



PRESS RELEASE



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2003 Starts Best Since 1988

OTTAWA, Ontario, January 9, 2004 — The seasonally adjusted annual rate¹ of housing starts was 217,600 in December, compared to 215,000 in November, reports Canada Mortgage and Housing Corporation (CMHC)

"Annual starts in 2003 were at their highest level since 1988, thanks to low mortgage rates, growing employment and increasing incomes," said Bob Dugan, Chief Economist at Canada Mortgage and Housing Corporation's (CMHC) Market Analysis Centre. "Total housing starts for 2003 are an estimated 217,800, representing 6.2 per cent growth over 2002."

"A better balance between listings and sales in the existing home market as well as expected rising mortgage rates will ease the pace of new home construction to just over 204,000 units in 2004."

Urban single starts decreased 2.2 per cent in December to 103,500 units, at seasonally adjusted annual rates, from 105,800 units in November. This decrease was reflected in all regions of the country from Ontario westward but Quebec and the Atlantic region had slight increases. Canada-wide, actual urban single starts for 2003 are estimated to be 2.7 per cent lower than in 2002.

The seasonally adjusted annual rate of urban multiple starts rose 5.9 per cent to 88,200 units in December, from 83,300 units in November. Most of the increases occurred in Ontario but British Columbia, the Prairies, and the Atlantic region also had gains while multiple starts fell in Quebec. Nationally, actual urban multiple starts for 2003 are estimated to have increased by 20.5 per cent over 2002 levels.

Rural starts in December were estimated at a seasonally adjusted annual rate of 25,900 units.

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