under this grant a third experimental house was started in 1960, and observations on earlier experimental houses built by the Association are continuing.

A Catalogue of House Building Construction Systems was published by the Corporation. Many methods of constructing single-family dwellings used in various parts of the world have been incorporated in this publication.

A member of the Corporation's staff served as Canadian Government Adviser and Government member of the Committee on Workers' Housing at the 44th Session of the International Labour Conference in Geneva, Switzerland.

The Corporation was closely associated with the National Research Council in the development of the Housing Section, Part IX, of the National Building Code. The Corporation also co-operated with the Emergency Measures Organization in design work on fallout shelters.

Organization and Staff

The Corporation's Head Office is in Ottawa and its varied activities are carried out through 50 field offices.

The number of mortgage and property accounts increased by about 20% over the previous year but the reduced volume of lending made it possible to transfer staff from this function to mortgage administration without an increase in total staff. During 1960 the Corporation launched a comprehensive training programme in mortgage and property administration.

At the end of 1960 staff numbered 1,896 compared with 1,970 at the end of 1959.

The President and members of the Board of Directors extend their appreciation for the loyal and efficient manner in which the staff carried out its work in 1960.

The Board of Directors records with sorrow the death of Miss Margaret E. Perney, Q.C., a valued member of the Board since June 16, 1959.

Accounts

Total revenue earned in 1960 amounted to \$79,925,673 compared with a total of \$62,889,437 earned in 1959.

Net revenue in 1960 after provision of \$5,312,000 for income tax, was \$5,232,412, an increase of \$884,283 over the total of \$4,348,129 reported in 1959. After transferring this amount to the Reserve Fund and adding to it \$4,870,322 realized from the sale of property acquired from the Government of Canada, the sum of \$10,102,734 was credited to the Receiver General. In 1959 a total of \$9,553,588 was credited to the Receiver General including \$5,205,459 realized from the sale of property acquired from the Government.

Total assets of the Corporation were reported at the end of 1960 in the amount of \$1,642,461,034 compared with \$1,382,103,927 at the end of 1959.

AUDITORS' REPORT

TO THE MINISTER OF PUBLIC WORKS:

We have examined the attached financial statements of Central Mortgage and Housing Corporation for the year ended December 31 1960 and have obtained all the information and explanations we have required. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we have considered necessary in the circumstances.

In our opinion, proper books of account have been kept and the transactions of the Corporation that have come under our notice have been within the powers of the Corporation.

In our opinion, and according to the best of our information and the explanations given to us and as shown by the books of the Corporation, the attached financial statements are properly drawn up so as to exhibit a true and correct view of the state of the affairs of the Corporation as at December 31 1960 and the results of its operations for the year ended on that date, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

 F.C.A.

of the firm
Price Waterhouse & Co.

 C.A.

of the firm
Bélanger, Saint-Jacques,
Sirois & Cie

Ottawa, February 9 1961

FINANCIAL STATEMENTS

December 31 1960

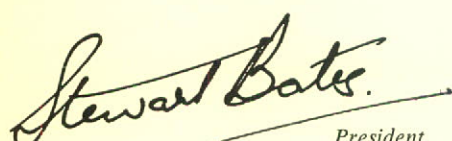
STATEMENT I	Balance Sheet
II	Statement of Income and Expenditure
III	Reserve Fund
IV	Loans Under the Housing Acts
V	Agreements for Sale and Mortgages Arising from Sales of Properties
VI	Real Estate
VII	Corporation's Share in the Joint Ownership of Real Estate under Federal-provincial Agreements
VIII	Assets of the Mortgage Insurance, Home Improvement Loan Insurance and Rental Guarantee Funds
	Reserves for Mortgage Insurance, Home Improvement Loan Insurance and Rental Guarantees

CENTRAL MORTGAGE AND HOUSING CORPORATION

Assets	1960	1959
Cash	\$ 4,471,147	\$ 1,059,937
Accounts receivable, less allowance of \$37,386 for doubtful accounts	1,016,693	805,251
Expenditures recoverable from Provincial Governments under Federal-provincial Agreements	2,483,604	2,367,860
Due from the Minister of Public Works on current account	369,846	563,632
Due from the Minister of Public Works for losses (net) in respect of loans, guarantees and other commitments under the Housing Acts	126,753	(219,054)
Loans under the Housing Acts, including \$6,360,094 interest accrued or receivable	1,302,744,814	1,061,479,974
Agreements for Sale and Mortgages arising from sales of properties, including \$438,248 accrued interest	103,150,772	105,143,043
Advances to Municipalities and others on deferred repayment terms, including \$32,246 accrued interest	4,895,458	5,048,207
Real Estate, including business premises — at cost or at values placed by the Board of Directors on properties acquired from the Government of Canada less \$18,959,910 accumulated depreciation	62,330,262	68,386,976
Corporation's share in the joint ownership of Real Estate under Federal-provincial Agreements	79,828,589	69,011,821
Office furniture and equipment, less \$1,304,977 accumulated depreciation	410,546	418,796
Bonds held as deposits	2,560,250	2,193,235
Other assets	203,241	208,816
	1,564,591,975	1,316,468,494
Assets of the Mortgage Insurance, Home Improvement Loan Insurance and Rental Guarantee Funds	77,869,059	65,635,433
	\$1,642,461,034	\$1,382,103,927

BALANCE SHEET — DECEMBER 31 1960*(with comparative figures for 1959)***STATEMENT I**

