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Central Mortgage and Housing Corporation

ANNUAL
REPORT

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CENTRAL MORTGAGE AND HOUSING CORPORATION

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:

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

NHA
Section 6

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;

NHA
Sections 16, 40

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

NHA
Section 36B

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;

NHA
Section 36F

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;

NHA
Sections 14, 15,
24, 25, 30

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

NHA, Section 11
CMHC Act, Section 28

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

NHA
Section 23

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;

NHA
Section 36

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

NHA, Section 37
CMHC Act, Section 29

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.

NHA
Sections 31, 32, 33

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CENTRAL MORTGAGE AND HOUSING CORPORATION

March 9, 1962

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 the 16th annual report of
Central Mortgage and Housing Corporation and statement
of accounts for the year ended December 31, 1961.

Yours very truly,



A handwritten signature in cursive ink, appearing to read "Stewart Bate", is written over a single horizontal line.

President.

1

CANADA'S HOUSING IN 1961

1961 was a year of significant improvement in house-building activity.

Following the lull that marked much of 1960, there was a strong resurgence in 1961 in the rate of new residential construction and in the volume of National Housing Act lending.

New dwelling starts numbered 125,577 for the year, 15.4% higher than the 1960 total of 108,858. There were 115,608 dwellings completed, 6.6% below the year before. The decline was accounted for in the main by the smaller number of units under construction at the beginning of 1961 compared with the year before—65,773 against 81,905. As a result of the increase in starts in 1961, however, there were 73,583 dwellings under construction at the end of the year.

For the season of the year, starts of new housing units were at an unusually high rate in the first few months of 1961. This arose in part from the easing of statutory borrowing terms under the National Housing Act in December, 1960. After the initial impact of these changes, starts followed a normal seasonal pattern for the rest of the year.

The increase in starts extended to all types of dwellings. Starts of apartments and other types of multi-family accommodation in urban centres represented 49.4% of the total. This was little changed from the 50.4% of the previous year. In 1950 and 1951, the proportion of starts represented by these dwellings was less than 30%, but increased in most years during the 1950's. In 1961, multiple-family dwelling starts declined in Montreal but this decline was offset by increases in Toronto and in a number of the larger cities in the Prairie Provinces and in British Columbia.

Expenditures on house-building activity totalled \$1,467 million in 1961, about 1% higher than in the previous year. These expenditures, which do not include many of the service facilities occasioned by new housing—including schools, shopping centres, sewer and water—represented 17.4% of capital investment in the economy during the year, 4% of the gross national product.

Mortgage funds for new housing from approved lenders were in fairly good supply in 1961 but, in the absence of loans from the chartered banks, they did not prove adequate to meet all demands. They were supplemented, in the National Housing Act

sector, by public funds in the form of loans by the Corporation for which there was steady demand throughout the year.

Mortgage lending under the National Housing Act provided the principal means of financing 59,186 dwellings started in 1961, nearly one-half of aggregate starts. In 1960, the proportion was about one-third, or 32,711 dwellings. The life insurance and trust and loan companies provided the loans for 35,334 housing units, while Corporation loans financed 23,852 dwellings started during 1961. In 1960, the comparable totals were 18,923 and 13,788 units, respectively.

The remaining 66,391 dwellings started in 1961 were financed by means other than under the National Housing Act, a smaller number than the 76,147 financed in this way in 1960. Conventional mortgage loans from lending institutions were the main source of financing for 38,316 dwellings, compared to 40,116 in the previous year. Other means of financing, such as mortgage loans from credit unions and private individuals, the funds of owners themselves and some Government financing of publicly-owned dwellings accounted for the other 28,075 units started in 1961. In 1960, these non-institutional sources of financing accounted for 36,031 dwellings started.

In addition to financing an increased volume of new housing in 1961, the lending institutions were also called upon to provide a much larger volume of mortgage financing on existing dwellings, much of it associated with the sale of properties concerned. In 1961, mortgage loans were made by the lending institutions on 54,036 existing dwellings, compared with 41,396 in the previous year. In total, for new and existing dwellings and for other types of property, the lending institutions approved loans for \$1,384 million in 1961, against \$1,033 million in 1960.

Construction costs for housing were lower in 1961, continuing the trend of the previous year. Building material prices declined slightly, the index averaging 128.4 in 1961, compared with 129.2 in 1960. At the same time, there was a small increase in the index of minimum hourly wage rates for construction workers under union contract, to 199.7 from 195.5 in 1960. The effect of these movements, together perhaps with changes in productivity and in profit margins, resulted in a decline in total construction costs. For single-family dwellings financed under the National Housing Act, construction costs per square foot declined to \$10.44 from \$10.60 in 1960.

Land costs for single-family dwellings financed under the Act increased to \$2,603 from \$2,473 in the previous year.

There was an immediate and widespread response during the year to 1960 legislative changes to the National Housing Act that provided for loans to municipalities for sewage treatment projects and to universities for student dormitory accommodation.

In the field of urban redevelopment, the Federal Government approved in 1961 a \$3.7 million contribution to the City of Winnipeg to assist in the acquisition and

clearance of a blighted area; projects were also under consideration in Kingston and Hamilton; and work continued on eight developments that were initiated prior to 1961.

The Corporation was again actively engaged in the design and construction of housing and related buildings for other Government departments and agencies. A winning design was selected by the Jury of Awards in the architectural competition arranged for development of 70 acres of Corporation-owned land in Ottawa.

The year also saw progress made towards establishment of a “Canadian Council on Urban and Regional Research”, as recommended in the *Report of the Committee of Inquiry into the Design of the Residential Environment*, prepared in 1960 by the Royal Architectural Institute of Canada with the aid of a Federal Government grant. The Canadian Housing Design Council and the Community Planning Association of Canada continued to receive support from the Corporation. The examination of cost reducing techniques and the use of new materials for house-building was also continued.

2 MORTGAGE MARKETING

New steps were taken during 1961 to encourage development of the secondary mortgage market in Canada.

Mortgage investment in Canada has been confined largely to those institutions or individuals that originally make mortgage loans to borrowers. The origination of mortgage loans on a large scale requires special organization and skills in credit selection, appraisal and construction inspection, expertise that is quite separate from access to or possession of funds for long-term investment. Partly because of these special administrative requirements, the origination of mortgages by private lending institutions in Canada has been done mainly by life insurance companies, trust companies, loan companies and credit unions, although the banks also began to make loans after the 1954 Housing Act removed the legal obstacles that had earlier prevented their participation. Individuals have also been important in the aggregate as originators of mortgage loans in Canada.

A more active secondary mortgage market, by separating the functions of originating and investing in mortgages, would increase the potential supply of mortgage funds in two ways. First, it would permit the participation of institutional, personal and non-resident investors who are not in a position to originate loans. Second, the liquidity that an active secondary market would impart to the mortgage as an investment, would tend to encourage further mortgage commitments by existing loan originators.

The secondary market could separate the function of owning mortgages, not only from that of originating them, but also from that of administering them. A mortgage portfolio characteristically includes a large number of comparatively small loans to separate individual borrowers, each loan subject to combined monthly payments of principal and interest. As compared to bonds or stocks, mortgages are expensive to administer, particularly on a small scale. The development of organizational skills in mortgage administration is not necessary as a condition of mortgage investment, however, since the servicing of mortgage accounts can be performed for a fee by established originators, or by other lenders equipped to do the job. The mechanical problem of mortgage administration, therefore, except as it constitutes a necessary expense, need not prevent the extension of mortgage investment opportunities to those institutions or persons who are not in a position to administer mortgage loans.

The National Housing Act of 1954 made provision for secondary mortgage market transactions. Approved lenders originating NHA mortgages were permitted to

sell them to other investors, provided the servicing of the mortgages was retained by an approved lender. In this way institutions, and even individuals not organized to originate mortgages, or to administer them, could nevertheless invest in them.

In the period 1954-1961 a resale or secondary market for mortgages has developed slowly but surely. In these years, \$266 million mortgages were sold by approved lenders out of \$3.1 billion mortgages originated by them under the National Housing Act. This means that one out of ten of the mortgages they originated under NHA was resold in the secondary market. On the average, mortgage lenders thus obtained about 9% of the funds they invested in NHA mortgages through the secondary mortgage market.

The major proportion of these mortgages was sold to pension funds. These funds purchased \$170 million, or two out of three mortgages traded in the secondary market. At the end of 1960, pension fund assets totalled \$3.6 billion, just one-half of the \$7.2 billion savings accumulated in chartered banks, and about 45% of the \$8.0 billion assets held by the life companies. The absolute growth of pension fund assets, however, at an annual average of nearly \$400 million over the period 1953-1960, has not been much less than that of life insurance company assets and has exceeded the absolute growth of those bank assets which derive from savings deposits. Only 8% of pension fund assets are invested in mortgages compared to 42% for life companies.

In addition to pension funds, other corporate borrowers were also drawn into the mortgage market through sales made by approved lenders in the secondary mortgage market. This group of investors acquired \$100 million, or one out of three of the mortgages traded in that market. Even individuals purchased a small amount.

Progress in secondary market development, while encouraging, has not represented a major amplification of mortgage money supplies. The mere removal of mechanical difficulties associated with the origination and administration of mortgages and the provision of Government insurance against default has not attracted into the mortgage field a massive contribution from investors who had not previously had mortgage lending experience. Mortgages have features, other than the comparatively high costs of origination and administration, that sometimes affect their attractiveness as investments.

For one thing, NHA mortgages are subject to voluntary repayment by the borrower after they have run three years. This call privilege means investors may have to accept repayment of mortgages, particularly during periods of falling interest rates, when borrowers might be prone to repay their debt and precisely when investors would like to retain investments at their original yields.

NHA mortgages provide their owner with equal monthly payments of combined principal and interest. While this annuity type of payoff may have advantages for certain kinds of investors, such as pensioners and pension funds, it is unfamiliar to most investors and it tends to accentuate the reinvestment problem for small scale investors.

A further difficulty for small investors lies in the inconvenience of the size of

individual mortgages. No really small mortgages would be worth having, because of the administrative expense, and indeed for some time there will be few available.

The very illiquidity of NHA mortgages, in the absence of a continuous and generally accessible secondary market, itself constitutes a difficulty in the way of more rapid development of such a market.

As a compensation for their unique peculiarities, mortgages offer the investor yields that are high in relation to the firmness of security. National Housing Act mortgages in particular are secured not only by the mortgaged property but also by Federal Government insurance against default.

On NHA mortgages, the interest return to the lender, even when the costs of loan origination and administration are allowed for, has characteristically run well above that on long-term Government bonds. The NHA interest rate is set by Government, however, and in the past has not always varied with other interest rates on the market. For one important group of lenders, the banks, there has been no strong incentive to conduct an active selling programme to form the basis of a broader secondary market. NHA insured mortgages acquired by the banks during their first three years of mortgage lending, after the introduction of the new Housing Act early in 1954, were at interest rates from 5% to 5½%. Mortgages acquired from 1957 to 1959 were at 6%. Since late in 1959 the banks have been virtually out of mortgage lending because interest rates had risen to a point where 6% mortgage loans could not compete for their funds with other loans and investments and because, by virtue of the 6% interest rate limit imposed on bank loans by the Bank Act, they were not able to originate loans at the 6¾% NHA interest rate established in December of 1959. The rising trend of interest rates since 1956, and the lack of 6¾% mortgages from their mortgage holdings, meant that the whole mortgage portfolio of the banks would have been marketable in quantity only at a discount. Apart altogether from difficulties associated with book losses, sales at a discount make sense only if the seller can reinvest the sale proceeds at a yield higher than that implicit in the sale, and sufficiently higher that after meeting the expenses of reinvestment, the seller still emerges with a better yielding asset than the one sold. For the most part, banks, because of the 6% limit on their loan interest rates, have not been in a position to do this, and have not sold a substantial amount of their mortgage portfolios.

