CMHI

MANUFACTURED BUILDING SURVEY

2014 ANNUAL REPORT - REVISED NOVEMBER 2015

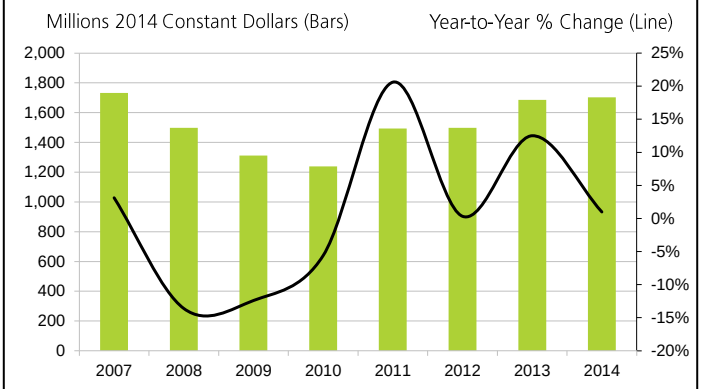
Manufactured Building Conditions

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

Highlights from 2014:

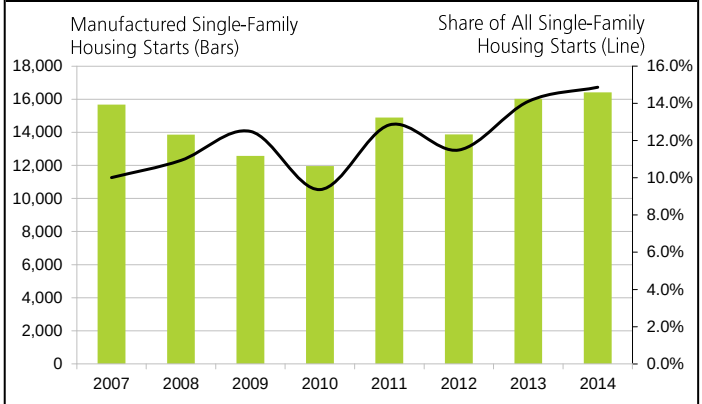
- In 2014, the value of manufactured building production in Canada (residential and non-residential combined) was over $1.7 billion, up about 2.5% from a very strong 2013
- Factory-built units accounted for about 15% of all single-family homes started in 2014
- Some 16,532 factory-built single-family homes were started in 2014, up about 7.1% from a revised 15,436 units in 2013
- Manufactured building activity helps support over 28,000 full-time equivalent jobs across the country and generates some $630 million annually in federal and provincial taxes
- Quebec and Alberta are the provinces with the largest number of jobs supported by the manufactured building industry.

Manufactured Building Production Canada, 2007-2014



Estimates by Altus Group Economic Consulting based on data from Statistics Canada

Manufactured Building Residential Starts* Canada, 2007-2014



Estimates by Altus Group Economic Consulting based on data from Statistics Canada

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MANUFACTURED HOUSING ASSOCIATION OF ATLANTIC CANADA · ASSOCIATION DE L'HABITATION USINÉE DU CANADA ATLANTIQUE

MHAPP MODULAR HOUSING ASSOCIATION PRAIRIE PROVINCES

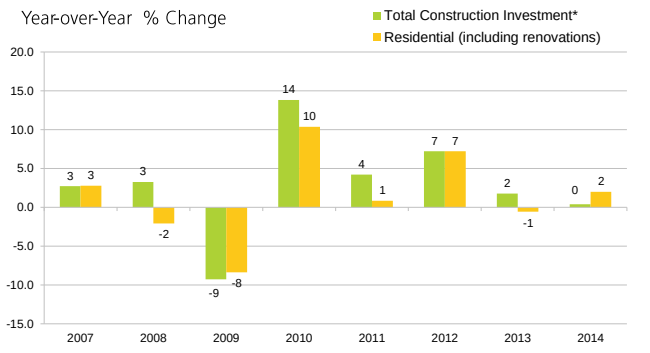
MHABC Manufactured Housing Association of British Columbia

NATIONAL INDUSTRY INDICATORS

Construction Industry

Residential construction investment (a number inclusive of new housing construction, renovation investment and acquisitions costs) advanced a modest 2% in 2014. This was an improvement over a decline in 2013 but below the average 2.5% real (after inflation) advance seen over the past decade. By contrast, total construction across all sectors made no advances between 2013 and 2014. This is mostly reflective of a fall in infrastructure spending, particularly government-initiated.