Liabilities	1960	1959
Accounts payable and accrued liabilities	\$ 2,579,458	\$ 2,021,044
Deposits and contractors' holdbacks	7,964,948	8,348,559
Unearned fees, rentals, and payments received on sales of Real Estate in process of execution	704,126	676,099
Employees' Retirement Account	88,312	103,341
Reserve for Purchase Guarantees	—	58,122
Due to the Receiver General in respect of the excess in Reserve Fund over statutory limitation	10,102,734	9,553,588
Estimated income tax less instalments paid	2,690,657	2,304,287
Borrowings from the Government of Canada, evidenced by debentures of the Corporation:		
For lending under the Housing Acts, including \$9,751,459 accrued interest	1,273,660,565	1,029,173,410
For acquisition and construction of Real Estate under Federal-provincial Agreements, including \$899,199 accrued interest	87,191,278	76,923,680
For acquisition and construction of Real Estate, including \$1,397,829 accrued interest	93,084,467	96,795,771
Surplus arising from valuation of properties acquired from the Government of Canada	3,569,691	4,009,909
Unrealized profits on Real Estate sold on deferred payment terms	52,955,739	56,500,684
Capital, authorized and fully paid by the Government of Canada	25,000,000	25,000,000
Reserve Fund	5,000,000	5,000,000
	<u>1,564,591,975</u>	<u>1,316,468,494</u>
Reserves for Mortgage Insurance, Home Improvement Loan Insurance and Rental Guarantees	77,869,059	65,635,433
	<u>\$1,642,461,034</u>	<u>\$1,382,103,927</u>



Stewart Bates
President



Chief Accountant

STATEMENT OF INCOME AND EXPENDITURE

Income

Interest earned on loans under the Housing Acts	
Less: Interest on borrowings	
Property Rentals	
Less: Property Expenses:	
Interest on borrowings	
Repairs, maintenance and other expenses	
Payments to municipalities in lieu of taxes and for services	
Depreciation on real estate and equipment	
Interest earned on Corporation's share in projects under Federal-provincial agreements	
Less: Interest on borrowings	
Interest earned on agreements for sale and mortgages	
Less: Interest on borrowings	
Application fees earned on insured mortgage loans	
Fees earned for services rendered to Government agencies	
Net profits realized on dispositions of real estate acquired by capital expenditure	
Miscellaneous	

Administrative Expenditure

Salaries	
Pension Fund, group and unemployment insurance and medical examinations	
Directors' fees and expenses	
Auditors' fees and expenses	
Legal fees and expenses	
Examination fees paid to Approved Lenders	
Fees to Approved Lenders re: Agency Loans	
Information services	
Office supplies and expenses	
Rental and expenses of administrative premises	
Telephone, telegraph and teletype	
Travel, moving expenses and use of employee-owned automobiles	
Interest allowed on deposits	
Depreciation on business premises	
Depreciation on office furniture and equipment	
Miscellaneous	

Income Less Expenditure for the Year Before Income Tax

Deduct: Estimated Income Tax	
--	--

Net Income — Transferred to Reserve Fund

FOR THE YEAR ENDED DECEMBER 31 1960

STATEMENT II

(with comparative figures for 1959)

1960			1959		
\$62,441,310			\$44,453,186		
47,325,684	\$15,115,626		32,817,918	\$11,635,268	
<u>7,231,099</u>			<u>7,550,418</u>		
\$1,374,238			\$1,537,787		
1,761,621			1,422,500		
1,876,454			1,786,544		
<u>1,716,627</u>	6,728,940	502,159	<u>1,812,757</u>	6,559,588	990,830
	3,026,047		2,600,111		
	2,928,454	97,593	<u>2,482,401</u>		117,710
	<u>5,356,421</u>		5,367,603		
	1,031,651	4,324,770	<u>984,627</u>		4,382,976
		1,289,908			2,316,654
		255,555			300,781
		296,016			267,835
		29,317			<u>32,849</u>
		<u>21,910,944</u>			20,044,903
6,895,559			6,294,275		
841,703			890,720		
6,261			4,329		
30,172			34,008		
16,868			5,987		
98,437			90,117		
1,150,184			1,553,610		
26,572			31,730		
368,520			431,155		
536,844			512,652		
148,932			144,847		
662,599			653,915		
110,662			138,801		
132,755			141,708		
99,834			104,061		
<u>240,630</u>	11,366,532		<u>231,859</u>	11,263,774	
	10,544,412			8,781,129	
	5,312,000			4,433,000	
	<u>\$ 5,232,412</u>			<u>\$ 4,348,129</u>	

RESERVE FUND FOR THE

Balance, January 1	
Add:	
Net Income for the year	
Profits realized on sales of properties acquired from the Government of Canada	
Deduct:	
Excess over statutory limitation — transferred to the credit of the Receiver General	
Balance, December 31	

LOANS UNDER THE HOUSING ACTS FOR

	<i>Balances December 31 1959</i>	
	<i>Number of Loans Outstanding</i>	<i>Value</i>
<i>Joint Loans (Corporation's Share)</i>	120,177	\$ 189,483,693
<i>Uninsured Loans</i>		
Limited-dividend Housing Companies	234	132,175,702
Mining, Lumbering, Logging and Fishing Industries	16	5,091,646
Home Owners	5,511	33,365,877
Builders and Others, under Rental Guarantee Contracts	583	76,223,600
	<u>6,344</u>	<u>246,856,825</u>
<i>Insured Loans to Builders and Home Owners</i>		
By the Corporation	38,657	366,588,323
(Transfers from Agents)		
By Agents of the Corporation	20,577	253,650,912
(Transfers to the Corporation)		
	<u>59,234</u>	<u>620,239,235</u>
	<u>185,755</u>	<u>\$1,056,579,753</u>

AGREEMENTS FOR SALE AND MORTGAGES ARISING FROM SALES

	<i>Balances December 31 1959</i>	
	<i>Number of Accounts Outstanding</i>	<i>Value</i>
<i>Agreements for Sale</i>	20,414	\$ 51,470,689
(Converted to Mortgages)		
<i>Mortgages</i>	11,447	53,237,933
(Converted from Agreements for Sale)		
	<u>31,861</u>	<u>\$104,708,622</u>