Life companies, as would be expected, have been less disposed to sell NHA mortgages than the banks, even though since December, 1959 they have been in a position to originate loans at more than 6%. Their prime interest is in holding loans as investments. This is not to say that they would never sell existing NHA loans in quantity in order to reinvest in new NHA loans or other assets. But in the absence of an organized secondary market for NHA mortgages there are other assets which life insurance companies can more conveniently liquidate if they wish to make new investments beyond the limit imposed by their current cash receipts.

Trust and loan companies, in relation to the amount of their lending, have sold

more NHA loans than either the banks or the life insurance companies, but they too have retained the bulk of their insured loan holdings as investments.

Although interest rates on NHA loans are usually judged to be high in relation to those on other long-term investments of comparable security, they have still not been high enough to prompt the spontaneous development of a large private secondary market. This failure is not wholly due to the peculiar investment features of the mortgages themselves. It is more attributable to the novelty of this type of investment, the inexperience of potential purchasers of NHA mortgages, and an exaggerated notion of the difficulties entailed in mortgage investment. Only experience, education and knowledge about mortgage investment can overcome these obstacles. It was with a view to developing a wider knowledge and experience on the part of mortgage purchasers that the Government, early in the year, took steps in this field.

The Minister of Public Works in April, 1961 announced in the House of Commons that "the first step necessary to encourage an active market is to ensure that there is an ample supply of existing mortgages available to interested buyers. Accordingly, the Government has instructed Central Mortgage and Housing Corporation to offer for sale as soon as possible at reasonably attractive yields to investors mortgages now held in its portfolio as a result of the extensive direct lending operations it has undertaken since this Government took office in 1957".

The Minister said it was anticipated that the market could develop in two ways: through the sale of blocks of mortgage loans by one institution to another or among pension funds and trusts; and through sales to a new type of company, some of which were already in existence, which would enable the small investor to participate in the mortgage market through purchase of the debentures or shares of such companies.

In accordance with these instructions, the Corporation started to auction part of its NHA mortgage portfolio. Three such auctions were held during 1961, at which a total of \$40.7 million in mortgages was sold. One-quarter of these was in the form of options which were subsequently taken up. These \$40.7 million in mortgages were sold by tender at which not only the approved lenders and their approved correspondents were invited to bid, but also members of the Investment Dealers' Association of Canada.

Some of the mortgages sold were later resold by the purchasers to pension funds that were not previously investors in mortgage loans. Gradually, new pools of accumulated savings are thus beginning to be tapped for mortgage financing. The mortgage auctions held by the Corporation should enable private investors to gain experience in the mechanics of the secondary mortgage market. In time this should lead to a more active market in which mortgages, as bonds are now, will be readily traded on a continuous basis.

Government activity in 1961 in the secondary market is based on the expectation that, with the development of greater knowledge and familiarity with mortgages and after the early operations of new private institutions in the field, a market based

primarily on private sources of mortgages will develop. The Corporation's activity in this field is not intended as a device to raise cash for its own lending operations, or for other Government purposes. The secondary market will serve a useful purpose only if it draws into the mortgage field new investors, either directly as mortgage holders or indirectly as holders of the obligations of mortgage investment companies. Access to such private funds — pension funds, corporate savings, personal funds, non-resident funds and savings which are available only to a very limited extent for mortgage purposes today — would widen the whole base of mortgage lending in Canada.



3 THE NATIONAL HOUSING ACT

On September 29, the National Housing Act was amended by CH. 61, S.C., 1960-61 as follows:

The amount that may be advanced to the Corporation out of the Consolidated Revenue Fund for direct lending and related purposes was increased to \$2 billion from \$1.5 billion;

NHA
Section 22

The amount that may be advanced to the Corporation out of the Consolidated Revenue Fund for loans for municipal sewage treatment projects was increased to \$200 million from \$100 million;

NHA
Section 36H

The amount that may be advanced to the Corporation out of the Consolidated Revenue Fund for loans for university housing projects was increased to \$100 million from \$50 million; and

NHA
Section 36C

The amount that may be advanced to the Corporation out of the Consolidated Revenue Fund for housing research and community planning was increased to \$10 million from \$5 million.

NHA
Section 35

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

To make it mandatory for an approved lender to obtain evidence that a home-owner applicant is providing from his own resources an amount represented by land, cash or labour of at least 5% of the value of the house as determined by the Corporation; and that a home purchaser is providing from his own resources an amount represented by cash or labour of at least 5% of the purchase price of the home.

Regulation 28

To provide a penalty where a builder who himself or acting through an agent sponsors a home-owner applicant or sells a house to a purchaser, knowing or reasonably being able to know that the purchaser does not meet the foregoing equity requirements and who fails to disclose such knowledge to the approved lender (Order-in-Council P.C. 1961-907, June 22, 1961).

Regulation 27

Orders-in-Council affecting interest rates were passed as follows:

The interest rate on loans made under Sections 16, 36B and 36F was increased to 5 3/8% from 5 1/8% (Order-in-Council P.C. 1961-551, April 13, 1961).

The interest rate on loans made under Sections 16, 36B and 36F was reduced to 5 1/8% from 5 3/8% (Order-in-Council P.C. 1961-1493, October 19, 1961).

The maximum interest rate on insured mortgage loans was reduced to 6 1/2% from 6 3/4% (Order-in-Council P.C. 1961-1559, October 30, 1961).

Principal policy changes in 1961 were as follows:

The Corporation was directed by the Government to stimulate development of a secondary market in National Housing Act insured mortgages;

Applications received after January 1 from limited-dividend companies sponsored by entrepreneurs were subject to a maximum loan of 85% of lending value (previously 90%); a maximum of 100 units in any project (previously 200); and an average number of bedrooms per unit of not less than 2 1/2 (previously 1 1/2);

On January 1, further restrictions were introduced on the use of septic tank installations for houses to be financed under the National Housing Act;

On and after September 20, all applications for NHA loans in one-industry towns became subject to a guarantee by the industry.

4

REPORT OF OPERATIONS

The life insurance and trust and loan companies continued to provide the major share of National Housing Act mortgage financing in 1961. The year was marked by a sharp increase in the volume of NHA lending by the trust companies.

Together, these lenders were responsible in 1961 for loans aggregating \$439.4 million, or 62% of total commitments. The Corporation made available \$263.4 million from public funds, while the chartered banks made insured mortgage loans of \$261,000.

In all, 61,353 dwelling units were financed under the Act in 1961. Of these, 60,438 were built with mortgage loans — 36,810 by approved lenders and 23,628 by the Corporation. Federal-Provincial partnership arrangements accounted for 915 dwellings. In 1960, 37,308 units were financed under the Act (Tables 1, 2 and 3).¹

Insured Loans by Approved Lenders

NHA
Sections 6, 7, 8

The volume of insured lending by the life insurance and trust and loan companies increased over 1960 by approximately 89%. The pattern of lending during the year, however, was quite different from that of 1960 when activity was relatively low until after mid-year and then increased. In 1961, lending activity was at a very high rate early in the year. This was followed by a somewhat lower rate of lending through the summer and then an expansion in the last few months of the year.

At the year-end, the life insurance and trust and loan companies had approved loans for 36,791 dwellings, compared with 21,111 in 1960 and, of the 1961 total, the trust companies were responsible for 14,426 units. Previously, their record volume in any year was 5,195 units, approved in 1960.

The chartered banks made loans for only 19 dwellings. However, some banks purchased NHA insured mortgages from the Corporation through its secondary mortgage marketing operation.

The total of 36,810 units financed by all approved lenders in 1961 was higher than the 1960 aggregate at 21,156 by 74% (CHS — Table 26).²

Some 71% of the dwellings financed by approved lenders in 1961 were for owner occupancy — 22,704 to be built by merchant builders for sale to owners and 3,494 by owner applicants who made their own construction arrangements. Loans were also made for 10,612 units of rental accommodation. In 1960, approved lenders made

1) All references to "Tables" are to tables in this report. All references to "CHS" are to Canadian Housing Statistics, 1961.

2) Because the approval of loans precedes starts by several weeks, loans made late in one year may not produce starts until the next. Starts and loan figures on an annual basis are therefore not identical.

loans to merchant builders for 12,966 dwellings, to owner applicants for 2,594 and to rental investors for 5,596 units.

Loans approved for fallout shelters in new NHA dwellings numbered 40 with an estimated average cost of \$597.

Loans by the Corporation

With a lending policy that was less restrictive than that in force in the previous year, the Corporation was called upon to approve a volume of mortgage loans sharply in excess of the total for 1960. To ensure an adequate supply of public funds, Parliament approved in September a maximum of \$2 billion, thus increasing by \$500 million the amount that may be advanced by the Government to the Corporation for direct lending purposes.

During the year, the Corporation made mortgage loans for 23,628 dwelling units, including 20,298 to be occupied by home owners and 3,326 in limited-dividend housing projects. In 1960, the Corporation made loans for 13,861 dwellings for owner occupancy and 1,591 for rental in limited-dividend developments.

CORPORATION LOANS TO OWNERS AND BUILDERS

During 1961, Corporation loans were available to qualified owner applicants in any part of Canada and to merchant builders, provided the houses to be financed had been pre-sold to eligible purchasers. In both instances, applicants were required to submit written evidence that they had been unsuccessful in obtaining loans from an approved lender. The income limitations imposed and later removed in 1960 were not re-introduced during the year. There was a more restrictive lending policy in effect where septic tank installations were proposed.

NHA
Section 40

Loans were made by the Corporation to home-owner applicants for 13,535 dwellings and to merchant builders for 6,763 dwellings.

Included in the home-owner approvals were 317 for veterans building under Part II of the Veterans' Land Act and 87 dwellings in co-operatives. In 1960, loans to owner applicants provided 10,168 homes and to builders 3,693.

LOANS TO LIMITED-DIVIDEND HOUSING COMPANIES

In 1961, 3,326 dwelling units were financed by loans made by the Corporation to limited-dividend housing companies providing rental accommodation for lower-income families and for elderly persons. These compare with 1,591 units in 1960. A substantial number of the 1961 approvals came early in the year and resulted from the encouragement given to winter construction by more favourable terms to limited-dividend companies sponsored by entrepreneurs, provided their applications were made on or before December 31, 1960.

NHA
Section 16

Applications submitted after January 1, 1961 were subject to more restrictive conditions and entrepreneurs virtually withdrew from the limited-dividend field,

particularly in the larger centres where most of these units have been built and where demand has consequently largely been met. Principal conditions were a maximum loan of 85% of lending value; a maximum of 100 units in any project; and an average number of bedrooms per unit of not less than 2½.

Projects sponsored by municipalities and non-profit organizations were not subject to these limitations and a substantial number of applications continued to be received. Most of them were for smaller projects for elderly persons.

Limited-dividend developments approved in 1961 provided 2,747 units for lower-income families and 579 for elderly persons. Municipalities and non-profit organizations sponsored projects totalling 724 units, while entrepreneurs were responsible for 2,602 units. Limited-dividend housing continued to be directed to families of the lower third income group.

Characteristics of NHA Borrowers and Houses

The cost of the average single-family house financed under NHA in 1961 was an estimated \$14,474. In addition, a mortgage insurance fee of \$240 on the average was included in the mortgage. In 1960 the average estimated cost of single-family dwellings was \$14,380 and the average mortgage insurance fee was \$227. The average down payment on the house was \$2,475 in 1961 compared with \$3,033 in 1960, the decrease reflecting the higher loan ratios and greater maximum loans made available late in 1960. Monthly payments of principal, interest and municipal taxes came to \$105 and represented 21.7% of the borrower's average income. Monthly payments of \$100 in 1960 took 21.2% of the average borrower's income.

Some 34% of all NHA borrowers had incomes below \$5,000, 56% 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 \$5,810 compared with \$5,620 in 1960.

