

**Comparison of the monthly operation cost of a private house in Nunavik  
and in the Québec City Area, 2006**

	Nunavik <sup>1</sup>		Québec City Area <sup>2</sup>				Difference between Nunavik and the Québec City Area		
	Including subsidies	Excluding subsidies	Québec Basse-ville, Vanier	Québec Des Rivières, Anc.-Lorette	Val-Bélair, St-Émile, Loretteville	Grand Beauport, Boischâtel, Île d'Orléans	Average Québec City Area	(%)	(%)
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(%)	(%)
Single-family house			1 498,00	1 692,00	1 557,00	1 586,00	<b>1 583,25</b>		
Low average cost per square foot (\$275)	2 719,00	3 427,00						71,74	116,45
High average cost per square foot (\$350)	3 626,00	4 334,00						129,02	173,74

**Calculation methods used for this price comparison:**

1. These monthly operation costs are for a typical 3-bedroom house of 1,400 square feet. The low average cost of construction is estimated at \$275 per square foot and the high average cost is estimated at \$350 per square foot. Thus, the construction costs of the examples are calculated on the amounts of \$385,000 (low average) and \$490,000 (high average), for which the following factors are taken into consideration: a) purchase grant of \$162,563, representing 76,5% of a maximum allowed amount of 212,500\$; b) a 15-year mortgage with a 6,45% interest rate (no cash down payment required); c) municipal taxes (75% subsidized, or a maximum of \$7,000 per unit for a period of 15 years); d) 50% grant for heating based on an amount of \$3,000 per year; e) electricity at an average of \$875 per year; e) home insurance at an average of \$3,000 per year; f) home repair and maintenance at an average of \$1,200 per year. Rental of the plot of land is established at \$1,00 per year for the beneficiaries, while it can be as much as \$1,500 per month for non beneficiaries; however, the latter situation does not reflect the Nunavik context and is not considered in the estimates. The estimates for Nunavik both include and exclude subsidies for municipal tax and heating to show the operation costs of a private house after the

2. Based on the average selling price of houses for each zone of the Québec City Area calculated by the Canadian Mortgage and Housing Corporation (CMHC) for the fourth quarter of 2005, which was \$139,278, the following costs were added: a) a 15-year mortgage with a 6,45% interest rate and a 5% cash down; b) CMHC premium representing 2,75% of the total mortgage; c) municipal taxes, established on an average taxation level for the Québec City Area (\$2,244 per year); d) heating and electricity costs (\$1,704 per year), home insurance (\$480 per year) and home repair and maintenance (\$480 per year) are based on Statistics Canada's Survey of Household expenses, 2004 (average for the whole Québec). The average selling price includes the building plot.

Source: Nunavik Comparative Price Index 2006