YEAR ENDED DECEMBER 31 1960
(with comparative figures for 1959)
STATEMENT III
1960
1959

	\$ 5,000,000		\$ 5,000,000
\$5,232,412		\$4,348,129	
<u>4,870,322</u>	<u>10,102,734</u>	<u>5,205,459</u>	<u>9,553,588</u>
	15,102,734		14,553,588
	<u>10,102,734</u>		<u>9,553,588</u>
	<u>\$ 5,000,000</u>		<u>\$ 5,000,000</u>

THE YEAR ENDED DECEMBER 31 1960
STATEMENT IV

<i>Number of New Loans</i>	<i>Advances and Other Charges during 1960</i>	<i>Number of Loans Paid in Full</i>	<i>Payments Received during 1960</i>	<i>Balances December 31 1960</i>	
				<i>Number of Loans Outstanding</i>	<i>Value</i>
	\$ 837	5,243	\$16,592,385	114,934	\$ 172,892,145
33	33,442,019	1	8,656,583	266	156,961,138
	246,270	1	560,212	15	4,777,704
27	3,130,850	149	5,213,098	5,389	31,283,629
	6,232,290	2	8,815,129	581	73,640,761
<u>60</u>	<u>43,051,429</u>	<u>153</u>	<u>23,245,022</u>	<u>6,251</u>	<u>266,663,232</u>
20,131	289,493,562	164	47,626,294	59,112	613,714,292
488	5,258,701				
	557,755	514	5,834,915	19,575	243,115,051
(488)	(5,258,701)				
<u>20,131</u>	<u>290,051,317</u>	<u>678</u>	<u>53,461,209</u>	<u>78,687</u>	<u>856,829,343</u>
<u>20,191</u>	<u>\$333,103,583</u>	<u>6,074</u>	<u>\$93,298,616</u>	<u>199,872</u>	<u>\$1,296,384,720</u>
			Interest Accrued or Receivable		6,360,094
			Total (including amounts in arrears three months and over \$808,000)		<u>\$1,302,744,814</u>

OF PROPERTIES FOR THE YEAR ENDED DECEMBER 31 1960
STATEMENT V

<i>Number of New Accounts</i>	<i>Sales, Transfers and Other Charges during 1960</i>	<i>Number of Accounts Paid in Full</i>	<i>Payments Received during 1960</i>	<i>Balances December 31 1960</i>	
				<i>Number of Accounts Outstanding</i>	<i>Value</i>
	\$ 5,740,852	1,129	\$10,542,275	18,971	\$ 45,752,293
(314)	(916,973)				
881	11,475,792	292	8,670,467	12,350	56,960,231
314	916,973				
<u>881</u>	<u>\$17,216,644</u>	<u>1,421</u>	<u>\$19,212,742</u>	<u>31,321</u>	<u>\$102,712,524</u>
			Accrued Interest		438,248
			Total (including amounts in arrears three months and over \$14,000)		<u>\$103,150,772</u>

REAL ESTATE FOR THE

	<u>Balances December 31 1959</u>		<u>Additions and Transfers during 1960</u>	
	<u>Units</u>	<u>Amount</u>	<u>Units</u>	<u>Amount</u>
<i>Business Premises for Corporation Use</i>	23	\$ 3,534,264		\$ (2,270)
<i>Rental Housing</i>				
Warworkers' Houses	534	534,115		
Servicemen's Housing				
1947 and prior Programmes	476	1,428,000		
1948 and 1949 Programmes				
Single Houses	7,994	57,569,485		
Multiple Dwellings	623	5,369,008		
Housing acquired from Limited-dividend Housing Companies				
Single Houses	249	1,923,623		
Multiple Dwellings	1,197	9,245,875	78	404,472 ⁽¹⁾
Garages	232			
Housing at Pembroke, Gander, Renfrew and Sorel	544	6,420,747		8,978
	11,849	82,490,853	78	413,450
<i>Housing Acquired Under Guarantee Agreements</i>	6	56,263		
<i>Other Real Estate</i>				
Vacant Land		515,225		32,726
Miscellaneous	38	115,464	8	41,751
	38	630,689	8	74,477
	11,916	\$86,712,069	86	\$485,657

(1) Represents acquisition arising from mortgage default of a corporation.

CORPORATION'S SHARE IN THE JOINT OWNERSHIP OF REAL ESTATE UNDER

	<u>Balances December 31 1959</u>	<u>Additions and Transfers during 1960</u>
Rental Housing Projects	\$59,661,399	\$10,381,425
Land Assembly Projects	10,302,779	2,056,880
	<u>\$69,964,178</u>	<u>\$12,438,305</u>

<i>Dispositions during 1960</i>		<i>Balances December 31 1960</i>			
<i>Units</i>	<i>Amount</i>	<i>Units</i>	<i>Amount</i>	<i>Accumulated Depreciation</i>	<i>Net Book Value</i>
2	\$ 801	21	\$ 3,531,193	\$ 874,718	\$ 2,656,475
4	3,386	530	530,729		530,729
99	297,000	377	1,131,000	479,821	651,179
750	5,420,206	7,244	52,149,279	11,909,670	40,239,609
		623	5,369,008	1,630,050	3,738,958
2	13,386	247	1,910,237	595,369	1,314,868
		1,275 }			
		232 }	9,650,347	2,752,852	6,897,495
8	80,100	536	6,349,625	670,476	5,679,149
863	5,814,078	11,064	77,090,225	18,038,238	59,051,987
		6	56,263	10,364	45,899
	60,218		487,733		487,733
7	32,457	39	124,758	36,590	88,168
7	92,675	39	612,491	36,590	575,901
872	\$5,907,554	11,130	\$81,290,172	\$18,959,910	\$62,330,262