Borrowers obtaining loans from approved lenders had an average income of \$6,417 and built or bought a house costing \$15,629, excluding the mortgage insurance fee. Corporation borrowers had an average income of \$5,351 while the average cost of the homes financed was \$13,604.

The age of the average owner of a house financed under the National Housing Act in 1961 was 34 years, 33 years in 1960. There were one or two children in the families of 50% of borrowers, while 29% of the families had three or more children.

Bungalows continued in 1961 to be the main type of dwelling for home-ownership financed under the National Housing Act, representing 79% of the total of these dwellings. Split-level dwellings continued to increase in importance, representing 17% of the houses for home-ownership financed under the Act in 1961. In 1960, these represented 15% of the total and in 1954, only 1.5%. Two-storey dwellings accounted for 3% of the total.

Most of the 1961 dwellings had three bedrooms but there was an increase in the proportion with four bedrooms or more to 12.3% in 1961 from 7.4% in 1960. This was the result, in part, of the higher maximum loan for these dwellings, made available

in December, 1960. It also reflected an increase in the average liveable floor area of NHA financed dwellings, to 1,154 square feet in 1961 from 1,125 square feet in 1960.

Loans for University Housing Projects

There was a ready response during the year to the National Housing Act amendment of December 2, 1960 that provided for Corporation loans to universities to assist in the construction of resident accommodation for students.

NHA
Section 36B

Loans in an aggregate amount of more than \$20 million were made to 22 universities and colleges for residences to house some 4,300 students (Table 7). Preliminary applications had also been received by the year-end from 11 universities which, if approved, would result in loans aggregating \$14.7 million to finance accommodation for an additional 3,500 students.

A student residence may contain facilities other than living quarters that are necessary to the operation of the project, including dining space, lounges, study rooms and accommodation for supervisory staff.

The amount of loan may be up to 90% of the cost of the project and repayment may be made over a period not exceeding the useful life of the building and in any case not more than 50 years from the date of completion. The rate of interest was increased to 5 3/8% from 5 1/8% in April and reduced again to 5 1/8% in October, 1961. Maximum loan is \$7,000 per student to be accommodated.

Institutions eligible for loans under this section of the Act are all degree-conferring universities or colleges, together with other institutions in which courses of full university standard are given, although the degree may be conferred by a university with which it is affiliated.

The statutory limit on the amount that may be advanced to the Corporation for university housing loans was increased by Parliament in September, 1961 to \$100 million from \$50 million.

In June, the Province of Quebec enacted legislation which enables it to guarantee loans made by the Corporation to universities and colleges in the Province. The legislation also enables the Province to make repayments of principal and interest on behalf of these institutions.

Loans for Municipal Sewage Treatment Projects

During the year, 116 municipalities obtained 144 NHA sewage treatment project loans in an amount of some \$39.9 million to assist in resolving the problems arising out of water and soil pollution (Table 8).

NHA
Section 36F

At the year-end, there were also on hand some 238 preliminary enquiries, representing a loan potential of \$79.3 million.

Loan requests have been received not only from all provinces but from municipalities of every size. Loans have been made to 78 communities of less than 5,000 population and, of these, 63 have less than 2,000 population and 50 less than 1,000.

In most of these smaller communities, sewage systems are being provided where

they did not exist before and have, in many instances, encouraged the installation of public water systems to replace individual wells.

Federal sewage loans have also enabled many major centres to extend their trunk sewage systems and either enlarge or, where none existed, establish sewage treatment plants. Because sewage disposal and treatment have as one of their objectives the prevention of damage to receiving waters, including contamination of water supplies, bathing places and fishing grounds, the programme is already doing much to free rivers and streams, lakes and coastal waters of pollution.

The amount of an NHA loan to assist in financing the construction or expansion of trunk sewage collector systems and of central treatment plants is limited to two-thirds of the cost of the project and is repayable over a period of not more than 50 years. The interest rate on municipal sewage treatment project loans was increased to 5½% from 5⅓% in April and reduced again to 5⅓% in October, 1961.

To encourage municipalities to tackle the problem of pollution without delay, one-quarter of the loan and one-quarter of the interest paid or accrued will be forgiven if the project is completed on or before March 31, 1963. Where the construction programme is started but not completed by March 31, 1963, one-quarter of the loan, and interest, for construction put in place may be forgiven.

To ensure an adequate supply of funds to continue the programme, the statutory limit on monies that may be advanced to the Corporation for this purpose was increased by Parliament in September to \$200 million from \$100 million.

National Housing Act Mortgages Outstanding

At the end of 1961, \$4,570 million of mortgage debt was outstanding from various operations under the Housing Acts, compared to \$4,103 million at the end of 1960. Most of the outstanding debt, \$3,632 million, resulted from insured loan operations under the 1954 National Housing Act, but there was also \$567 million from the joint loan operations of earlier Housing Acts. A further \$371 million represented uninsured Corporation loans and loans resulting from the sale of Corporation-owned property.

Of the \$3,632 million of mortgage debt resulting from insured loan operations, \$2,580 million represented loans by lending institutions while the remaining \$1,051 million resulted from Corporation loans made mainly to home owners on a residual basis. The \$567 million debt outstanding from joint loan operations prior to the 1954 Act included \$413 million advanced by the approved lenders and \$154 million by the Corporation. The \$371 million of uninsured Corporation loans comprised \$165 million from limited-dividend loans, \$76 million from loans under rental guarantee contracts and loans to primary industries. A further \$29 million represented direct loans to home owners prior to the 1954 Act while the remaining \$101 million was for mortgages and sale agreements arising out of the sale of Corporation-owned property.

In total, the outstanding mortgage debt resulting from operations under the Housing Acts included \$2,994 million from loans made by the approved lenders and \$1,576 million from loans made by the Corporation.

HOLDINGS OF NATIONAL HOUSING ACT MORTGAGES

As a result of mortgage lending under the Housing Acts, and subsequent transactions on the secondary mortgage market, the lending institutions held \$2,723 million in mortgages under the Housing Acts at the end of 1961. Of this, \$953 million was held by the chartered banks, \$1,537 million by the life insurance companies and \$137 million by trust companies. The remaining \$96 million was held by loan companies, fraternal societies and Quebec savings banks.

A further \$280 million was held by pension funds, trust funds, individuals and other investors in the secondary mortgage market who are not approved lenders. All of these mortgages must, however, be administered by approved lenders.

The remaining \$1,567 million of mortgages outstanding under the various operations of the Housing Acts at the end of 1961 was held by the Corporation, being much the largest share held by any single institution. These outstanding mortgages and sale agreements represented 133,979 accounts of which 114,217 were administered by the Corporation and the remaining 19,762 by approved lenders as agents. Prior to the expansion of direct lending in mid-1957, the Corporation had 38,149 accounts under administration.

At the end of 1961, arrears of three months or more on Corporation administered accounts amounted to \$767,000 compared to \$791,800 at the end of 1960. On homeowner mortgage loan and sale agreement accounts, 0.55% of the accounts were in arrears for three months or more. At the end of 1960, 0.47% of accounts were in this position.

GUARANTEES, INSURANCE AND FORECLOSURES

Under arrangements for guarantee of losses sustained by the approved lenders on joint loans the Corporation had a contingent liability of \$60 million at the end of 1961. Foreclosure procedures were completed during the year in three cases.

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 \$87 million at the end of 1961. Claims against the Fund were paid out in 833 cases in 1961, bringing the total to date to 997. These claims, from 1954 to 1961, amounted to \$11.7 million. In addition to the 833 claims paid from the Fund in 1961, there were nine other cases where the mortgaged property was acquired by the lender but for which no claim was made against the Fund. Since 1954 there have been 43 such cases.

Default in payments on mortgage and sale agreement accounts resulted in repossession of four properties by the Corporation during the year. Default in payments on limited-dividend loans, which are direct loans made by the Corporation to which loan insurance is not applicable, resulted in acquisition of 12 projects comprising 2,016 dwelling units. Of these, 10 projects totalling 1,872 units are in the Montreal area.

Fourteen claims were paid in 1961 under rental guarantee contracts, amounting to \$193,000. Since 1952, 48 claims have been paid, amounting to \$863,000.

Mortgage Marketing

During 1961, the Corporation undertook to encourage the development of a secondary market for National Housing Act insured first mortgages by offering for sale a part of the large and diversified portfolio acquired as a result of extensive lending operations since 1957.

Three offerings were made by tender during the year to members of the Investment Dealers' Association of Canada, NHA Approved Lenders and their NHA Approved Correspondents. Parcels varied in size from \$250,000 to \$500,000 and both firm bids and 60-day options were permitted. To give purchasers a reasonable time for re-sale, the Corporation agreed in each instance not to sell additional loans until the option period had expired.

Insured mortgages auctioned in 1961 all carried an interest rate of $6\frac{3}{4}\%$, were fully advanced and were repayable over a period of 25 or 30 years. When requested, the Corporation undertook to continue to service the loans for a fee of \$2.75 per loan per month.

During the year, a total of \$51 million of mortgages was offered by the Corporation, with tenders to be accepted on only \$45 million, the balance providing prospective purchasers with a greater variety in choice of area. Proceeds of sales are used to retire Corporation debentures held by the Federal Government.

Indicating a growing interest in NHA insured mortgages as investments, \$40.7 million of the Corporation's portfolio, representing 3,610 loans, were sold to investment dealers, banks and life insurance and trust and loan companies, or held against options. A large number of the loans sold were re-sold to pension funds, which had not previously included mortgage investments in their portfolios.

The average price per \$100 received on the three offerings was 101.17, 101.35 and 101.79 respectively. The increase in the average price obtained in the third auction of $6\frac{3}{4}\%$ loans undoubtedly arose in part out of the reduction in the NHA maximum interest rate to $6\frac{1}{2}\%$; it also reflected increased interest and more competitive bidding on the part of purchasers.

Total sales of NHA insured mortgages by approved lenders on their own accounts amounted in 1961 to \$22 million, below the average of the previous four years and less than the volume in 1960. Trust and loan companies were the major sellers in 1961, accounting for about \$20.5 million, compared with \$11.3 million in 1960, while bank sales were sharply lower at \$1.6 million against \$6.3 million a year ago. Life insurance companies did not sell any mortgages; in 1960, they sold \$9 million in NHA insured mortgages. Total sales under the 1954 Act aggregate \$309 million, including sales by the Corporation.

Pension funds have in most years been the main purchasers, accounting for some

\$170 million since 1954. In 1961, the Corporation sold insured mortgage loans to its Pension Fund in an amount of \$2.5 million.

Home Improvement Loans

The volume of NHA-guaranteed bank loans for home improvement purposes recorded a substantial increase during 1961. The greater activity arose in part out of extension late in 1960 of home improvement loans to rental properties and additions to the list of eligible improvements, including fallout shelters.

NHA
Sections 24, 25,30

The banks approved 28,097 loans in 1961 for a total of \$42.6 million, compared to 23,580 loans for \$30.1 million in 1960. Included in the 1961 figures are loans on rental properties amounting to \$3.3 million and for 80 fallout shelters with an average estimated cost of \$889 (Table 5).

Home improvement loans outstanding at the end of 1961 were reported by the banks at \$65.9 million, compared with \$56.3 million at the end of 1960. The maximum amount guaranteed by the Corporation against losses, which is limited to 5% of total loans made by each lender, was \$11.3 million, compared with \$9.4 million at the previous year-end. The Home Improvement Loan Insurance Fund, comprised of fees received from borrowers, amounted to \$2.2 million, against \$1.9 million at the end of the preceding year.

Claims paid to lenders during 1961 amounted to \$241,185, compared with \$107,230 in 1960. Claims paid since 1955, when the Home Improvement Loan provisions were proclaimed, total \$544,299 on loans amounting to \$237.4 million. Recoveries by the Corporation during the year amounted to \$17,917, bringing total recoveries to \$43,534.

