



PRESS RELEASE



Canadian Mortgage News - National Archive 2008

Housing Starts Down in July

OTTAWA, Ontario, August 11, 2008 — The seasonally adjusted annual rate¹ of housing starts was 186,500 units in July, down from 215,900 units in June, according to Canada Mortgage and Housing Corporation (CMHC).

“After a strong first half of the year, the volatile multiple segment is now readjusting itself.” said Brent Weimer, Senior Economist at CMHC’s Market Analysis Centre. “This brings activity since the start of the year closer in line with our 2008 forecast of more than 200,000 housing starts for the seventh consecutive year.”

The seasonally adjusted annual rate of urban starts decreased by 14.8 per cent in July compared to June. Both urban multiples and singles moved down, with a drop of 20.2 per cent for multiples to 91,600 units, and a 6.6 per cent decline for singles to 69,800 units.

The seasonally adjusted annual rate of urban starts went down in Ontario and to a lesser extent in the Prairies, where housing starts decreased by 38.8 per cent to 47,800 and by 1.6 per cent to 30,600 in July, respectively. Urban starts increased slightly by 2.2 per cent to 41,200 units in Quebec, by 2.4 per cent to 8,700 units in Atlantic Canada, and by 5.1 per cent to 33,100 units in British Columbia. While single starts decreased in all regions in July, with the exception of the Atlantic Canada where they remained unchanged, multiple urban starts only registered a decline in Ontario.

Rural starts were estimated at a seasonally adjusted annual rate of 25,100 units in July².

For the first seven months of 2008, actual starts in rural and urban areas combined were up an estimated 2.3 per cent compared to the same period last year. Year-to-date actual starts in urban areas have increased by an estimated 2.4 per cent over the same period in 2007. Actual urban single starts for the January to July period of this year were 15.5 per cent lower than they were a year earlier, while multiple starts were up by 19.0 per cent over the same period.

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.
2. CMHC estimates the level of rural starts for each of the three months of the quarter, at the beginning of each quarter. During the last month of the quarter, CMHC conducts the survey in rural areas and revises the estimate.

As Canada’s national housing agency, CMHC draws on more than 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.

Information on this release:

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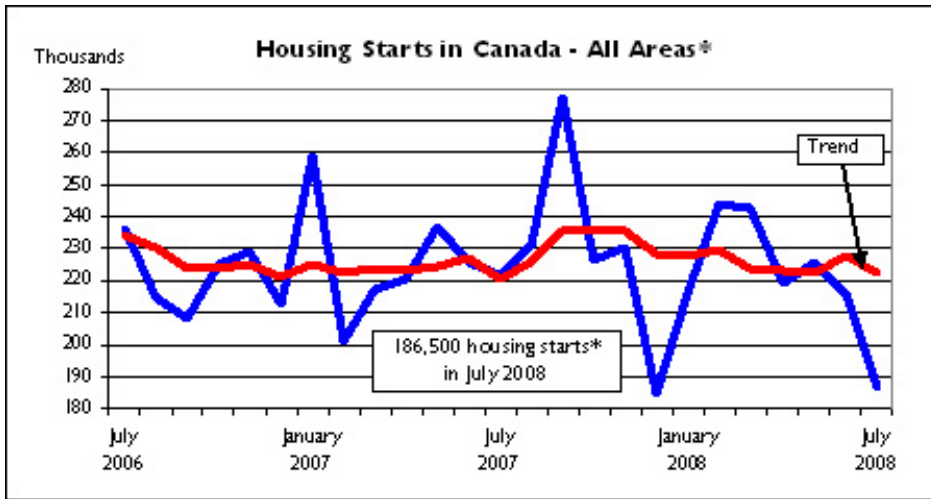
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Housing Starts, Actual and SAAR*

| | Actual | | SAAR | |
|----------------------------------|-----------|-------------|-----------|-------------|
| | July 2007 | July 2008 | June 2008 | July 2008 |
| | Final | Preliminary | Final | Preliminary |
| Canada, all areas | 21,394 | 17,217 | 215,900 | 186,500 |
| Canada, rural areas | 4,027 | 2,773 | 26,400 | 25,100 |
| Canada, urban centres** | 17,367 | 14,444 | 189,500 | 161,400 |
| Canada, singles, urban centres | 9,362 | 6,911 | 74,700 | 69,800 |
| Canada, multiples, urban centres | 8,005 | 7,533 | 114,800 | 91,600 |
| Atlantic region, urban centres | 956 | 1,000 | 8,500 | 8,700 |
| Quebec, urban centres | 3,232 | 3,122 | 40,300 | 41,200 |
| Ontario, urban centres | 6,461 | 4,911 | 78,100 | 47,800 |
| Prairie region, urban centres | 3,938 | 2,559 | 31,100 | 30,600 |
| British Columbia, urban centres | 2,780 | 2,852 | 31,500 | 33,100 |

Source: CMHC

*Seasonally adjusted annual rates

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

Detailed data available upon request.