<i>Dispositions during 1960</i>	<i>Balances December 31 1960</i>		
	<i>Amount</i>	<i>Accumulated Recovery of Investments</i>	<i>Net Book Value</i>
	\$70,042,824	\$1,334,670	\$68,708,154
\$1,239,224	11,120,435		11,120,435
\$1,239,224	\$81,163,259	\$1,334,670	\$79,828,589

ASSETS OF THE MORTGAGE INSURANCE, HOME IMPROVEMENT LOAN

	<i>Mortgage Insurance Fund</i>	
	<i>1959</i>	<i>1960</i>
Cash	\$ 1,925,494	\$ 821
Securities issued or guaranteed by the Government of Canada, at amortized cost	57,921,940	69,589,388
Approximate market values —		
Mortgage Insurance Fund	\$63,729,314	
Home Improvement Loan Insurance Fund	1,703,293	
Rental Guarantee Fund	2,911,478	
	<u>\$68,344,085</u>	
Accrued interest on securities	868,109	1,127,105
Mortgages	168,245	528,908
Accrued interest on mortgages	2,894	10,649
Real Estate, at cost (estimated market value \$1,255,000)	194,971	1,339,100
	<u>\$61,081,653</u>	<u>\$72,595,971</u>

RESERVES FOR MORTGAGE INSURANCE, HOME IMPROVEMENT LOAN INSURANCE

	<i>Reserve for Mortgage Insurance</i>		
	<i>Total to December 31 1959</i>	<i>Year 1960</i>	<i>Total to December 31 1960</i>
Fees and premiums received	\$55,708,231	\$ 8,456,279	\$64,164,510
Net income from securities	5,303,660	3,018,553	8,322,213
Interest earned on mortgages	11,572	25,587	37,159
Rentals earned on real estate	639	10,129	10,768
Recoveries on claims paid			
Real estate acquired on claims paid	375,651	1,496,596	1,872,247
Net profit on sales of real estate	17,136	10,759	27,895
Net profit on sales of securities	40,687		40,687
Sundry income			
	<u>61,457,576</u>	<u>13,017,903</u>	<u>74,475,479</u>
Deduct:			
Claims paid and legal expenses	375,651	1,496,596	1,872,247
Maintenance of real estate	264	6,858	7,122
Sundry expenses	8	131	139
	<u>375,923</u>	<u>1,503,585</u>	<u>1,879,508</u>
	<u>\$61,081,653</u>	<u>\$11,514,318</u>	<u>\$72,595,971</u>

Mortgage insurance in force—approximately \$3,090,000,000
 Amount insured in respect of Home Improvement
 Loans—approximately \$ 9,410,000
 Current year's rentals covered by Rental Guarantee
 contracts—approximately \$ 15,500,000

INSURANCE AND RENTAL GUARANTEE FUNDS, DECEMBER 31 1960

(with comparative figures for 1959)

STATEMENT VIII

<i>Home Improvement Loan Insurance Fund</i>		<i>Rental Guarantee Fund</i>		<i>Totals</i>	
<i>1959</i>	<i>1960</i>	<i>1959</i>	<i>1960</i>	<i>1959</i>	<i>1960</i>
\$ 22,510	\$ 12,985	\$ 46,065	\$ 52,050	\$ 1,994,069	\$ 65,856
1,564,391	1,842,364	2,856,253	3,290,234	62,342,584	74,721,986
23,558	28,095	41,003	47,360	932,670	1,202,560
				168,245	528,908
				2,894	10,649
				194,971	1,339,100
<u>\$1,610,459</u>	<u>\$1,883,444</u>	<u>\$2,943,321</u>	<u>\$3,389,644</u>	<u>\$65,635,433</u>	<u>\$77,869,059</u>

AND RENTAL GUARANTEES FOR THE YEAR ENDED DECEMBER 31 1960

<i>Reserve for Home Improvement Loan Insurance</i>			<i>Reserve for Rental Guarantees</i>			<i>Totals</i>
<i>Total to December 31 1959</i>	<i>Year 1960</i>	<i>Total to December 31 1960</i>	<i>Total to December 31 1959</i>	<i>Year 1960</i>	<i>Total to December 31 1960</i>	<i>December 31 1960</i>
\$1,645,063	\$297,924	\$1,942,987	\$3,152,568	\$369,385	\$3,521,953	\$69,629,450
147,133	78,998	226,131	398,156	137,724	535,880	9,084,224
						37,159
						10,768
						25,167
						1,872,247
						27,895
						42,322
						2,000
15,744	9,423	25,167	(238)	(238)	(238)	80,731,232
1,873		1,873	2,000	2,000	2,000	
<u>1,809,813</u>	<u>386,345</u>	<u>2,196,158</u>	<u>3,552,486</u>	<u>507,109</u>	<u>4,059,595</u>	
199,354	113,357	312,711	609,165	60,786	669,951	2,854,909
						7,122
						142
199,354	113,360	312,714	609,165	60,786	669,951	2,862,173
<u>\$1,610,459</u>	<u>\$272,985</u>	<u>\$1,883,444</u>	<u>\$2,943,321</u>	<u>\$446,323</u>	<u>\$3,389,644</u>	<u>\$77,869,059</u>

EXPLANATORY NOTES TO FINANCIAL STATEMENTS

ASSETS

Accounts Receivable

Balances due from local housing authorities in respect of annual instalments on Corporation's share of investment in Federal-Provincial housing projects, rentals due from housing tenants and sundry accounts receivable from government departments and agencies and others. The increase of \$211,400 over 1959 arises mainly from increased amounts receivable from housing authorities due to greater activity in this field.