Property Management

A number of residential properties are owned and managed by the Corporation. Most are rental dwellings built for the accommodation of war veterans. The second largest category comprises units acquired from former limited-dividend companies.

NHA
Section 37
CHMC Act
Section 29

At the beginning of 1961, 10,707 houses and apartment units were under rental. During the year, 1,099 houses were sold, most of them to occupying tenants. Four single houses, 144 row houses and 1,872 apartment units were acquired as a result of default in payments. Of the total of 2,020 units, 2,016 were in limited-dividend projects. The total under management at the end of the year was 11,628 dwelling units.

In addition, the Corporation was administering 870 dwelling units on behalf of the Mortgage Insurance Fund, of which 490 are located at Elliot Lake. Some 428 Mortgage Insurance Fund properties were rented, 380 were vacant and available for sale or rent and 62 sales were in process. There were 78 Mortgage Insurance Fund properties sold in the year. Three properties acquired by the Home Improvement Loan Insurance Fund were rented.

In 1961, rental revenues from Corporation-owned dwellings amounted to \$7.2 million. This represents an average annual rental of \$643 compared with \$635 in 1960.

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 \$101,379 or 1.42% of the annual rent receivable. Of these arrears, 54% was of not more than thirty days' duration. At the end of 1960 arrears amounted to \$53,277 or 0.76% of the annual rent receivable.

Operating expenses, excluding cost of administration and depreciation, amounted to \$3.9 million in 1961. These expenses averaged approximately \$345 per unit; in 1960 they amounted to about \$307 per unit. The higher unit cost is largely the result of heavier maintenance on older dwellings and replacement of capital equipment.

In 1961 payments of \$2.0 million in lieu of taxes were made to municipalities on Corporation-owned houses compared with payments of \$1.9 million in 1960. At the end of 1961, payments equal to normal taxes were being made on 9,961 dwellings.

Urban Redevelopment

NHA
Section 23

Under the National Housing Act, the Federal Government may contribute to a municipality up to one-half the cost of acquiring and clearing blighted or substandard areas for redevelopment (Table 4).

During 1961, an amount of \$3.7 million was approved by the Government for these purposes to the City of Winnipeg. The cleared land of some 49 acres will be devoted mainly to new housing, although some will be made available for commerce and industry. Revenues derived from re-use of the land will be shared by the participating governments in proportion to their contributions.

Urban redevelopment projects for the Cities of Kingston and Hamilton were under consideration, and work continued on eight projects initiated prior to 1961.

A supplementary grant of \$1 million was made during the year towards final acquisition and clearance costs of Les Habitations Jeanne Mance, first redevelopment project in the City of Montreal; and an additional grant of \$375,000 was approved to assist in financing a 4-acre extension of the Jacob Street renewal area in Halifax.

At the year-end, the Government received an application for a contribution towards a second project in Montreal and proposals were under consideration by a number of other municipalities.

Federal-Provincial Projects

NHA
Section 36

The National Housing Act provides for a sharing of the costs of housing and land assembly projects under Federal-Provincial partnership arrangements. The Federal Government assumes 75% of the capital costs and the province is responsible for the balance—all, or a part of which, the municipality concerned may be required to finance. Surpluses or deficits arising out of the operation of rental housing projects and returns from the sale of lots are shared by the respective governments on the basis of capital outlays.

In Nova Scotia and Prince Edward Island, provincial Housing Commissions assist in arranging for Federal-Provincial housing for sale to co-operative companies.

RENTAL HOUSING

During 1961, the Federal Government approved rental housing projects under Federal-Provincial arrangements in Oshawa, Sudbury, Toronto (Warden Avenue and O'Connor Drive) and Vancouver that will provide 915 dwellings. Investigations into proposals for projects in 18 municipalities were also approved.

At the year-end, a total of 10,520 Federal-Provincial rental units had been approved in 86 projects (Table 4). In 75 fully-completed developments, 8,463 dwellings had been transferred to local housing authorities for administration. Rents for approximately 3,000 of these units were set at a level sufficient to recover capital costs and to meet the operating expenses. For the remainder, rents are related to family income and size; the Federal Government's 75% share of operating deficits incurred during 1960 and paid during 1961 amounted to \$1.0 million.

Under the Housing Commission arrangements, projects were approved for 94 dwellings for sale in Nova Scotia and for 93 in Prince Edward Island. Since the inception of the arrangement in Nova Scotia in 1953, projects comprising 1,010 housing units have been approved, while two years of activity in Prince Edward Island have produced 103 units.

LAND ASSEMBLY

During 1961, approval was given to service 229 lots in Peterborough, 540 in Kingston and 315 in St. Thomas in phased developments of long-term land assembly projects. The investigation of proposed developments in Sudbury and Tisdale Township was approved.

Some 600 lots were offered for sale during the year in projects started earlier in Brantford, Kenora, Weyburn, Peterborough and Cornwall.

The sale of 501 lots in 1961 brought to 9,089 the number of lots serviced and sold under Federal-Provincial partnership arrangements.

Negotiations for acquisition of the first substantial area of the 500 acres of land approved for ultimate development in St. John's neared completion during the year.

Urban Renewal Studies

With approval of the Federal Government, the Corporation arranged in 1961 to assist the municipalities of Calgary, Hull, Niagara Falls, Sudbury and Metropolitan Winnipeg and the Province of Manitoba with studies of housing and urban development (Table 4). Objective of the studies is to identify blighted areas, determine housing requirements and provide data on which an orderly programme of development, renewal or conservation may be based. Corporation financial assistance may be up to 75% of the cost of a study. Contributions in 1961 totalled \$129,524.

During the year, reports of studies commenced in earlier years with Federal assistance in London, St. John's, Quebec City and Montreal were completed and published. Similar investigations were in progress in 10 other municipalities.

Design and Construction

The design and construction of housing and related buildings and services for its own account and for other Government departments and agencies is a continuing responsibility of the Corporation, which also provides consulting services in the fields of architecture and planning. In 1961, most of these activities were carried out for the Department of National Defence, the Department of Northern Affairs and National Resources, Atomic Energy of Canada Limited and for Federal-Provincial partnerships (Table 6).

During the year, the design of 17 Federal-Provincial projects was undertaken, including 650 units of rental accommodation in Toronto and 100 in Saint John, together with land assembly developments totalling some 1,700 acres at Toronto, Ottawa, Kingston and St. John's. Construction was started on Federal-Provincial rental housing projects in Vancouver, Windsor, Toronto, Saint John, Regina and Halifax, 867 dwellings in all.

Plans were complete or in process for 11 Urban Military Housing projects numbering nearly 2,000 dwelling units for the Department of National Defence. These, to be privately owned, include developments at Red Deer, Winnipeg, North Bay, London, Perth, Carp, Summerside and Dartmouth. Construction was under way at the year-end on 200 dwellings at Summerside and 300 at Ottawa (Uplands).

Four housing projects at North Bay, Summerside, Greenwood and Shilo, numbering 600 Crown-owned units in all, were also designed for the Department of National Defence. Construction was proceeding in 1961 at Greenwood and Shilo.

On behalf of Atomic Energy of Canada Limited, the Corporation awarded the first construction contracts in 1961 for servicing of land for the townsite of Pinawa. Development of the town, located on the Winnipeg River some 70 miles northeast of Winnipeg, is planned over a 12-year period with an eventual estimated population of 7,000. The overall town plan was nearing completion in 1961, preliminary designs for the commercial centre were prepared by the Corporation and designs for the first housing units were under way. Consultant architects were retained to prepare designs for the school and hospital.

At the request of the Department of Northern Affairs and National Resources, a metropolitan plan was being prepared for Whitehorse, Yukon Territory.

A winning design in the architectural competition arranged for the development of 70 acres of Corporation-owned land on Smyth Road, Ottawa, was selected by the Jury of Awards in July. The competition was the first of its kind in Canada and is intended to demonstrate the advantages of imaginative and comprehensive design in the development of a residential area. It is intended that working drawings will be prepared by the architect who submitted the winning design.

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

Housing Research and Community Planning

The Corporation is required by the National Housing Act to assist in the search for better housing and the development of communities in accordance with sound planning principles.

NHA
Sections 31-35

In carrying out these responsibilities, the Corporation engages in studies of many facets of housing in Canada and also provides financial assistance to other organizations and to individuals to undertake research into housing and community planning. In furthering these activities during 1961, more than \$1 million, including related salaries, was expended both directly by the Corporation and to assist in financing the work of other agencies (Table 9).

TECHNICAL INVESTIGATIONS

An additional grant was made in 1961 to the Ontario Research Foundation for full scale field trials and laboratory research on self-contained household sewage purification units. Three units received field testing in houses in Ottawa and Toronto, while another unit was shipped to the Frobisher Bay area for installation in a new school at Cape Dorset. Arrangements were made with Canadian Patents and Development Limited to proceed with a patent application for these units. Patents have been applied for and are pending in Canada and the United States.

Investigations were again carried out into the performance of new materials, methods and equipment in order to determine their suitability for use in houses financed under the National Housing Act. The work was carried out in association with the National Research Council, the Department of Forestry, the Department of Public Works and the Department of Mines and Technical Surveys.

A member of the Corporation's staff served as Canadian Government adviser and Government member of the Committee on Workers' Housing at the 45th Session of the International Labour Conference in Geneva, Switzerland.

The Corporation assisted the Division of Building Research, National Research Council, with development of *Housing Standards, Canada* (1962), which is designed to supplement Part IX of the *National Building Code*.

COMMUNITY PLANNING AND HOUSING INVESTIGATIONS

Progress was made during the year towards establishment of a "Canadian Council on Urban and Regional Research", as recommended in the *Report of the Committee of Inquiry into the Design of the Residential Environment* prepared in 1960 by the Royal Architectural Institute of Canada with the assistance of a Federal Government grant. Principal objective of the Council will be to encourage urban and regional research. The founding of the proposed Council will take place in the Spring of 1962.

The Community Planning Association of Canada continued to receive support from the Corporation.

Five travelling scholarships were awarded to students in schools of architecture

to undertake a tour of Canada and the United States for the purpose of obtaining a broader knowledge of housing design and construction in these countries.

Thirteen planning fellowships of \$1,500 each were awarded to students registered in the four Schools of Planning in Canada. Seven housing bursaries of \$1,200 each were also awarded to assist students in graduate courses at Canadian universities in the fields of housing, urban development and estate management.

To assist in the preparation of a *Co-operative Housing Administrative Manual*, the Institute of Social Action at St. Patrick's College, Ottawa, was awarded a grant. The Co-operative Union of Canada was also awarded a grant to carry out an over-all study of co-operative housing.

The President and three senior officials of the Corporation visited London, Stockholm, Amsterdam and Glasgow in November to study the arrangements that are made in these centres for the production of public housing.

Under United Nations' auspices, a member of the Corporation's staff undertook to direct the organization of an Institute of Planning at the Kwame Nkrumah University of Science and Technology in Kumasi, Ghana.

A grant was made to a Canadian scholar undertaking graduate studies at the University of Washington in the field of Urban Geography and Economics.

The Centre for Community Studies at the University of Saskatchewan is receiving financial assistance to undertake over a period of three years a study of housing and rural communities in the Prairie Provinces.

The Lower Mainland Regional Planning Board of British Columbia received a grant to assist in conducting a survey of selected sections of the suburban areas of Greater Vancouver to determine the attitudes of residents towards living in the fringe areas of a large metropolitan city.

HOUSE DESIGN

Federal support was again given to the Canadian Housing Design Council in its work of encouraging an improvement of house design in Canada.

The Corporation continued to work closely with the architectural profession in developing a series of new plans for its catalogue of *Small House Designs*.

