



PRESS RELEASE



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Residential Construction Rebounds in February

OTTAWA, Ontario, March 8, 2005 — The seasonally adjusted annual rate¹ of housing starts was 214,900 in February, up 5.3 per cent from 204,000 in January, according to Canada Mortgage and Housing Corporation (CMHC).

"Housing starts rebounded in February back to levels more consistent with our outlook for the year," said Bob Dugan, Chief Economist at CMHC's Market Analysis Centre. "Strong growth in domestic demand, healthy levels of immigration and low mortgage rates continue to fuel the activity in the new home market."

The seasonally adjusted annual rate of urban starts rose 6.2 per cent to 186,500 units, with the entire increase coming from multiples. Multiple starts climbed 16.2 per cent in February to 94,600 while single starts declined 2.4 per cent to 91,900 on a seasonally adjusted annual basis.

In February, the seasonally adjusted annual rate of urban starts increased in four of the five regions across Canada compared to the previous month. The largest increases were in the Prairies and British Columbia, where starts in February rose 13.4 per cent and 12.2 per cent respectively. Starts in February also increased compared to January in the Atlantic region (8.4 per cent) and in Ontario (5.5 per cent), but fell 1.8 per cent in Quebec.

Rural starts in February were estimated at a seasonally adjusted annual rate of 28,400 units.

For the first two months of 2005, actual urban starts were 3.4 per cent lower than in the same period of 2004. Year to date single starts fell 7.9 per cent, and multiple starts eased 0.8 per cent.

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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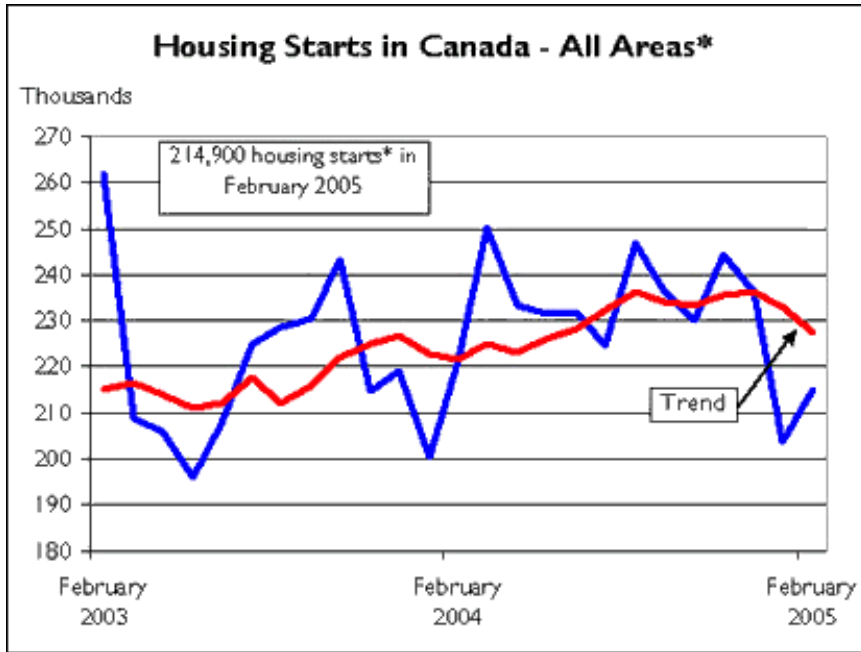
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Housing Starts, Actual and SAAR*				
	January 2005 Final		February 2005 Preliminary	
	Actual	SAAR	Actual	SAAR
Canada, all areas	10,660	204,000	11,907	214,900
Canada, rural areas	1,027	28,400	1,110	28,400
Canada, urban centres**	9,633	175,600	10,797	186,500
Canada, singles, urban centres	4,582	94,200	4,885	91,900
Canada, multiples, urban centres	5,051	81,400	5,912	94,600

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Atlantic region, urban centres	310	8,300	238	9,000
Quebec, urban centres	2,239	44,300	2,404	43,500
Ontario, urban centres	3,170	65,300	3,750	68,900
Prairie region, urban centres	2,005	31,400	2,389	35,600
British Columbia, urban centres	1,909	26,300	2,016	29,500

Source: CMHC

*Seasonally adjusted annual rates

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

Detailed data available upon request.