Expenditures Recoverable from Provincial Governments under Federal-Provincial Agreements

Expenditures representing provincial share of the cost of land assembly and rental housing projects currently recoverable from provincial governments including an amount due from the Province of Newfoundland of \$599,600 which has been accruing since October 1 1958.

Due from the Minister of Public Works on Current Account

Balance of recoverable expenditures for (a) research, investigations, planning and information services; (b) fees and expenses for supervising construction of permanent married quarters and schools for the Department of National Defence; (c) other sundry items.

Due from the Minister of Public Works for Losses (net) in respect of Loans, Guarantees and Other Commitments under the Housing Acts

(a) Operating losses less profits on Corporation's share in Federal-Provincial housing projects; (b) profits on sales of lots in land assembly projects less losses on abandoned projects; (c) profits less losses on disposal of properties acquired by foreclosure of joint loans and Corporation uninsured loans.

Advances to Municipalities and Others on Deferred Repayment Terms

Balances recoverable in respect of financing of ground services under arrangements made with municipalities by the Corporation alone or in partnership with provincial governments.

Corporation's Share in the Joint Ownership of Real Estate under Federal-Provincial Agreements

Comprises 75% of the unrecovered cost of rental housing projects, unsold lots and uncollected balances on lots sold in land assembly projects. Investment in rental housing projects is recoverable by annual instalments from local housing authorities, and cost of land assembly projects is recoverable from proceeds of lot sales.

Bonds Held as Deposits

Consists of bonds issued or guaranteed by governments, and held (a) on behalf of rental guarantee mortgagors to ensure availability of funds for repairs and replacements; (b) as security deposits by contractors in respect of construction contracts and (c) other deposits in respect of commitments made to the Corporation.

Other Assets

Unexpired portion of group and other insurance premiums, unexpired portion of grants to municipalities in lieu of taxes, accountable advances to employees, inventories of cafeteria foodstuffs and maintenance stores, and sundry prepaid expenses.

LIABILITIES

Accounts Payable and Accrued Liabilities

Unpaid progress estimates owing to contractors, amounts for operating expenses owing or accrued, balances owing to municipalities in respect of house sales and to provincial governments under Federal-Provincial Agreements.

Deposits and Contractors' Holdbacks

Deposits from borrowers in respect of the cost of replacements and repairs and rental guarantee premiums not

yet due as provided for in rental guarantee contracts, deposits received from contractors to guarantee satisfactory completion of contracts and payments withheld in respect of work performed, borrowers' tax deposits, tenants' rent deposits and other deposits in respect of commitments to the Corporation.

Employees' Retirement Account

Amounts deposited by employees not eligible for admission as participants in the Pension Fund held pending retirement or separation. The Pension Fund which is established under authority of the C.M.H.C. Act is not included in these statements, being vested in trustees.

Borrowings from the Government of Canada

	Amount Borrowed in 1960	Amount Repaid in 1960
Borrowings for lending under the Housing Acts (\$ million)	278.5	35.7
Borrowings for acquisition and construction of real estate under Federal-Provincial Agreements (\$ million)	12.5	2.2
Borrowings for acquisition and construction of real estate (\$ million)	—	3.7

Surplus arising from Valuation of Properties Acquired from the Government of Canada

Capitalized value of remaining real estate acquired without cost from Wartime Housing Limited in 1948, and of housing projects at Renfrew and Sorel acquired from the Department of Defence Production in 1957.

Unrealized Profits on Real Estate Sold on Deferred Payment Terms

Each year a proportionate amount of unrealized profits, based on the recoveries of principal to the sales price, is treated as earned or realized. Such realizations are credited to Reserve Fund when arising from sales of real estate acquired by the Corporation without cost, and to the income account when arising from sales of real estate acquired by capital expenditure.

INCOME

In 1960, advances on loans made under the Housing Acts exceeded repayments by \$240,000,000. This together with higher interest rates on new loans resulted in an increase of \$18,000,000 in gross interest earned over 1959. Interest on borrowings increased by only \$14,500,000 thereby resulting in a net increase in interest earned of \$3,500,000. During 1960, 872 rental housing units were sold and 86 added to the housing inventory, a net decrease of 786 units under administration. Rental revenues declined by \$320,000 while operating expenses increased by \$170,000, resulting in a decline in net rental income of \$490,000. Increased operating expenses are mainly attributable to increased costs of repairs and maintenance and larger payments to municipalities in lieu of taxes.

Application fees earned on insured mortgage loans declined by \$1,027,000 from the previous year due to the sharp reduction in lending activities in 1959. Fees received are treated as being earned over an eight month period.

ADMINISTRATIVE EXPENDITURE

Administrative expenditure was \$103,000 greater than in the preceding year as compared to an increase of \$1,866,000 in income.

Salaries increased by \$701,000 due to a general increase in wage levels. Although a decrease in the Corporation's rate of contribution to the Pension Fund resulted in a net decrease in expense of \$106,000 this was partly off-set by increased expense in respect of group and unemployment insurance.

Fees to approved lenders re agency loans declined by \$403,000 due to the reduction in lending through agents.



Rockland Shopping Centre, Town of Mount Royal.

6

STATISTICS

- Tables*
- 1** Housing Units Started and Mortgage Loans Approved, 1935-1960.
 - 2** Housing Units Started and Mortgage Loans Approved, by Province, 1960.
 - 3** Housing Units Started, and Mortgage Loans Approved Under the Housing Act, by Locality, 1960.
 - 4** Federal-Provincial Projects Under the Housing Acts, by Locality, 1950-1960.
 - 5** Home Improvement Loans Approved, by Province, 1960.
 - 6** Summary of Construction Activities, by Programme, 1960.

