



## PRESS RELEASE



*Canadian Mortgage News - National Archive 2005*

### Housing Starts Up Sharply

**OTTAWA, Ontario, October 11, 2005** — The seasonally adjusted annual rate<sup>1</sup> of housing starts was 230,500 units in September, up from 206,200 units in August, according to Canada Mortgage and Housing Corporation (CMHC).

"Housing starts across Canada remain strong and are on track with our expectations for the year," said Bob Dugan, Chief Economist at CMHC's Market Analysis Centre. "Low mortgage rates and increasing full-time employment in recent years are continuing to fuel high levels of housing starts in 2005."

The seasonally adjusted annual rate of urban starts rose 13.8 per cent to 199,800 units in September, due to strong increases in both multiple and single starts. Multiple starts rose 17.8 per cent to 103,400 units, while single starts were up 9.9 per cent to 96,400 units in September compared to August. The stronger performance of multiple starts compared to single starts is the result of rising house prices which can shift demand toward less expensive multi-family homes. Multiple starts are poised to outnumber single starts in 2005 for the first time since 1982.

Urban housing starts were up across all regions except for the Atlantic in September. Housing starts were up 19.8 per cent to 45,400 units in the Prairies, 17.9 per cent to 45,400 units in Quebec, 12.7 per cent to 65,500 units in Ontario, and 11.4 per cent to 35,100 units in British Columbia. In the Atlantic region, the seasonally adjusted annual rate of urban starts fell 11.6 per cent to 8,400 units.

Rural starts in September were estimated at a seasonally adjusted annual rate of 30,700 units.

For the first nine months of 2005, actual urban starts were 4.7 per cent lower than in the same period in 2004. Year-to-date single starts decreased 10.1 per cent, while multiple starts increased 1.1 per cent compared to the same period last year.

*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.*

#### **Information on this release:**

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#### **For regional starts information contact:**

#### **Atlantic provinces:**



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<b>Canada, all areas</b>	18,692	206,200	20,613	230,500
Canada, rural areas	2,924	30,700	2,917	30,700
Canada, urban centres**	15,768	175,500	17,696	199,800
Canada, singles, urban centres	7,759	87,700	8,640	96,400
Canada, multiples, urban centres	8,009	87,800	9,056	103,400
Atlantic region, urban centres	971	9,500	707	8,400
Quebec, urban centres	2,832	38,500	3,822	45,400
Ontario, urban centres	5,735	58,100	5,759	65,500
Prairie region, urban centres	3,564	37,900	4,178	45,400
British Columbia, urban centres	2,666	31,500	3,230	35,100

Source: CMHC

\*Seasonally adjusted annual rates

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

Detailed data available upon request.