Annual Construction Investment by Sector, Canada, 2007-2014



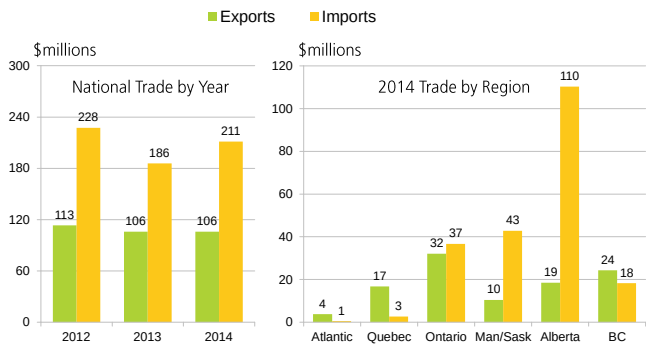
* Residential (incl. alteration and repair), non-residential buildings and engineering combined

Source: Altus Group Economic Consulting based on data from Statistics Canada

Exports of Manufactured Buildings

Canada's international trade deficit in manufactured buildings widened in 2014, after making small gains the previous year. Alberta accounted for more than half of imports and the vast majority of the trade deficit. BC and Quebec both showed strong trade surpluses in this segment in 2014.

International Trade, Manufactured Buildings, Canada, 2012-2014

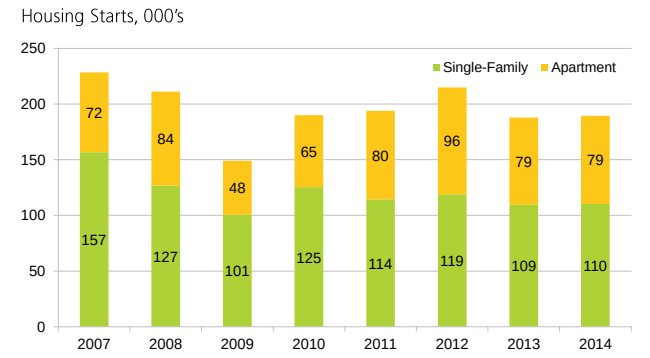


Source: Altus Group Economic Consulting based on data from Industry Canada, Trade By Industry NAICS Code

Housing Industry Overview

Canada Mortgage and Housing Corporation (CMHC) publishes data on housing starts (including both site-built and factory-built homes). Housing starts advanced very modestly to 189,300 units in 2014 up about 0.8% from the previous year. Both apartment and single-family units advanced, however, the single family performance (including single-detached, semi-detached and row house units), at about 110,000 units, remains well below its longer-term average.

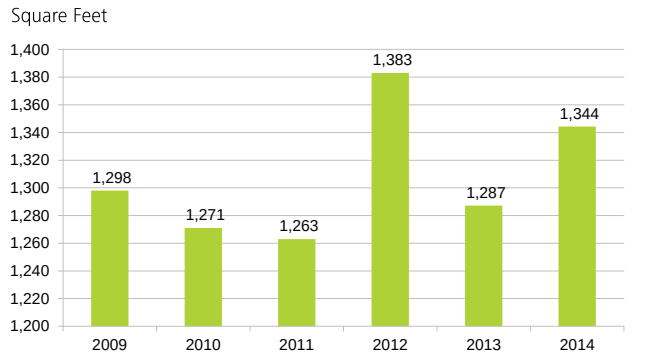
Annual Housing Starts by Type, Canada, 2007-2014



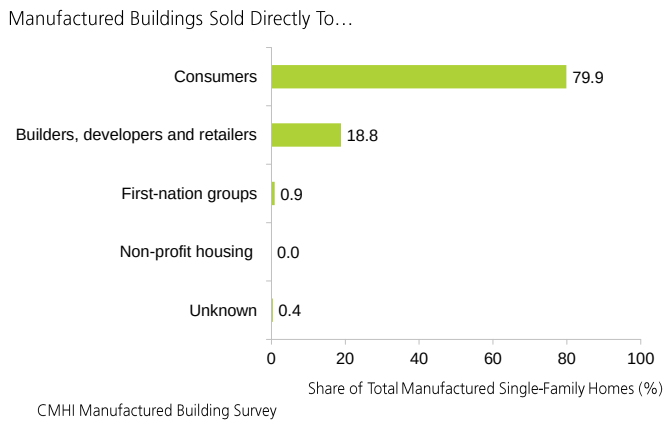
Source: Altus Group Economic Consulting based on data from CMHC Starts and Completions Survey