Housing Units Started and Mortgage Loans Approved, 1935-1960

TABLE 1

YEAR	<i>Housing Units Started ⁽¹⁾</i>		<i>Mortgage Loans Approved Under The Housing Acts</i>		
	<i>Total</i>	<i>Under The Housing Acts</i>	<i>Loans</i>	<i>Housing Units</i>	<i>Amount (\$000)</i>
1935	33,900	72	73	97	514
1936	41,000	729	550	788	3,778
1937	45,100	1,797	1,311	1,817	7,524
1938	43,900	3,643	2,347	3,894	13,840
1939	48,900	5,947	4,315	5,973	19,142
1940	52,600	5,738	4,897	5,621	16,721
1941	51,200	4,466	4,370	4,323	13,508
1942	40,000	1,120	1,138	1,093	3,170
1943	36,100	1,731	1,721	1,721	5,454
1944	41,500	1,466	1,393	1,393	4,855
1945	55,181	4,737	4,431	4,980	21,143
1946	64,355	11,520	7,341	11,827	55,951
1947	74,263	10,190	8,886	10,933	53,230
1948	90,194	26,233	15,313	18,776	104,291
1949	90,509	29,250	18,047	25,166	140,830
1950	92,531	43,521	33,934	42,280	284,487
1951	68,579	21,439	14,916	19,283	123,621
1952	83,246	34,400	23,718	34,323	249,084
1953	102,409	39,989	26,514	38,614	290,526
1954	113,527	50,373	39,576	50,319	454,957
1955	138,276	65,377	56,149	65,340	615,325
1956	127,311	43,395	35,794	41,283	407,132
1957	122,340	47,468	39,974	48,933	493,939
1958	164,632	81,950	65,515	82,169	882,924
1959	141,345	62,333	49,171	57,310	626,167
1960	108,858	33,723	29,246	36,610	392,992
TOTAL	2,071,756	632,607	490,640	614,866	5,285,105

Housing Units Started and Mortgage Loans Approved, by Province, 1960

TABLE 2

PROVINCE	<i>Housing Units Started</i>		<i>Mortgage Loans Approved Under The Housing Act</i>		
	<i>Total</i>	<i>Under The Housing Act</i>	<i>Loans</i>	<i>Housing Units</i>	<i>Amount (\$000)</i>
Newfoundland . . .	2,026	106	70	70	789
Prince Edward Island	272	45	53	54	522
Nova Scotia . . .	4,047	971	589	834	8,579
New Brunswick . .	1,780	556	564	577	5,949
Quebec	28,589	6,266	6,977	7,778	81,912
Ontario	42,282	16,563	12,378	17,979	191,200
Manitoba	5,132	1,525	1,529	1,715	19,037
Saskatchewan . . .	4,339	1,641	1,488	1,594	16,865
Alberta	8,387	3,885	3,975	4,238	48,670
British Columbia .	12,004	2,165	1,585	1,733	19,016
Northwest Territories	—	—	6	6	76
Yukon Territory . .	—	—	32	32	377
CANADA	108,858 ⁽¹⁾	33,723 ⁽¹⁾	29,246	36,610	392,992

⁽¹⁾ Excludes the Northwest and Yukon Territories.

**Housing Units Started, and Mortgage Loans Approved
Under the Housing Act, by Locality, 1960**

TABLE 3

LOCALITY	Housing Units Started ⁽¹⁾	Mortgage Loans Approved					
		C.M.H.C.		Approved Lenders		Total	
		Units	Amount (\$000)	Units	Amount (\$000)	Units	Amount (\$000)
Metropolitan Areas							
Calgary	3,234	752	8,678	971	12,076	1,723	20,754
Edmonton	2,180	736	8,454	689	7,826	1,425	16,280
Halifax	1,264	263	3,001	345	3,247	608	6,248
Hamilton	2,682	216	2,522	593	6,664	809	9,186
London	1,840	65	699	544	5,996	609	6,695
Montreal	16,345	184	1,701	1,796	19,269	1,980	20,970
Ottawa-Hull	4,574	623	7,126	2,049	24,671	2,672	31,797
Quebec	2,136	873	8,858	377	4,236	1,250	13,094
Saint John	461	84	832	134	1,484	218	2,316
St. John's	164	23	282	12	146	35	428
Toronto	14,180	1,184	9,528	6,042	58,590	7,226	68,118
Vancouver	4,675	437	4,626	247	3,022	684	7,628
Victoria	965	111	1,266	135	1,628	246	2,894
Windsor	496	127	1,432	176	2,186	303	3,618
Winnipeg	3,805	654	7,262	621	7,625	1,275	14,887
Sub-Total	59,001	6,332	66,267	14,731	158,646	21,063	224,913
Major Urban Areas							
Brantford	622	44	479	29	346	73	825
Chicoutimi-Jonquière .	432	290	2,793	37	406	327	3,199
Ft. William-Pt. Arthur	424	50	542	129	1,539	179	2,081
Guelph	361	44	428	120	1,324	164	1,752
Kingston	372	58	642	85	1,049	143	1,691
Kitchener	1,596	196	1,920	650	7,168	846	9,088
Moncton	282	72	719	86	957	158	1,676
Niagara Falls	193	25	254	80	923	105	1,177
Oshawa	700	284	3,235	80	950	364	4,185
Peterborough	470	120	1,097	174	1,970	294	3,067
Regina	984	491	4,733	176	2,166	667	6,899
St. Catharines	377	74	728	108	1,265	182	1,993
Sarnia	532	77	860	165	2,008	242	2,868
Saskatoon	1,137	424	4,457	191	2,400	615	6,857
Sault Ste. Marie	582	117	1,341	147	1,770	264	3,111
Shawinigan Falls	177	44	429	5	52	49	481
Sherbrooke	403	40	403	91	1,007	131	1,410
Sudbury	486	248	2,627	41	505	289	3,132
Sydney	250	24	263	4	48	28	311
Timmins	105	25	278	10	108	35	386
Trois-Rivières	482	246	2,225	20	223	266	2,448
Sub-Total	10,967	2,993	30,453	2,428	28,184	5,421	58,637
Other Localities	38,890	6,129	64,369	3,997	45,073	10,126	109,442
CANADA	108,858	15,454	161,089	21,156	231,903	36,610	392,992

⁽¹⁾ Excludes the Northwest and Yukon Territories.

