



PRESS RELEASE



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Housing Starts Move Lower in September

OTTAWA, Ontario, October 10, 2006 — The seasonally adjusted annual rate¹ of housing starts was 211,300 units in September, down slightly from 216,600 units in August, according to Canada Mortgage and Housing Corporation (CMHC).

"The decline in housing starts is attributable to a decline in multiple starts, which reached their lowest level since July 2004. For a second consecutive month, single-detached starts edged higher," said Bob Dugan, Chief Economist at CMHC's Market Analysis Centre. "The lower level of housing starts in recent months is consistent with our forecast for a gradual easing in the pace of new home construction."

The seasonally adjusted annual rate of urban starts decreased 2.9 per cent to 176,900 units in September compared to the previous month. Urban multiples declined 7.0 per cent to 81,200 units in September, while singles inched up 0.8 per cent to 95,700 units.

Urban starts decreased by 10.8 per cent in Quebec and by 4.3 per cent in Ontario in September compared to August. Modest increases were recorded in British Columbia and the Prairie region where urban starts were up 1.4, and 0.5 per cent respectively. Urban starts were up 15.3 per cent in the Atlantic region.

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

For the first nine months of 2006, total actual starts in Canada increased 1.2 per cent compared to a year ago. The year-to-date increase in housing starts in Canada's urban centres was slightly lower at 0.8 per cent. Year-to-date actual urban single starts rose 2.0 per cent, while actual urban multiple starts were down 0.3 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.

¹All 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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| Prairie region, urban centres | 4,180 | 3,823 | 43,700 | 43,900 |
| British Columbia, urban centres | 3,227 | 2,716 | 29,400 | 29,800 |

Source: CMHC

*Seasonally adjusted annual rates

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

Detailed data available upon request.