Organization and Staff

Head Office of the Corporation is in Ottawa. Fifty field offices throughout Canada carry out its varied activities.

Appropriate changes in organization were made during the year as a result of new and expanding functions of the Corporation, including the financing of municipal sewage treatment projects and university housing, secondary mortgage market operations, a high level of lending activity and the expansion of administrative responsibilities arising out of a continuing increase in mortgage and property accounts. At the year-end, Corporation staff numbered 2,056 compared with 1,896 at the end of 1960.

Following a recommendation by the Board of Directors, the Prime Minister, the Right Honourable John G. Diefenbaker, announced the re-appointment of Dr. Stewart Bates as President of the Corporation for a further term of seven years.

The President and the Board of Directors again wish to record their appreciation of a loyal and conscientious staff who discharged their duties so efficiently during the year.

Accounts

Total revenue earned in 1961 amounted to \$94,770,598 compared with a total of \$79,925,673 earned in 1960.

Net revenue in 1961 after provision of \$5,731,000 for income tax, was \$5,731,983, an increase of \$499,571 over the total of \$5,232,412 reported in 1960. After transferring this amount to the Reserve Fund and adding to it \$4,799,421 realized from the sale of property acquired from the Government of Canada, the sum of \$10,531,404 was credited to the Receiver General. In 1960 a total of \$10,102,734 was credited to the Receiver General including \$4,870,322 realized from the sale of property acquired from the Government.

Total assets of the Corporation were reported at the end of 1961 in the amount of \$1,849,141,582 compared with \$1,642,461,034 at the end of 1960.

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 1961 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 1961 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.

 James Ross F.C.A.

of the firm
Price Waterhouse & Co.

 Alain Boulanger C.A.

of the firm
Boulanger, Fortier,
Rondeau & Cie

Ottawa, February 8 1962

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FINANCIAL STATEMENTS

December 31 1961

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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	1961	1960
Cash	\$ 4,076,514	\$ 4,471,147
Accounts receivable, less allowance of \$66,926 for doubtful accounts.	1,762,800	1,016,693
Expenditures recoverable from Provincial Governments under Federal-provincial Agreements	1,778,983	2,483,604
Due from the Minister of Public Works on current account	462,847	369,846
Due from the Minister of Public Works for losses (net) in respect of loans, guarantees and other commitments under the Housing Acts	856,734	126,753
Loans under the Housing Acts, including \$7,267,160 interest accrued or receivable	1,478,794,076	1,302,744,814
Agreements for Sale and Mortgages arising from sales of properties, including \$443,601 accrued interest.	101,739,789	103,150,772
Advances to Municipalities and others on deferred repayment terms, including \$31,467 accrued interest	4,673,825	4,895,458
Real Estate, including business premises — at cost or at values placed by the Board of Directors on properties acquired without cost from the Government of Canada less \$19,686,973 accumulated depreciation	73,358,710	62,330,262
Corporation's share in the joint ownership of Real Estate under Federal-provincial Agreements	86,372,920	79,828,589
Office furniture and equipment, less \$1,400,122 accumulated depreciation	396,501	410,546
Bonds held as deposits	1,924,400	2,560,250
Other assets	255,114	203,241
Assets of the Mortgage Insurance, Home Improvement Loan Insurance and Rental Guarantee Funds	<u>1,756,453,213</u>	<u>1,564,591,975</u>
	<u>92,688,369</u>	<u>77,869,059</u>
	<u>\$1,849,141,582</u>	<u>\$1,642,461,034</u>
Mortgages under administration for Investors	<u><u>\$ 9,040,151</u></u>	<u><u>\$ 413,621</u></u>

BALANCE SHEET — DECEMBER 31 1961

(with comparative figures for 1960)

STATEMENT I

Liabilities	1961	1960
Accounts payable and accrued liabilities	\$ 2,316,406	\$ 2,579,458
Deposits and contractors' holdbacks	6,931,978	7,964,948
Unearned fees, rentals, and payments received on sales of Real Estate in process of execution	688,635	704,126
Employees' Retirement Account	82,190	88,312
Due to the Receiver General in respect of the excess in Reserve Fund over statutory limitation	10,531,404	10,102,734
Estimated income tax less instalments paid	3,109,714	2,690,657
Borrowings from the Government of Canada, evidenced by debentures of the Corporation:		
For lending under the Housing Acts, including \$10,695,321 accrued interest	1,465,617,052	1,273,660,565
For acquisition and construction of Real Estate under Federal-provincial Agreements, including \$895,233 accrued interest	94,028,974	87,191,278
For acquisition and construction of Real Estate, including \$1,357,295 accrued interest	90,387,197	93,084,467
Surplus arising from valuation of properties acquired without cost from the Government of Canada	3,272,151	3,569,691
Unrealized profits on Real Estate sold on deferred payment terms	49,487,512	52,955,739
Capital, authorized and fully paid by the Government of Canada	25,000,000	25,000,000
Reserve Fund	5,000,000	5,000,000
Reserves for Mortgage Insurance, Home Improvement Loan Insurance and Rental Guarantees	1,756,453,213	1,564,591,975
	92,688,369	77,869,059
	<u>\$1,849,141,582</u>	<u>\$1,642,461,034</u>
Equity of Investors in Mortgages under administration	<u>\$ 9,040,151</u>	<u>\$ 413,621</u>

Stewart Bates
President

John Damantage
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
Profits (net) realized on dispositions of real estate acquired by capital expenditure
Premiums earned on sales of mortgages
Miscellaneous

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
Losses on insured Corporation loans
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 1961

(with comparative figures for 1960)

STATEMENT II

1961	1960
\$74,961,722	\$62,441,310
58,637,345	47,325,684
<hr/>	<hr/>
7,405,385	7,231,099
\$1,443,054	\$1,374,238
2,092,029	1,761,621
1,972,572	1,876,454
2,044,568	1,716,627
<hr/>	<hr/>
7,552,223	6,728,940
(146,838)	502,159
<hr/>	<hr/>
3,660,105	3,026,047
3,427,661	2,928,454
<hr/>	<hr/>
5,368,331	5,356,421
1,063,624	1,031,651
<hr/>	<hr/>
4,304,707	4,324,770
<hr/>	<hr/>
2,186,049	1,289,908
225,288	255,555
328,259	296,016
563,195	4,080
72,264	25,237
<hr/>	<hr/>
24,089,745	21,910,944
7,554,646	6,895,559
909,025	841,703
7,633	6,261
36,665	30,172
17,460	16,868
144,671	98,437
1,115,044	1,150,184
81,888	26,572
484,165	368,520
598,164	536,844
178,789	148,932
769,670	662,599
105,828	110,662
125,820	132,755
98,398	99,834
96,674	35,295
302,222	205,335
<hr/>	<hr/>
12,626,762	11,366,532
11,462,983	10,544,412
<hr/>	<hr/>
5,731,000	5,312,000
<hr/>	<hr/>
<u>\$ 5,731,983</u>	<u>\$ 5,232,412</u>

RESERVE FUND FOR THE

Balance, January 1			
Add:			
Net Income for the year			
Profits realized on sales of properties acquired without cost 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 1960</i>
	<i>Number of Loans Outstanding</i>	<i>Value</i>
<i>Joint Loans (Corporation's Share)</i>	114,934	\$ 172,892,145
<i>Uninsured Loans</i>		
Limited-dividend Housing Companies	266	156,961,138
Mining, Lumbering, Logging and Fishing Industries	15	4,777,704
Home Owners	5,389	31,283,629
University Housing		
Municipal Sewage Treatment Projects		
Builders and Others, under Rental Guarantee Contracts	581	73,640,761
	6,251	266,663,232
<i>Insured Loans to Builders and Home Owners</i>		
By the Corporation	59,112	613,714,292
(Transfers from Agents)		
By Agents of the Corporation	20,063	243,115,051
(Transfers to the Corporation)		
	79,175	856,829,343
	200,360	\$1,296,384,720

AGREEMENTS FOR SALE AND MORTGAGES ARISING FROM SALES

		<i>Balances December 31 1960</i>
	<i>Number of Accounts Outstanding</i>	<i>Value</i>
<i>Agreements for Sale</i>	18,971	\$ 45,752,293
(Converted to Mortgages)		
<i>Mortgages</i>	12,350	56,960,231
(Converted from Agreements for Sale)		
	31,321	\$102,712,524

YEAR ENDED DECEMBER 31 1961

(with comparative figures for 1960)

STATEMENT III

1961	1960
\$ 5,000,000	\$ 5,000,000
<hr/>	<hr/>
\$5,731,983	\$5,232,412
4,799,421	4,870,322
<hr/>	<hr/>
10,531,404	10,102,734
<hr/>	<hr/>
15,531,404	15,102,734
<hr/>	<hr/>
10,531,404	10,102,734
<hr/>	<hr/>
\$ 5,000,000	\$ 5,000,000

THE YEAR ENDED DECEMBER 31 1961

STATEMENT IV

Number of New Loans in 1961	Advances and Other Charges in 1961	Number of Loans Paid in Full and Foreclosures in 1961	Payments Received and Foreclosures in 1961	Balances December 31 1961	
				Number of Loans Outstanding	Value
	\$	6,466	\$ 18,621,253	108,468	\$ 154,270,892
48	35,060,835	5	27,629,648	309	164,392,325
	229,809		605,030	15	4,402,483
1	2,825,734	121	4,948,374	5,269	29,160,989
5	2,714,982			5	2,714,982
28	3,021,555		35,535	28	2,986,020
	6,109,711	2	8,443,644	579	71,306,828
82	49,962,626	128	41,662,231	6,205	274,963,627
21,655	306,448,313	3,812	113,880,589	77,037	807,162,802
82	880,786				
	270,806	219	7,375,476	19,762	235,129,595
(82)	(880,786)				
21,655	306,719,119	4,031	121,256,065	96,799	1,042,292,397
21,737	\$356,681,745	10,625	\$181,539,549	211,472	\$1,471,526,916
			Interest Accrued or Receivable		7,267,160
					\$1,478,794,076
			Total (including payments in arrears three months and over \$754,000)		

OF PROPERTIES FOR THE YEAR ENDED DECEMBER 31 1961

STATEMENT

<u>Number of New Accounts in 1961</u>	<u>Sales, Transfers and Other Charges in 1961</u>	<u>Number of Accounts Paid in Full in 1961</u>	<u>Payments Received in 1961</u>	<u>Number of Accounts Outstanding</u>	<u>Value</u>
	\$ 5,309,637	1,060	\$ 9,886,832	17,671	\$ 40,407,036
(240)	(768,062)				
1,013	12,436,560	299	9,275,701	13,304	60,889,152
240	768,062				
<u>1,013</u>	<u>\$17,746,197</u>	<u>1,359</u>	<u>\$19,162,533</u>	<u>30,975</u>	<u>\$101,296,188</u>
				Accrued Interest	443,601
Total (including payments in arrears three months and over \$13,000)					\$101,739,789

REAL ESTATE FOR THE

	<u>Balances December 31 1960</u>		<u>Additions and Transfers in 1961</u>	
	<u>Units</u>	<u>Amount</u>	<u>Units</u>	<u>Amount</u>
<i>Business Premises for Corporation Use</i>	<u>21</u>	<u>\$ 3,531,193</u>		<u>\$</u>
<i>Rental Housing</i>				
Warworkers' Houses	530	530,729		
Servicemen's Housing				
1947 and prior Programmes	377	1,131,000		
1948 and 1949 Programmes				
Single Houses	7,244	52,149,279		
Multiple Dwellings	623	5,369,008		
Housing acquired from Limited-dividend Housing Companies				
Single Houses	247	1,910,237	144	1,361,565 ⁽¹⁾
Multiple Dwellings	1,275	9,650,347	1,872	16,797,445 ⁽¹⁾
Garages	232			
Housing at Pembroke, Gander, Renfrew and Sorel	536	6,349,625		1,123
	<u>11,064</u>	<u>77,090,225</u>	<u>2,016</u>	<u>18,160,133</u>
<i>Housing Acquired Under Guarantee Agreements</i>	<u>6</u>	<u>56,263</u>		
<i>Other Real Estate</i>				
Vacant Land		487,733		40,263
Miscellaneous	39	124,758	7	30,316
	<u>39</u>	<u>612,491</u>	<u>7</u>	<u>70,579</u>
	<u>11,130</u>	<u>\$81,290,172</u>	<u>2,023</u>	<u>\$18,230,712</u>

(1) Represents acquisitions arising from mortgage defaults by corporations.

