



PRESS RELEASE



Canadian Mortgage News - National Archive 2006

Multiple Starts Posted Another Strong Result in July

OTTAWA, Ontario, August 9, 2006 — The seasonally adjusted annual rate¹ of housing starts was 236,500 units in July, marginally up from June by 100 units, according to Canada Mortgage and Housing Corporation (CMHC).

“The strong results achieved this past month were attributable to the performance of the multiple starts registered in Ontario and British Columbia, which countered the results in other provinces of the country. Single detached starts continued to trend lower and reached their lowest level of the year in July,” said Bob Dugan, Chief Economist at CMHC’s Market Analysis Centre. “Strong multiple starts reflect a growing interest in relatively less expensive dwellings. Nevertheless, rising prices and slightly higher mortgage rates are expected to soften the demand for new homes in the second half of 2006.”

The seasonally adjusted annual rate of urban starts inched up 0.5 per cent to 202,100 units in July compared to June. Urban multiples increased 3.9 per cent to 112,900 units in July, while singles were down 3.5 per cent to 89,200 units.

Urban housing starts went up in two out of five regions in July compared to June. British Columbia took the lead with a 21.9 per cent jump in urban starts followed by Ontario which recorded an increase of 4.2 per cent. In the Atlantic region, the Prairie region, and Quebec, urban starts were down 2.2 per cent, 9.4 per cent, and 10.5 per cent, respectively.

Rural starts in July were estimated at a seasonally adjusted annual rate of 34,400 units.

For the first seven months of 2006, all areas’ actual starts were up 3.1 per cent compared to a year ago, which compares to 2.6 per cent growth in actual urban starts over the same period. Year-to-date actual urban multiple starts were up 4.3 per cent and urban singles were up 0.9 per cent compared to the same period in 2005.

Canada Mortgage and Housing Corporation (CMHC) has been Canada’s national housing agency for more than 60 years. CMHC is committed to helping Canadians access a wide choice of quality, affordable homes, while making vibrant, healthy communities and cities a reality across the country. For more information call 1-800-668-2642.

¹ All starts figures in this release, other than actual starts, are seasonally adjusted annual rates (SAAR) — that is, monthly figures adjusted to remove normal seasonal variation and multiplied by 12 to reflect annual levels.

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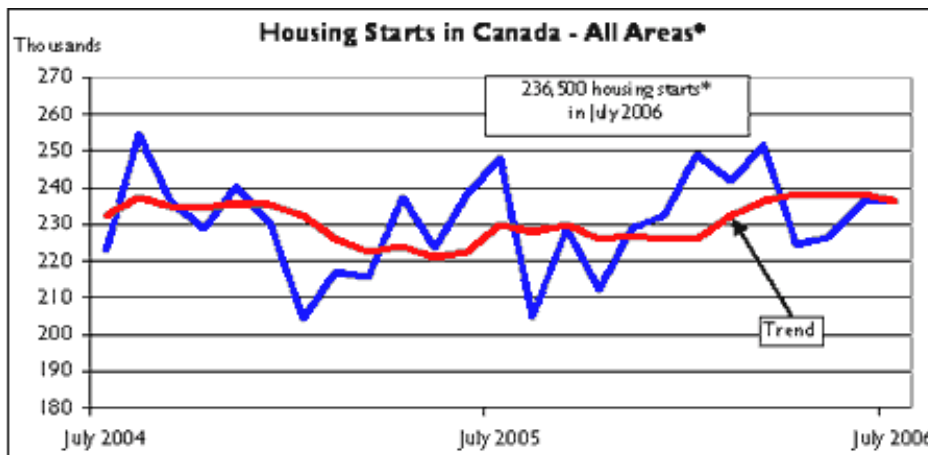
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Housing Starts, Actual and SAAR*

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	Actual		SAAR	
	July 2005	July 2006	June 2006	July 2006
	Final	Preliminary	Final	Preliminary
Canada, all areas	23,457	22,494	236,400	236,500
Canada, rural areas	3,288	3,756	35,300	34,400
Canada, urban centres**	20,169	18,738	201,100	202,100
Canada, singles, urban centres	9,167	8,817	92,400	89,200
Canada, multiples, urban centres	11,002	9,921	108,700	112,900
Atlantic region, urban centres	900	970	9,100	8,900
Quebec, urban centres	3,907	2,698	37,000	33,100
Ontario, urban centres	9,024	7,446	73,000	76,100
Prairie region, urban centres	3,433	4,141	51,000	46,200
British Columbia, urban centres	2,905	3,483	31,000	37,800

Source: CMHC

*Seasonally adjusted annual rates

** Urban centres with a population of 10,000 persons and over.

Detailed data available upon request.