SURVEY RESULTS

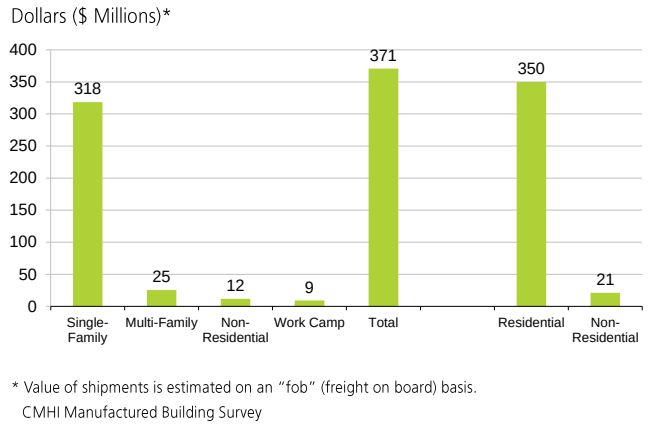
Single-Family Average Square Feet Per Unit, Survey Respondents, 2009-2014



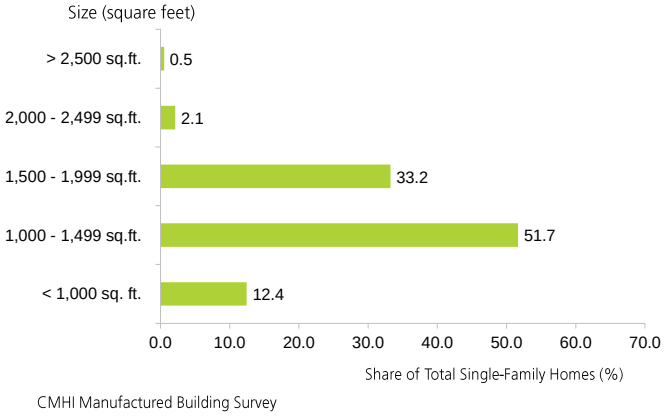
Distribution of Manufactured Building Sales, Single-Family, Survey Respondents, 2014



Value of Factory Shipments by Product Type, Survey Respondents, 2014



Distribution of Single-Family Homes by Total Home Size, Survey Respondents, 2014



CMHI Manufactured Building Survey

The *CMHI Manufactured Building Survey* is a survey that collects data from producers of manufactured buildings relating to production volumes. Manufacturers are certified to Canadian Standards Association (CSA) standards. As of January 2015, 142 firms in Canada, the U.S. and China were identified as certified builders of prefabricated buildings, modules and panels under the CSA A277 standard. In 2014, 18 firms participated in the *CMHI Manufactured Building Survey*, representing an effective response rate* of 18%.

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

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

* Share of survey respondents' production of single-family homes to estimated total production in Canada and imports (16,532 homes).

SURVEY RESULTS

CMHI Manufactured Building Survey Summary Statistics, Survey Respondents, 2014

Type of Unit	Units	Square Feet	Value	Value
		(000s)	*$ (millions)*	*$ (per sf)*
Single-family homes	2,900	3,898	318.3	81.6
Multi-family homes	205	284	25.2	88.7
Non-residential	na	111	11.7	105.3
Other residential components [1]	55	55	6.3	115.8
Work camp production	na	156	9.3	59.4
Residential	3,160	4,237	349.8	82.6
Non-Residential	na	267	21	78.4
Total Production[2]	**3,160**	**4,504**	**370.7**	**82.3**

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

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

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

Estimate of Total Manufactured Building Production, Canada, by Region, 2014

Type of Unit	Atlantic Canada	Quebec & Ontario	Western Canada	Total
		Units		
Survey Respondents				
Single-Family Single-Section	474	-	1,383	1,857
Single-Family Multi-Section	340	594	78	1,012
Multi-Family	4	17	184	205
Estimate of Other Producers				
Other Producers and Types of Units	-	5,898	7,933	13,831
Total	**818**	**6,509**	**9,578**	**16,905**

Source: Altus Group Economic Consulting based on data from the CMHI Manufactured Building Survey, Statistics Canada

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MANUFACTURED BUILDING SURVEY