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

	<u>Balances December 31 1960</u>	<u>Additions and Transfers in 1961</u>
Rental Housing Projects	<u>\$70,042,824</u>	<u>\$7,075,284</u>
Land Assembly Projects	<u>11,120,435</u>	<u>858,615</u>
	<u>\$81,163,259</u>	<u>\$7,933,899</u>

<u>Dispositions in 1961</u>		<u>Balances December 31 1961</u>			
<u>Units</u>	<u>Amount</u>	<u>Units</u>	<u>Amount</u>	<u>Accumulated Depreciation</u>	<u>Net Book Value</u>
	\$ 20,000	21	\$ 3,511,193	\$ 1,000,537	\$ 2,510,656
69	8,761	461	521,968		521,968
55	165,000	322	966,000	441,995	524,005
852	6,044,752	6,392	46,104,527	11,514,670	34,589,857
		623	5,369,008	1,768,530	3,600,478
1	8,651	390	3,263,151	674,570	2,588,581
		3,147	26,447,792	3,414,046	23,033,746
		232			
5	47,500	531	6,303,248	826,523	5,476,725
982	6,274,664	12,098	88,975,694	18,640,334	70,335,360
1	9,316	5	46,947	9,821	37,126
	126,615		401,381		401,381
20	44,606	26	110,468	36,281	74,187
20	171,221	26	511,849	36,281	475,568
1,003	\$6,475,201	12,150	\$93,045,683	\$19,686,973	\$73,358,710

<u>Dispositions in 1961</u>		<u>Balances December 31 1961</u>		
<u>Amount</u>		<u>Accumulated Recovery of Investments</u>	<u>Net Book Value</u>	
\$				
668,731		\$2,055,507	\$75,062,601	
		11,310,319	11,310,319	
<u>\$668,731</u>		<u>\$88,428,427</u>	<u>\$2,055,507</u>	<u>\$86,372,920</u>

ASSETS OF THE MORTGAGE INSURANCE, HOME IMPROVEMENT LOAN

	<i>Mortgage Insurance Fund</i>	
	<i>1960</i>	<i>1961</i>
Cash	\$ 821	\$ 366,141
Securities issued or guaranteed by the Government of Canada, at amortized cost	69,589,388	76,895,407
Approximate market values, December 31 1961—		
Mortgage Insurance Fund	\$73,713,600	
Home Improvement Loan		
Insurance Fund	2,058,100	
Rental Guarantee Fund	3,452,200	
	<u>\$79,223,900</u>	
Accrued interest on securities	1,127,105	1,196,487
Mortgages	528,908	1,517,217
Accrued interest on mortgages	10,649	8,289
Real Estate, at lower of cost or estimated realizable value (1960 at cost)	1,339,100	9,896,000
Claims in process for payment	<u>72,595,971</u>	<u>89,879,541</u>
	<u>\$72,595,971</u>	<u>(3,110,967)</u>
	<u>\$86,768,574</u>	

RESERVES FOR MORTGAGE INSURANCE, HOME IMPROVEMENT LOAN INSURANCE

	<i>Reserve for Mortgage Insurance</i>		
	<i>Total to December 31 1960</i>	<i>Year 1961</i>	<i>Total to December 31 1961</i>
Fees and premiums received	\$64,164,510	\$10,970,952	\$75,135,462
Net income from securities	8,322,213	3,363,668	11,685,881
Interest earned on mortgages	37,159	68,499	105,658
Rentals earned on real estate	10,768	205,763	216,531
Recoveries on claims paid			
Real estate acquired on claims paid or payable	1,872,247	9,840,791	11,713,038
Profit (net) on sales of securities	40,687		40,687
Sundry income			
	<u>74,447,584</u>	<u>24,449,673</u>	<u>98,897,257</u>
Deduct:			
Claims paid or payable and legal expenses	1,872,247	9,840,791	11,713,038
Allowance for revaluation of real estate		164,524	164,524
Maintenance of real estate	7,122	239,650	246,772
Loss (net) on sales of real estate	(27,895)	31,870	3,975
Sundry expenses	139	235	374
	<u>1,851,613</u>	<u>10,277,070</u>	<u>12,128,683</u>
	<u>\$72,595,971</u>	<u>\$14,172,603</u>	<u>\$86,768,574</u>
Mortgage insurance in force — approximately		\$3,640,000,000	
Amount insured in respect of Home Improvement Loans — approximately		\$ 11,325,000	
Current year's rentals covered by Rental Guarantee contracts — approximately		\$ 15,333,000	

INSURANCE AND RENTAL GUARANTEE FUNDS, DECEMBER 31 1961

(with comparative figures for 1960)

Home Improvement Loan Insurance Fund		Rental Guarantee Fund		Totals	
<u>1960</u>	<u>1961</u>	<u>1960</u>	<u>1961</u>	<u>1960</u>	<u>1961</u>
\$ 12,985	\$ 14,514	\$ 52,050	\$ (18,366)	\$ 65,856	\$ 362,289
1,842,364	2,130,967	3,290,234	3,691,415	74,721,986	82,717,789
28,095	31,835	47,360	53,514	1,202,560	1,281,836
				528,908	1,517,217
				10,649	8,289
	15,916			1,339,100	9,911,916
1,883,444	2,193,232	3,389,644	3,726,563	77,869,059	95,799,336
					(3,110,967)
<u>\$1,883,444</u>	<u>\$2,193,232</u>	<u>\$3,389,644</u>	<u>\$3,726,563</u>	<u>\$77,869,059</u>	<u>\$92,688,369</u>

AND RENTAL GUARANTEES FOR THE YEAR ENDED DECEMBER 31 1961

Reserve for Home Improvement Loan Insurance			Reserve for Rental Guarantees			Totals
Total to December 31 1960	Year 1961	Total to December 31 1961	Total to December 31 1960	Year 1961	Total to December 31 1961	December 31 1961
\$1,942,987	\$427,671	\$2,370,658	\$3,521,953	\$369,328	\$3,891,281	\$ 81,397,401
226,131	91,518	317,649	535,880	158,649	694,529	12,698,059
						105,658
	882	882				217,413
25,167	17,587	42,754				42,754
	15,916	15,916				11,728,954
1,873		1,873	(238)		(238)	42,322
			2,000	1,600	3,600	3,600
2,196,158	553,574	2,749,732	4,059,595	529,577	4,589,172	106,236,161
312,711	243,312	556,023	669,951	192,658	862,609	13,131,670
	471	471				164,524
						247,243
3	3	6				3,975
312,714	243,786	556,500	669,951	192,658	862,609	13,547,792
<u>\$1,883,444</u>	<u>\$309,788</u>	<u>\$2,193,232</u>	<u>\$3,389,644</u>	<u>\$336,919</u>	<u>\$3,726,563</u>	<u>\$ 92,688,369</u>

EXPLANATORY NOTES TO FINANCIAL STATEMENTS

ASSETS

Accounts receivable

Balances due from 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. Of an increase of \$746,000 over 1960, \$603,000 is attributable to increased amounts receivable from housing authorities due to the operation of a larger number of projects.

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 \$646,800 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 military housing 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

Operating losses (net) on Corporation's share in Federal-Provincial housing projects, less profits (net) on sales of lots in land assembly projects, and on sales 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 the installation of municipal ground services 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 (a) the unrecovered cost of rental

housing projects, (b) unsold lots and, (c) uncollected balances on lots sold in land assembly projects. Investment in rental housing projects is recoverable by annual instalments from 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 primarily (a) on behalf of rental guarantee mortgagors to ensure availability of funds for repairs and replacements; (b) as deposits by mining companies for the reduction of claims on the Mortgage Insurance Fund in respect of loans on properties at Elliot Lake; (c) as security deposits in respect of construction contracts.

Other assets

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

Mortgages under administration for Investors

Insured mortgages sold by the Corporation to investors who have elected that the mortgages be administered by the Corporation.

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

Consists primarily of deposits in respect of the cost of replacements and repairs and rental guarantee premiums not yet due as provided for in rental guarantee contracts, deposits 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 CMHC Act is not included in these statements, being vested in trustees.

Borrowings from the Government of Canada

	<i>Amount Borrowed in 1961</i>	<i>Amount Repaid in 1961</i>
Borrowings for lending under the Housing Acts (\$ million).....	235.0	44.0
Borrowings for acquisition and construction of real estate under Federal-Provincial Agreements (\$ million).....	8.5	1.7
Borrowings for acquisition and construction of real estate (\$ million).....		2.7

Surplus arising from valuation of properties acquired without cost 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 1961 advances on loans made under the Housing Acts exceeded repayments by \$175,000,000. This resulted in an increase of \$12,500,000 in gross interest earned over 1960. Interest on borrowings for lending

purposes increased by only \$11,300,000 thereby resulting in a net increase in interest earned of \$1,200,000.

During 1961, 1003 rental housing units were sold and 2023 added to the housing inventory, a net increase of 1020 units under administration. Of the housing units added, 2016 were acquired through mortgage defaults. Rental revenue increased by \$174,000 while operating expenses increased by \$823,000, resulting in a decline in net rental income of \$649,000. Increased operating expenses were mainly attributable to increased costs of repairs and maintenance, larger payments to municipalities in lieu of taxes and a greater provision for depreciation. While the increased number of housing units resulted to some extent in higher operating expenses, they did not yield a comparable increase in rental revenue due to high vacancy loss.

Application fees earned on insured mortgage loans increased by \$896,000 over the previous year due to greater lending activity in the latter part of 1960 and early 1961 and the Corporation's practice of treating fees received as being earned over an eight month period.

In 1961 the Corporation initiated the practice of selling insured mortgage loans to investors. This resulted in premiums earned of \$563,000 compared to \$4,000 in 1960 when sales were made only to the CMHC Pension Fund.

EXPENDITURE

Expenditure was \$1,260,000 greater than in the preceding year as compared to an increase of \$2,179,000 in income.

The increases of \$659,000 in salaries and of \$67,000 in Pension Fund, group and unemployment insurance expenses are due to the employment of additional staff and a general increase in wage levels.

Losses on insured Corporation loans represent losses on defaulted loans not claimable against the Mortgage Insurance Fund.

Other increases in expenditure resulted from the general expansion of the Corporation's activities.



6 STATISTICS

Tables 1 Housing Units Started and Mortgage Loans Approved, 1935-1961.

