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Strong Growth in Mortgage Credit in Last Quarter of 2001

OTTAWA, Ontario, June 11, 2002 — Residential mortgage credit outstanding grew by 2.2 per cent in the fourth quarter of 2001 and total outstanding reached \$460 billion as mortgage rates fell, reports the latest issue of Canada Mortgage and Housing Corporation's (CMHC), **Mortgage Market Trends**.

"The strength in housing markets contributed to the 2.2 per cent increase in mortgage credit outstanding in the fourth quarter of 2001 over the third quarter," said Réal Gratton, senior economist at CMHC's Market Analysis Centre. "This is the highest growth rate since the fourth quarter of 1992. Year over year, this raised residential mortgage debt by 5.8 per cent."

National Housing Act Mortgage-Backed Securities (NHA MBS) are also discussed in another article in this issue. "The NHA MBS market resumed growth in the fourth quarter of 2001 when 46 new pools totalling \$3.2 billion were issued. The strong issuance of NHA MBS in the fourth quarter increased the outstanding volume to \$34.7 billion," said Gratton.

Mortgage Market Trends is the sole source of objective, credible mortgage market data and analysis in Canada. It examines developments in the primary and secondary mortgage markets and explores topical issues of interest to mortgagees, mortgagors, policy makers and the public. It is a quarterly publication of CMHC's Market Analysis Centre.

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