



PRESS RELEASE



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Housing Starts Move Lower in July

OTTAWA, Ontario, August 09, 2007 — The seasonally adjusted annual rate of housing starts was 215,600 units in July, down from 225,300 units in June, according to Canada Mortgage and Housing Corporation (CMHC).

“Housing starts in July continued their gradual decreasing trend as both multiple and single-detached starts declined,” said Bob Dugan, Chief Economist at CMHC’s Market Analysis Centre. “The lower level of housing starts this month is consistent with our forecast of a gradual easing in the pace of new home construction in 2007 caused by rising prices and slightly higher mortgage rates.”

The seasonally adjusted annual rate of urban starts decreased 5.7 per cent to 181,800 in July, compared to June. Urban singles were down 2.7 per cent to 89,700 units in July, while multiple starts decreased 8.4 per cent to 92,100 units.

In July, seasonally adjusted urban starts decreased in four out of five regions. Urban starts registered an increase only in Ontario where they rose by 4.6 per cent. There was a decrease of 12.8 per cent in Quebec, 9.3 per cent in the Prairies, 8.1 per cent in British Columbia, and 3.8 per cent in the Atlantic region. Urban single starts were up in Ontario (2.8 per cent) and the Atlantic (6.4 per cent), while urban multiple starts declined in all regions except for Ontario, where multiple starts increased 6.9 per cent.

Rural starts were estimated at a seasonally adjusted annual rate of 33,800 units in July.

Actual starts, in rural and urban areas combined, were down an estimated 4.8 per cent in the first seven months of 2007 compared to the same period in 2006. In urban areas, actual total starts fell an estimated 6.0 per cent year-to-date with both single and multiple starts declining by 6.7 per cent and 5.2 per cent, respectively.

As Canada’s national housing agency, Canada Mortgage and Housing Corporation (CMHC) draws on over 60 years of experience to help Canadians access a variety of quality, environmentally sustainable, and affordable homes — homes that will continue to create vibrant and healthy communities and cities 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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