2 Housing Units Started and Mortgage Loans Approved, by Province, 1961.

3 Housing Units Started, and Mortgage Loans Approved Under the Housing Act, by Locality, 1961.

4 Federal-Provincial Projects Under the Housing Acts, by Locality, 1948-1961.

5 Home Improvement Loans Approved, 1961.

6 Expenditures on CMHC Construction Activities, by Province, 1961.

7 University Housing Project Loans Approved, 1961.

8 Municipal Sewage Treatment Project Loans Approved, 1961.

9 Part V Grants Authorized for 1961.

Housing Units Started and Mortgage Loans Approved, 1935-1961

TABLE 1

YEAR	Housing Units Started (1)		Mortgage Loans Approved Under The Housing Acts		
	Total	Under The (2) Housing Acts	Loans	Housing Units	Amount (\$'000)
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	55,651
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
1961	125,577	59,870	46,312	60,438	702,739
TOTAL	2,197,333	692,477	536,952	675,304	5,987,544

Housing Units Started and Mortgage Loans Approved, by Province, 1961

TABLE 2

PROVINCE	Housing Units Started		Mortgage Loans Approved Under The Housing Act		
	Total	Under The (2) Housing Act	Loans	Housing Units	Amount (\$'000)
Newfoundland . . .	1,854	253	264	265	3,336
Prince Edward Island	910	47	57	59	625
Nova Scotia . . .	3,681	1,196	971	1,069	12,599
New Brunswick . . .	2,078	909	743	819	8,852
Quebec	34,215	12,372	12,023	13,049	147,239
Ontario	48,144	28,649	17,819	27,593	321,848
Manitoba	5,678	2,595	2,221	2,712	32,586
Saskatchewan	5,093	2,395	2,324	2,497	29,150
Alberta	12,754	8,327	7,294	9,121	109,272
British Columbia . .	11,170	3,127	2,575	3,233	36,929
Northwest Territories	—	—	1	1	13
Yukon Territory . .	—	—	20	20	290
CANADA	125,577 (1)	59,870 (1)	46,312	60,438	702,739

(1) Excludes the Northwest and Yukon Territories.

(2) Includes starts in Federal-Provincial Projects.

**Housing Units Started, and Mortgage Loans Approved
Under the Housing Act, by Locality, 1961**

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)
<i>Metropolitan Areas</i>							
Calgary	4,414	1,367	15,929	1,880	24,850	3,247	40,779
Edmonton	4,562	1,979	24,048	2,130	23,915	4,109	47,963
Halifax	1,365	303	3,656	427	5,186	730	8,842
Hamilton	2,267	260	2,768	992	12,647	1,252	15,415
London	1,799	302	3,025	599	8,091	901	11,116
Montreal	17,204	391	4,311	3,339	38,608	3,730	42,919
Ottawa-Hull	6,300	641	7,673	2,967	40,982	3,608	48,655
Quebec	3,247	1,037	11,075	719	8,196	1,756	19,271
Saint John	561	74	796	158	1,879	232	2,675
St. John's	252	79	1,051	49	678	128	1,729
Toronto	17,518	2,119	18,968	10,339	112,743	12,458	131,711
Vancouver	5,588	723	7,316	907	11,314	1,630	18,630
Victoria	1,279	109	1,328	359	4,153	468	5,481
Windsor	526	88	1,089	170	2,315	258	3,404
Winnipeg	4,187	776	8,956	1,131	14,544	1,907	23,500
Sub-Total	71,069	10,248	111,989	26,166	310,101	36,414	422,090
<i>Major Urban Areas</i>							
Brantford	216	42	467	50	638	92	1,105
Chicoutimi-Jonquière .	604	370	3,658	70	833	440	4,491
Ft. William-Pt. Arthur .	584	95	1,119	238	3,166	333	4,285
Guelph	474	87	775	91	1,084	178	1,859
Kingston	462	97	1,184	144	1,718	241	2,902
Kitchener	1,227	62	721	537	6,422	599	7,143
Moncton	483	61	641	156	1,766	217	2,407
Niagara Falls	179	24	285	75	961	99	1,246
Oshawa	657	269	3,195	185	1,822	454	5,017
Peterborough	289	27	296	175	2,179	202	2,475
Regina	1,334	554	6,515	420	5,655	974	12,170
St. Catharines	417	62	682	206	2,581	268	3,263
Sarnia	541	57	677	137	1,764	194	2,441
Saskatoon	1,229	428	5,042	491	5,596	919	10,638
Sault Ste. Marie	730	99	1,207	406	4,217	505	5,424
Shawinigan Falls	241	115	1,191	5	64	120	1,255
Sherbrooke	555	88	922	141	1,428	229	2,350
Sudbury	838	472	5,807	110	1,294	582	7,101
Sydney	164	22	245	—	-8	22	237
Timmins	133	79	960	—	6	79	966
Trois-Rivières	699	309	3,037	78	874	387	3,911
Sub-Total	12,056	3,419	38,626	3,715	44,060	7,134	82,686
Other Localities	42,452	9,961	112,738	6,929	85,225	16,890	197,963
CANADA	125,577	23,628	263,353	36,810	439,386	60,438	702,739

(1) Excludes the Northwest and Yukon Territories.

LOCALITY	Rental Housing	Land Assembly	Urban Redevelop- ment Study	Slum Clearance
	No. of Dwelling Units Approved	No. of Lots Approved	Federal Contribution Approved (\$'000)	Federal Contribution Approved (\$'000)
<i>Newfoundland</i>				
Corner Brook	584	766	28	15
St. John's	—	212	6	—
	584	554	22	15
<i>Nova Scotia</i>				
Halifax	712	—	24	1,390
Sydney	712	—	13	1,390
	—	—	11	—
<i>New Brunswick</i>				
Moncton	488	—	26	1,613
Saint John	—	—	11	—
	488	—	15	1,613
<i>Quebec</i>				
Hull	796	—	180	3,510
Montreal	—	—	24	—
Quebec	796	—	116	3,510
	—	—	40	—
<i>Ontario</i>				
Amherstburg	6,700	13,786	192	11,126
Arnprior	25	31	—	—
Atikokan	25	43	—	—
Brantford	—	1,140	—	—
Brockville	50	323	—	—
Clinton	96	352	—	—
Cobourg	12	—	—	—
Cornwall	—	1,015	—	—
Delhi	125	278	—	—
Dunnville	25	—	—	—
Fort Erie	12	—	—	—
Fort William	28	—	—	—
Galt	174	—	—	—
Goderich	50	201	—	—
Guelph	65	22	—	—
Hamilton	70	214	—	—
Kenora	1,123	530	21	—
Kingston	26	205	—	—
Kirkland Lake	71	784	15	—
Kitchener	—	67	—	—
Lindsay	20	676	—	—
London	100	54	—	—
London Twp.	—	379	22	—
Midland	—	678	—	—
Napanee	30	42	—	—
Niagara Falls	41	36	—	—
North Bay	—	—	20	—
Orillia	54	50	—	—
Oshawa	10	—	—	—
Ottawa	42	—	—	—
Owen Sound	103	38	—	—
Peterborough	—	630	40	—
Port Arthur	40	2,170	—	—
Prescott	40	—	—	—
Renfrew	60	171	—	—
St. Thomas	43	—	—	—
Sandwich East	75	630	—	—
Sarnia	—	969	—	—
Sault Ste. Marie	120	1,035	2	1,585
Smith's Falls	100	—	19	—
Stamford Twp.	24	—	—	—
Stratford	70	57	—	—
Sudbury	104	122	—	—
	88	277	20	—

Housing Acts, by Locality, 1948-1961

TABLE 4

LOCALITY	Rental Housing	Land Assembly	Urban Redevelop- ment Study	Slum Clearance
	No. of Dwelling Units Approved	No. of Lots Approved	Federal Contribution Approved (\$000)	Federal Contribution Approved (\$000)
Thorold	—	127	—	—
Toronto	2,608	—	18	7,452
Trenton	25	115	—	—
Windsor	926	325	15	2,089
<i>Manitoba</i>				
Churchill	—	—	104	3,689
Province of Manitoba	—	—	23	—
Winnipeg	—	—	16	—
—	—	—	65	3,689
<i>Saskatchewan</i>				
Moose Jaw	264	463	44	—
Prince Albert	75	258	—	—
Regina	30	—	—	—
Saskatoon	109	—	29	—
Swift Current	—	—	15	—
Weyburn	—	118	—	—
—	50	87	—	—
<i>Alberta</i>				
Calgary	—	—	11	—
—	—	—	11	—
<i>British Columbia</i>				
Dawson Creek	976	996	90	2,401
Duncan	—	—	8	—
Kimberley	—	158	—	—
Port Moody	—	50	—	—
Prince George	—	—	6	—
Prince Rupert	—	177	9	—
Saanich	50	—	14	—
Trail	—	132	—	—
Vancouver	—	479	7	—
Victoria	926	—	27	2,401
—	—	—	19	—
CANADA	10,520	16,011	699	23,744

**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>			<i>Prince Edward Island</i>		
Amherst	1,010	896	Sackville	12	—
Antigonish	70	70	Stellarton	8	8
Baddeck	55	49	Sydney	286	280
Bedford	5	—	Sydney Mines	22	22
Cheticamp	10	—	Trenton	10	10
Cole Harbour	5	5	Truro	32	32
Digby	65	44	Wolfville	11	11
Eastern Passage	6	6	Woodlawn	88	88
Glace Bay	27	17	Yarmouth	20	10
Halifax	56	56			
Kentville	76	76			
Mulgrave	11	11			
New Glasgow	7	—			
New Waterford	18	18			
North Sydney	37	37			
Port Hawkesbury	50	36			
Port Hood	10	10			
Pubnico	6	—			
	7	—			
			TOTAL	1,113	896

Home Improvement Loans Approved, 1961

TABLE 5

LOCALITY	Ownership Dwellings		Rental Dwellings		Total	
	No. of Loans	Loan Amount (\$000)	No. of Loans	Loan Amount (\$000)	No. of Loans	Loan Amount (\$000)
<i>Metropolitan Areas</i>						
Calgary	1,554	2,114	42	142	1,596	2,256
Edmonton	956	1,182	23	54	979	1,236
Halifax	652	795	45	145	697	940
Hamilton	378	488	18	28	396	516
London	249	304	10	17	259	321
Montreal	1,236	2,545	82	209	1,318	2,754
Ottawa-Hull	629	1,064	50	318	679	1,382
Quebec	248	547	22	64	270	611
Saint John	116	198	10	28	126	226
St. John's	159	255	4	5	163	260
Toronto	2,009	1,908	75	264	2,084	2,172
Vancouver	2,320	3,186	89	164	2,409	3,350
Victoria	335	471	11	34	346	505
Windsor	422	583	7	10	429	593
Winnipeg	1,060	1,383	52	154	1,112	1,537
Sub-Total	12,323	17,023	540	1,636	12,863	18,659
<i>Major Urban Areas</i>						
Brantford	102	126	10	14	112	140
Chicoutimi-Jonquière . .	203	357	4	10	207	367
Ft. William-Pt. Arthur . .	194	279	4	3	198	282
Guelph	50	81	4	9	54	90
Kingston	170	246	22	41	192	287
Kitchener	127	183	3	6	130	189
Moncton	201	203	21	63	222	266
Niagara Falls	49	62	2	4	51	66
Oshawa	81	100	8	17	89	117
Peterborough	43	59	4	5	47	64
Regina	476	478	19	29	495	507
St. Catharines	125	168	5	12	130	180
Sarnia	90	103	10	16	100	119
Saskatoon	308	420	10	17	318	437
Sault Ste. Marie	56	137	9	34	65	171
Shawinigan Falls	27	52	3	5	30	57
Sherbrooke	55	106	7	19	62	125
Sudbury	156	325	8	22	164	347
Sydney	268	287	8	14	276	301
Timmins	136	184	13	37	149	221
Trois-Rivières	63	124	8	38	71	162
Sub-Total	2,980	4,080	182	415	3,162	4,495
Other Localities	11,603	18,242	469	1,233	12,072	19,475
CANADA	26,906	39,345	1,191	3,284	28,097	42,629

Expenditures on CMHC Construction Activities, by Province, 1961

PROVINCE	Corporation Construction		Construction for Other Agencies and Departments		Total (\$000)
	Federal- Provincial Projects (\$000)	Other Projects (\$000)	Department of National Defence (\$000)	Other Departments (\$000)	
Newfoundland . . .	99	1	—	—	100
Prince Edward Island	116	—	198	—	314
Nova Scotia . . .	3,383	—	1,951	—	5,334
New Brunswick . .	527	—	110	—	637
Quebec	1,003	—	3	—	1,006
Ontario	5,819	—	1,123	293	7,235
Manitoba	—	—	—	332	332
Saskatchewan . . .	378	—	—	—	378
Alberta	—	—	32	—	32
British Columbia .	742	—	17	—	759
Northwest Territories	—	—	—	10	10
Total	12,067	1	3,434	635	16,137