Federal-Provincial Projects under the

LOCALITY	Land Assembly		Rental Housing	
	Number of Lots		Number of Housing Units	
	Authorized	Developed	Authorized	Completed
<i>Newfoundland</i>	766	766	584	584
Corner Brook . . .	212	212	—	—
St. John's . . .	554	554	584	584
<i>Nova Scotia</i>	—	—	718	165
Halifax . . .	—	—	718	165
<i>New Brunswick</i>	—	—	488	388
Saint John . . .	—	—	488	388
<i>Quebec</i>	—	—	796	674
Montreal . . .	—	—	796	674
<i>Ontario</i>	12,929	7,678	5,928	5,065
Amherstburg . . .	31	31	25	25
Arnprior . . .	43	43	25	25
Atikokan . . .	1,140	665	—	—
Brantford . . .	323	—	50	50
Brockville . . .	352	352	96	96
Clinton . . .	—	—	12	12
Cobourg . . .	1,015	94	—	—
Cornwall . . .	277	—	125	—
Delhi . . .	—	—	12	12
Dunnville . . .	—	—	25	25
Fort Erie . . .	—	—	28	28
Fort William . . .	—	—	174	174
Galt . . .	201	—	50	50
Goderich . . .	22	22	65	65
Guelph . . .	214	214	70	70
Hamilton . . .	530	468	1,123	1,123
Kenora . . .	205	92	26	26
Kingston . . .	244	244	71	45
Kirkland Lake . . .	67	—	—	—
Kitchener . . .	676	676	—	—
Lindsay . . .	54	54	20	20
London . . .	1,057	1,057	100	100
Midland . . .	42	42	30	30
Napanea . . .	36	36	41	41
North Bay . . .	50	50	54	54
Orillia . . .	—	—	10	10
Ottawa . . .	630	630	103	—
Owen Sound . . .	38	38	40	40
Peterborough . . .	2,170	462	—	—
Port Arthur . . .	—	—	40	40
Prescott . . .	—	—	60	60
Renfrew . . .	171	116	43	43
St. Thomas . . .	315	315	75	75
Sandwich East . . .	969	—	—	—
Sarnia . . .	1,035	955	120	—

Housing Acts, by Locality, 1950-1960

TABLE 4

LOCALITY	Land Assembly		Rental Housing	
	Number of Lots		Number of Housing Units	
	Authorized	Developed	Authorized	Completed
Sault Ste. Marie . . .	—	—	100	100
Smith's Falls . . .	—	—	24	24
Stamford . . .	57	57	70	70
Stratford . . .	122	122	104	104
Sudbury . . .	276	276	—	—
Thorold . . .	127	127	—	—
Toronto . . .	—	—	1,966	1,775
Trenton . . .	115	115	25	25
Windsor . . .	325	325	926	628
<i>Saskatchewan</i>	463	376	264	190
Moose Jaw . . .	258	258	75	75
Prince Albert . . .	—	—	30	30
Regina . . .	—	—	109	35
Swift Current . . .	118	118	—	—
Weyburn . . .	87	—	50	50
<i>British Columbia</i>	998	789	832	443
Duncan . . .	158	158	—	—
Kimberley . . .	50	50	—	—
Prince George . . .	177	177	—	—
Prince Rupert . . .	—	—	50	50
Saanich . . .	132	132	—	—
Trail . . .	481	272	—	—
Vancouver . . .	—	—	782	393
TOTAL . . .	15,156	9,609	9,610	7,509

Federal-Provincial Housing Authorized in Agreements
with the Nova Scotia and Prince Edward Island Housing Commissions

LOCALITY	Housing Units		LOCALITY	Housing Units	
	Authorized	Completed		Authorized	Completed
<i>Nova Scotia</i>	916	739	Port Hawkesbury .	10	10
Amherst . . .	70	70	Pubnico . . .	7	—
Antigonish . . .	49	37	Stellarton . . .	8	8
Baddeck . . .	5	—	Sydney . . .	280	262
Cheticamp . . .	5	—	Sydney Mines . .	22	16
Cole Harbour . .	44	23	Trenton . . .	10	10
Digby . . .	6	6	Truro . . .	32	32
Eastern Passage .	17	—	Wolfville . . .	11	11
Glace Bay . . .	56	48	Woodlawn . . .	88	41
Halifax . . .	76	76	Yarmouth . . .	10	10
Kentville . . .	11	11	<i>Prince Edward Island</i>	10	—
New Glasgow . .	18	10	Souris . . .	10	—
New Waterford . .	37	28			
North Sydney . .	44	30	TOTAL . . .	926	739

Home Improvement Loans Approved, by Province, 1960

TABLE 5

PROVINCE	Number of Loans	Number of Additional Housing Units	Amount (\$000)
Newfoundland	496	28	746
Prince Edward Island . .	124	4	153
Nova Scotia	1,969	55	1,892
New Brunswick	570	20	708
Quebec	2,415	179	4,409
Ontario	7,318	152	8,645
Manitoba	1,206	21	1,526
Saskatchewan	1,444	30	1,607
Alberta	3,648	70	4,448
British Columbia	4,344	55	5,842
Northwest Territories . .	39	2	66
Yukon Territory	7	1	17
CANADA	23,580	617	30,059