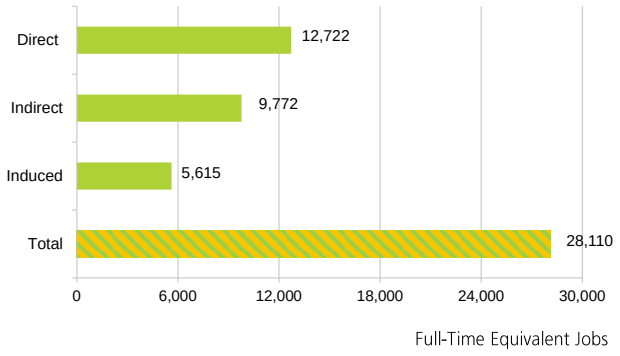
2014 ANNUAL REPORT - NATIONAL ECONOMIC BENEFITS

NOVEMBER 2015

The manufactured building industry generates tremendous economic benefits, in the form of employment, wages, government taxes, etc., to the Canadian economy. In 2014, manufactured building production, installation and other related activities generated more than $5.6 billion in economic activity, helping to support more than 28,000 full-time equivalent jobs in Canada. The industry was also responsible for generating some $630 million in federal and provincial taxes. The industry is clearly a vital component of the Canadian economy.

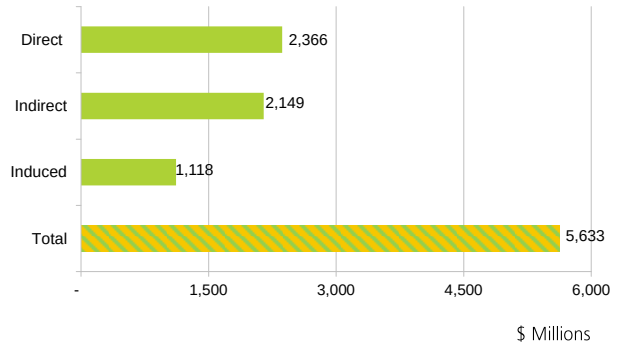
The *CMHI Manufactured Building Survey* collects data from producers of manufactured buildings. Manufacturers are certified to Canadian Standards Association (CSA) standards. Approximately 142 firms in Canada, the U.S. and China are identified as certified builders of factory-constructed buildings and structures under the CSA A277 Standard.