TABLE 6

University Housing Project Loans Approved, 1961

Approvals by Order-in-Council to December 31, 1961					
UNIVERSITY	City	No. of Students to be Accom- modated	Amount of NHA Loan		Total Cost of Project (\$000)
			Total (\$000)	Per Student Accom- modated \$	
<i>Nova Scotia</i>					
Acadia University	Wolfville . . .	145	503	3,472	559
Mount St. Bernard College	Antigonish . . .	126	561	4,452	623
St. Francis Xavier University	Antigonish . . .	314	1,316	4,191	1,462
University of King's College	Halifax	106	690	6,506	766
<i>New Brunswick</i>					
University of New Brunswick	Fredericton . . .	428	1,800	4,206	2,000
<i>Quebec</i>					
Academie de Quebec	Ste. Foy	200	810	4,050	900
College de Matane	Matane	120	631	5,258	701
College de Victoriaville	Victoriaville . . .	168	811	4,825	901
Laval University	Quebec	465	3,255	7,000	3,625
Seminaire de Nicolet	Nicolet	125	483	3,866	537
Seminaire St. Pie X	Hauterive	90	222	2,463	246
University of Sherbrooke	Sherbrooke	461	1,750	3,800	1,985

TABLE 7

University Housing Project Loans Approved, 1961

TABLE 7
Continued

UNIVERSITY	City	No. of Students to be Accommodated	Amount of NHA Loan		Total Cost of Project (\$000)
			Total (\$000)	Per Student Accommodated \$	
<i>Ontario</i>					
Assumption University	Windsor	220	1,379	6,266	1,532
Carleton University	Ottawa	315	1,512	4,800	1,845
Renison College	Waterloo	80	248	3,100	276
University of St. Jerome's College	Waterloo	98	300	3,223	351
Waterloo Lutheran University	Waterloo	100	276	2,758	476
<i>Manitoba</i>					
Brandon College	Brandon	152	906	4,767	1,007
United College	Winnipeg	136	693	4,844	770
<i>Saskatchewan</i>					
Emmanuel College	Saskatoon	82	394	4,807	438
Notre Dame College	Wilcox	36	214	5,944	238
<i>British Columbia</i>					
University of British Columbia	Vancouver	336	1,332	3,964	1,480

Municipal Sewage Treatment Project Loans Approved, 1961

TABLE 8

LOCALITY	Amount (\$000)	LOCALITY	Amount (\$000)	LOCALITY	Amount (\$000)
<i>Newfoundland</i>		Saint Anselme	5	Dundas	248
La Scie	80	Shippegan	48	Espanola	92
Stephenville Crossing	36	<i>Quebec</i>		Fort William	884
		Fort Coulonge	49	Galt	908
Alberton	22	Lorraine	95	Hamilton	44
Borden	7	Notre-Dame-de-Lorette	100	Hamilton	880
Souris	27	<i>Ontario</i>		Hamilton	265
Tignish	19	Belleville	1,515	Hamilton	778
<i>Nova Scotia</i>		Bowmanville	9	Kingston	17
Berwick	53	Bowmanville	300	Mitchell	93
<i>New Brunswick</i>		Bracebridge	76	Neelon-Garson	202
Renforth	32	Bracebridge	43	New Hamburg	79
		Bradford	95	Orillia	69
				Ottawa	276
				Ottawa	127

Municipal Sewage Treatment Project Loans Approved, 1961

TABLE 8
Continued

LOCALITY	Amount (\$000)	LOCALITY	Amount (\$000)	LOCALITY	Amount (\$000)
Ottawa	10,063	<i>Manitoba</i>		Saskatoon	280
Owen Sound	304	Crystal City	30	Semans	9
Peterborough	593	Gretna	33	Sturgis	20
Port Colborne	39	Hartney	15	Torquay	13
Port Credit	148	Morden	39	Tugaske	17
Preston	450	Portage la Prairie . . .	107	Turtleford	17
Ramore	12	Shoal Lake	32	Wakaw	23
Sarnia	94	Somerset	18	Whitewood	21
Shelburne	47			Willowbunch	19
Strathroy	133	<i>Saskatchewan</i>			
Sudbury	1,109	Birch Hills	18	<i>Alberta</i>	
Toronto (West Highland Creek)	78	Blaine Lake	16	Calgary	54
Toronto (East Highland Creek)	336	Carrot River	28	Cowley	10
Toronto (Ashbridges Bay) . .	141	Creighton	33	Edmonton	710
Toronto (Bloor Street)	427	Cupar	23	Edson	78
Toronto (Humber-Thistletown)	272	Delisle	18	Evansburg	31
Toronto (Weston) . .	650	Dinsmore	15	Gibbons	4
Toronto (Lakeshore No. 1) .	218	Dundurn	14	Hanna	19
Toronto (Lakeshore No. 2) .	346	Elbow	13	Leduc	58
Toronto (Mimico Creek) . .	133	Estevan	52	Medicine Hat	222
Toronto (North Mimico Creek)	222	Fillmore	20	Red Deer	447
Toronto (Etobicoke Creek) . .	448	Fort Qu'Appelle . . .	8	Rimbey	19
Toronto (Don River) .	308	Govan	25	Wetaskiwin	13
Toronto (West Don River) .	330	Hanley	9	<i>British Columbia</i>	
Toronto (Highland Creek) . .	800	Harris	11	Burns Lake	50
Toronto Twp. (Beechwood No. 1) .	128	Hodgeville	19	Chilliwack City and Municipality	78
Toronto Twp. (Beechwood No. 2) .	87	Hudson Bay	38	Comox	73
Toronto Twp. (Dixie-Haig)	317	Humboldt	45	Courtenay	177
Toronto (Victoria Park - 401) .	309	Kenaston	9	Dawson Creek	80
Trenton	157	Langenburg	29	Duncan	60
Vankleek Hill	53	Langham	20	Fort St. John	180
		Lashburn	21	Kamloops	224
		Lipton	20	Nelson	95
		Lucky Lake	9	North Cowichan	51
		Lumsden	23	Saanich No. 1	382
		Melfort	47	Saanich No. 2	44
		Milestone	19	Vancouver (Iona)	7,429
		Moose Jaw	689	Vancouver (Burnaby Lake)	192
		Neudorf	17	Vancouver (North Arm Cross)	508
		Oxbow	29	Vancouver (Spanish Banks)	94
		Pennant	16	White Rock	124
		Plenty	11		
		Qu'Appelle	14		
		Rockglen	25		

Part V Grants Authorized for 1961

TABLE 9

PURPOSE OF GRANT AND RECIPIENT	<i>Amount of Grant \$</i>
<i>Urban Renewal Studies</i>	
Province of Manitoba	16,000
Metropolitan Corporation of Greater Winnipeg	27,320
City of Quebec (Supplementary)	9,889
City of Ottawa (Supplementary)	4,365
City of Niagara Falls	19,500
City of Sudbury and Townships of Neelon-Garson and McKim	2,700
Townsite of Churchill (second phase)	14,500
City of Calgary	11,250
City of Hull	24,000
Sub-total	129,524
<i>Non-Recurring Grants</i>	
Lower Mainland Regional Planning Board of B.C.	4,500
Canadian Welfare Council	20,000
Royal Architectural Institute of Canada	1,000
Co-operative Union of Canada	20,000
St. Patrick's College	3,000
Centre for Community Studies, University of Saskatchewan	75,000
Canadian Council on Urban and Regional Research (organizational grant)	10,000
McMaster University lecturer for Studies in Urban Geography	1,200
Sub-total	134,700
<i>Recurring Grants</i>	
Community Planning Association of Canada	67,500
Information Services (CMHC)	135,725
Canadian Housing Design Council	25,000
National Research Council	100,000
Ontario Research Foundation	48,900
Educational Assistance —	
(a) Planning Fellowships	22,500
(b) Supplementary Grants to Schools of Planning	8,000
(c) Bursaries	9,600
(d) Travelling Scholarships	12,300
(e) Lecture tours, Schools of Architecture	1,000
(f) Incidental Expenses — Printing of Brochures, etc.	2,100
(g) Senior Fellowships	15,000
Sub-total	447,625
Total	\$711,849

PUBLICATIONS

FINANCING	<p>NHA LOANS FOR HOMES — Explains the insured loan provisions for home ownership.</p> <p>NHA HOME-OWNER LOANS BY CMHC — Explains lending by CMHC for home ownership.</p> <p>NHA INSURED LOANS FOR RENTAL HOUSING — Outlines the financing of rental housing with insured loans.</p> <p>NHA LIMITED DIVIDEND LOANS — Explains lending by CMHC to limited-dividend housing companies for low-rental housing.</p> <p>NHA HOUSING FOR THE ELDERLY — Outlines the way in which limited-dividend companies may provide accommodation for old people.</p> <p>NHA CO-OPERATIVE HOUSING LOANS — Explains loans made to building co-operatives.</p> <p>NHA HOME CONVERSION LOANS — Outlines insured loans for alterations which add one or more family housing units to existing residential structures.</p> <p>NHA LOANS FOR UNIVERSITY HOUSING PROJECTS — Outlines the terms on which universities may obtain loans for resident student accommodation.</p> <p>NHA LOANS FOR MUNICIPAL SEWAGE TREATMENT PROJECTS — Explains loans made to assist in the construction of sewage treatment projects.</p> <p>NHA FEDERAL-PROVINCIAL HOUSING AND LAND ASSEMBLY — Summarizes assistance for house construction and land assembly undertaken jointly by Federal-Provincial partnerships.</p> <p>NHA URBAN RENEWAL — Outlines Federal assistance available to municipalities undertaking redevelopment of blighted areas.</p> <p>NHA HOME IMPROVEMENT LOANS — Explains the lending provisions for loans for home improvement and repairs.</p>
DESIGN	<p>SMALL HOUSE DESIGNS — Catalogues house designs for which working drawings may be purchased from CMHC local offices at nominal cost.</p> <p>CHOOSING A HOUSE DESIGN — Outlines for prospective owners considerations on choice of neighbourhood, lot and type of house.</p> <p>PRINCIPLES OF SMALL HOUSE GROUPING — Deals with the arrangement of houses in groups.</p> <p>NHA — A MINIMUM HOUSE — Describes briefly the specifications of a minimum house designed for rural areas without municipal services.</p>
CONSTRUCTION	<p>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.</p> <p>APARTMENT BUILDING STANDARDS — Sets out the minimum standards prescribed for apartment buildings financed with NHA loans.</p> <p>CATALOGUE OF HOUSE BUILDING CONSTRUCTION SYSTEMS — Outlines methods followed in various parts of the world in constructing single-family dwellings.</p> <p>GLOSSARY OF HOUSE-BUILDING TERMS — Defines words used in housing industry.</p> <p>BASEMENT FALLOUT SHELTER — Blueprint for Survival No. 2 — Shelters in new homes.</p> <p>NHA — WHAT YOU SHOULD KNOW ABOUT THE INSPECTION OF YOUR HOUSE — Explains the extent and the limitations of compliance inspections on NHA-financed housing.</p>
STATISTICS	<p>CANADIAN HOUSING STATISTICS — Provides statistical data related to the housing situation on a monthly and annual basis.</p>
GENERAL	<p>HABITAT — A bi-monthly magazine containing illustrated articles on the housing environment.</p> <p>HOUSING FOR OLD PEOPLE, URBAN REDEVELOPMENT, FEDERAL-PROVINCIAL PROJECTS — Supplementary material available on these subjects.</p>

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