Summary of Construction Activities, by Programme, 1960

TABLE 6

PROGRAMME	Expenditures (\$000)				
	Housing	Land and Improvements	Schools	Other	Total
<i>Corporation Construction</i>					
Federal-Provincial Projects . . .	12,264	4,902	—	—	17,166
Rental Housing (Gander) . . .	—	11	—	—	11
<i>Construction for Other Agencies and Departments</i>					
Atomic Energy of Canada Limited					
Deep River	594	56	—	—	650
Manitoba Site	—	96	—	—	96
Department of National Defence .	5,249	2,679	1,488	—	9,416
Department of National Health and Welfare — Flood Control (Fort Qu'Appelle)	—	1	—	—	1
Department of Public Works — Urban Military Housing (Nova Scotia)	—	4	—	—	4

PUBLICATIONS

FINANCING

- NHA LOANS FOR HOMES – Explains the insured loan provisions for home ownership.
- NHA HOME-OWNER LOANS BY CMHC – Explains lending by CMHC for home ownership.
- NHA INSURED LOANS FOR RENTAL HOUSING – Outlines the financing of rental housing with insured loans.
- NHA LIMITED DIVIDEND LOANS – Explains lending by CMHC to limited-dividend housing companies for low-rental housing.
- NHA HOUSING FOR THE ELDERLY – Outlines the way in which NHA limited-dividend housing may provide accommodation for old people.
- NHA CO-OPERATIVE HOUSING LOANS – Explains loans made to building co-operatives.
- NHA HOME CONVERSION LOANS – Outlines insured loans for alterations which add one or more family housing units to existing residential structures.
- NHA LOANS FOR UNIVERSITY HOUSING PROJECTS – Outlines the terms on which universities may obtain loans for resident student accommodation.
- NHA LOANS FOR MUNICIPAL SEWAGE TREATMENT PROJECTS – Explains loans made to assist in the construction of sewage treatment projects.
- NHA FEDERAL-PROVINCIAL HOUSING AND LAND ASSEMBLY – Summarizes assistance for house construction and land assembly undertaken jointly by Federal-Provincial partnerships.
- NHA URBAN RENEWAL – Outlines Federal assistance available to municipalities undertaking redevelopment of blighted areas.
- NHA HOME IMPROVEMENT LOANS – Explains the lending provisions for loans for home improvement and repairs.

DESIGN

- SMALL HOUSE DESIGNS – Catalogues house designs for which working drawings may be purchased from CMHC local offices at nominal cost.
- CHOOSING A HOUSE DESIGN – Outlines for prospective owners considerations on choice of neighborhood, lot and type of house.
- PRINCIPLES OF SMALL HOUSE GROUPING – Deals with the arrangement of houses in groups.
- NHA – A MINIMUM HOUSE – Describes briefly the specifications of a minimum house designed for rural areas without municipal services.

CONSTRUCTION

- HOUSING STANDARDS – Sets out the minimum building standards prescribed by CMHC for houses built under the National Housing Act. Prepared and published by the Division of Building Research, National Research Council.
- APARTMENT BUILDING STANDARDS – Sets out the minimum standards prescribed for apartment buildings financed with NHA loans.
- CATALOGUE OF HOUSE BUILDING CONSTRUCTION SYSTEMS – Outlines methods followed in various parts of the world in constructing single-family dwellings.
- DICTIONARY OF HOUSE-BUILDING TERMS – Defines words used in housing industry.
- BASEMENT FALLOUT SHELTER – Blueprint for Survival No. 2 – Shelters in new homes.
- NHA – WHAT YOU SHOULD KNOW ABOUT THE INSPECTION OF YOUR HOUSE – Explains the extent and the limitations of compliance inspections on NHA-financed housing.

STATISTICS

- CANADIAN HOUSING STATISTICS – Provides statistical data related to the housing situation.

GENERAL

- HABITAT – A bi-monthly magazine containing illustrated articles on the housing environment.
- HOUSING FOR OLD PEOPLE, URBAN REDEVELOPMENT, FEDERAL-PROVINCIAL PROJECTS – Supplementary material available on these subjects.

**BOARD OF
DIRECTORS**

*STEWART BATES,
President and Chairman of the Board

*P. S. SECORD, O.B.E.,
Vice-President

A. G. BOISCLAIR,
Montreal

R. B. BRYCE,
Ottawa

MRS. MARGARET CAMPBELL, Q.C.,
Toronto

*DR. A. F. LAIDLAW,
Ottawa

N. D. LAMBERT, C.B.E.,
Vancouver

J. C. MILLER, Q.C.,
Portage la Prairie

*J. F. PARKINSON,
Ottawa

MAJOR-GENERAL H. A. YOUNG, C.B., C.B.E., D.S.O., C.D.,
Ottawa

* Member of the Executive Committee

CENTRAL MORTGAGE AND HOUSING CORPORATION OFFICES
Head Office, Ottawa, Canada

REGIONAL OFFICES

Halifax
Montreal
Toronto
Winnipeg
Vancouver

LOCAL OFFICES

Fredericton, Gander, Halifax, Moncton, Saint John, St. John's.

Chicoutimi, Montreal, Quebec, Rimouski, St. Lambert,
Sherbrooke, Trois-Rivières, Val d'Or.

Barrie, Fort William, Hamilton, Kingston, Kitchener, London,
North Bay, Oshawa, Ottawa, Peterborough, St. Catharines, Sarnia,
Sault Ste. Marie, Scarborough, Sudbury, Toronto, Windsor.

Brandon, Calgary, Edmonton, Lethbridge, Red Deer,
Regina, Saskatoon, Winnipeg.

Kelowna, New Westminster, Prince George,
Trail, Vancouver, Victoria.

O T T A W A , C A N A D A