Jobs Supported By the Manufactured Building Industry



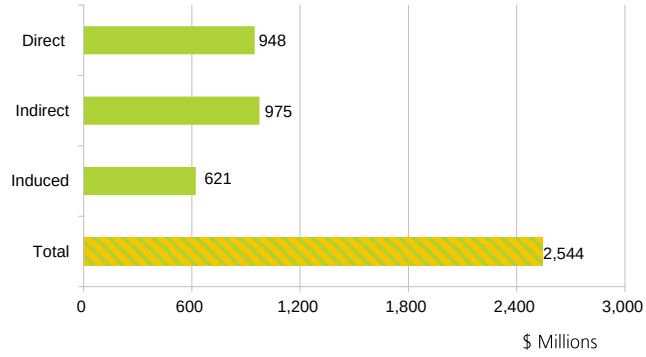
Source: Altus Group Economic Consulting

Economic Activity Generated by the Manufactured Building Industry



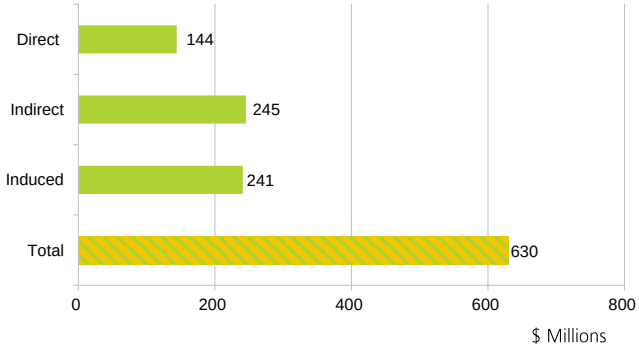
Source: Altus Group Economic Consulting

Wages and Business Profits Generated by the Manufactured Building Industry



Source: Altus Group Economic Consulting

Federal and Provincial Taxes Generated by the Manufactured Building Industry



Source: Altus Group Economic Consulting

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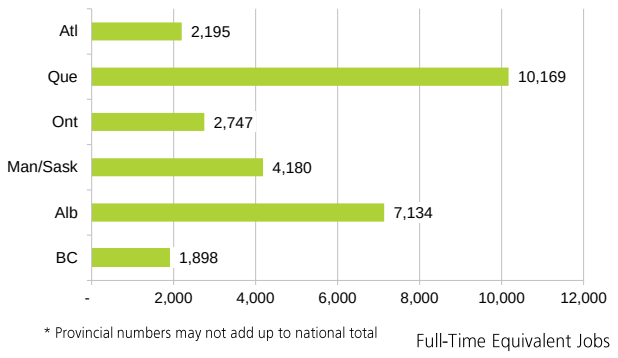
MANUFACTURED BUILDING SURVEY

2014 ANNUAL REPORT - REGIONAL ECONOMIC BENEFITS

NOVEMBER 2015

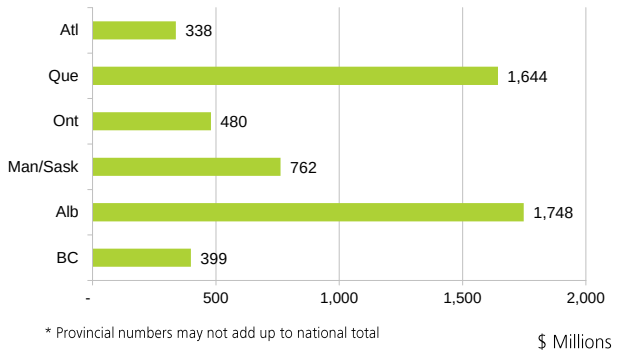
Jobs Supported by the Manufactured Building Industry



* Provincial numbers may not add up to national total

Source: Altus Group Economic Consulting

Economic Activity Generated by the Manufactured Building Industry



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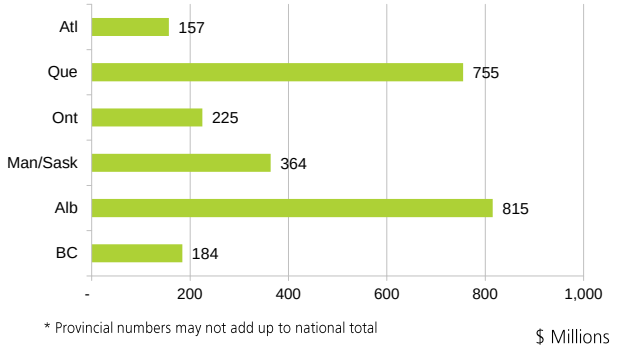

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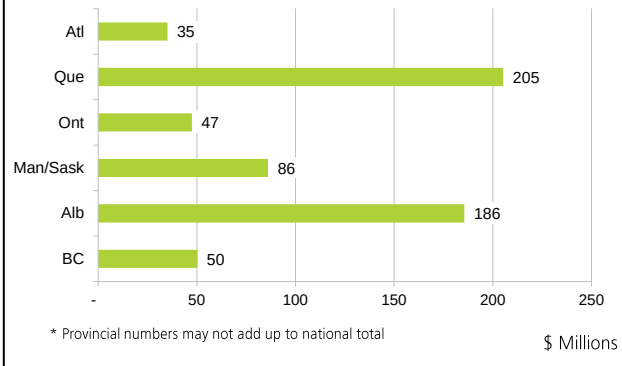
Source: Altus Group Economic Consulting

Federal and Provincial Taxes Generated by the Manufactured Building Industry



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Source: Altus Group Economic Consulting

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

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

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

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

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

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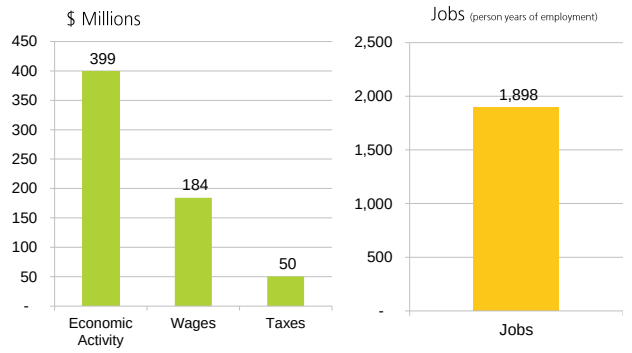
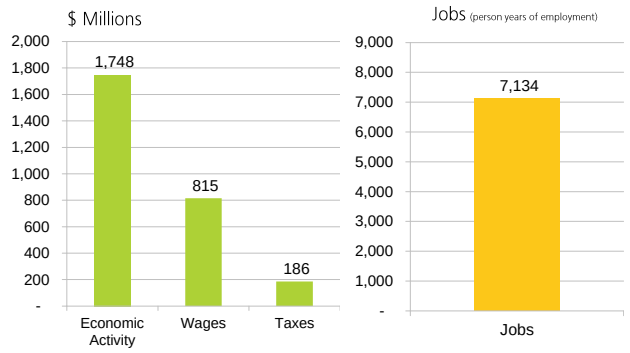
MANUFACTURED BUILDING SURVEY

Economic Impact Summary, Manufactured Building Industry, B.C.



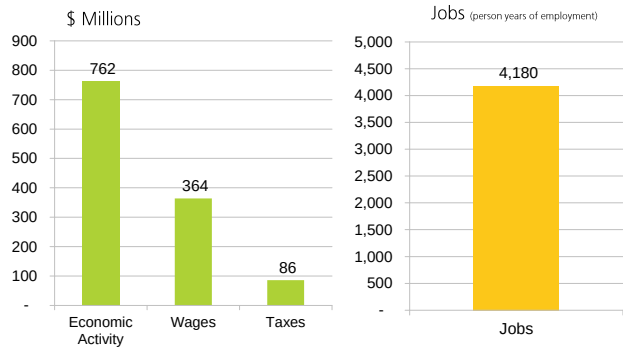
Source: Altus Group Economic Consulting

Economic Impact Summary, Manufactured Building Industry, Alberta



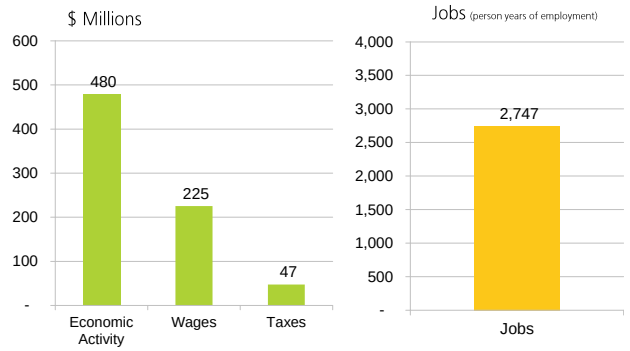
Source: Altus Group Economic Consulting

Economic Impact Summary, Manufactured Building Industry, Manitoba / Saskatchewan



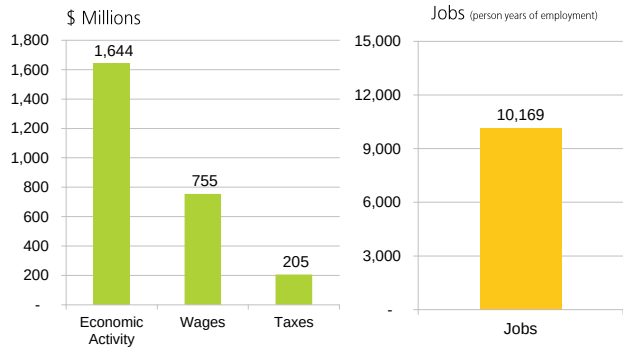
Source: Altus Group Economic Consulting

Economic Impact Summary, Manufactured Building Industry, Ontario



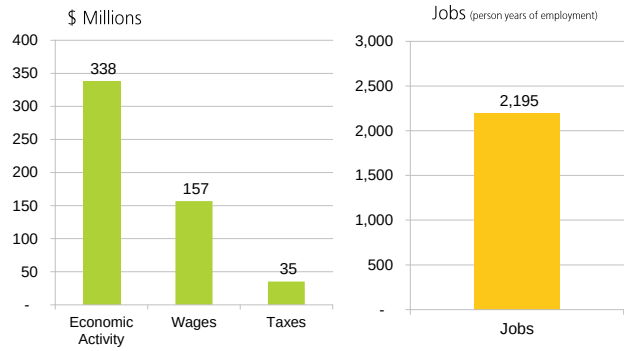
Source: Altus Group Economic Consulting

Economic Impact Summary, Manufactured Building Industry, Quebec



Source: Altus Group Economic Consulting

Economic Impact Summary, Manufactured Building Industry, Atlantic Canada



Source: Altus Group Economic Consulting